

A Report by a Panel of the

**NATIONAL ACADEMY OF
PUBLIC ADMINISTRATION**

Office of National Drug Control Policy

2008

**BUILDING THE CAPACITY TO
ADDRESS THE NATION'S
DRUG PROBLEMS**

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The views expressed in this report are those of the Panel. They do not necessarily reflect the views of the Academy as an institution.

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FOREWORD

Since the term “war on drugs” was first coined more than 35 years ago, few matters of national policy have engendered as much controversy regarding strategy and approach. Nor have they required such a broad operational platform across federal, state and local programs and law enforcement agencies. Literally thousands of public and private organizations play important parts in the complex effort to reduce illicit drug use, minimize its negative consequences, and keep these dangerous drugs out of the country and off of America’s streets. Developing and coordinating the implementation of an effective strategy to accomplish these goals is the monumental task facing the Office of National Drug Control Policy (ONDCP).

To assist ONDCP in improving its ability to accomplish this critical mission, Congress asked the National Academy to conduct a comprehensive assessment of ONDCP’s management, structure and human capital. The independent National Academy Panel that was formed to carry out this project sought input from experts in drug research, prevention, treatment, data collection, community outreach, and law enforcement. More than 135 individuals, including ONDCP’s leadership and staff, partner drug agency representatives, stakeholders, and grantees, were consulted during the course of the study.

Central to the Panel’s recommendations is that ONDCP develop a comprehensive, multi-year approach to strategic planning. The Panel also identified opportunities for ONDCP to streamline its organization; decentralize its management processes; and improve its human capital policies and practices. In addition, the Panel recommended that Congress revise ONDCP’s federal drug control budget responsibilities to reflect its policy and coordination focus and maximize its impact.

The Academy extends its appreciation to the members of the Panel for their excellent and diligent work. We also thank ONDCP’s leadership, the Executive Office of the President, and representatives of stakeholder groups for facilitating access to critical information and contributing their insights, and express our appreciation to the management and staff of ONDCP and its partner drug agencies who participated in the study and generously contributed their time, expertise, and perspectives. Finally, the members of the study team deserve an acknowledgement of their significant contributions to this important project.

A handwritten signature in dark ink, reading "Jennifer Dorn". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jennifer L. Dorn
President and Chief Executive Officer

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ACRONYMS

Academy	National Academy of Public Administration
ADAM	Arrestee Drug Abuse Monitoring
BOP	Bureau of Prisons
CMS	Centers for Medicare & Medicaid Services
COS	Chief of Staff
CTAC	Counterdrug Technology Assessment Center
DAWN	SAMHSA's Drug Abuse Warning Network
DFC	Drug-Free Communities
DOD	Department of Defense
ED	Department of Education
EOP	Executive Office of the President
ERB	Executive Resources Board
EX	Executive Level
FBI	Federal Bureau of Investigation
FTA	Federal Transit Administration
FTE	Full Time Equivalent
FY	Fiscal Year
GAO	Government Accountability Office
GPRA	Government Performance and Results Act
GS	General Schedule
HCPCS	Healthcare Common Procedure Coding System
HHS	United States Department of Health and Human Services
HIDTA	High Intensity Drug Trafficking Areas Program
HR	Human Resources
IG	Inspector General
MTF	Monitoring the Future
NDCP	National Drug Control Program Agencies
NDIC	National Drug Intelligence Agency
NIDA	National Institute on Drug Abuse
NSDUH	National Survey on Drug Use and Health
ODR	Office of Demand Reduction
OLA	Office of Legislative Affairs
OLC	Office of Legal Counsel
OMA	Office of Management and Administration
OMB	Office of Management and Budget
ONDCP	Office of National Drug Control Policy
OPB	Office of Performance and Budget
OPM	Office of Personnel Management
OSLTA	Office of State, Local, and Tribal Affairs

OSR	Office of Supply Reduction
OSTP	Office of Science and Technology Policy
PART	Program Assessment Rating Tool
PAS	Presidential Appointee Confirmed by the United States Senate
PME	Performance Measures of Effectiveness
PRB	Performance Review Board
PwC	PricewaterhouseCoopers
S&E	Salaries and Expenses
SAMHSA	Substance Abuse and Mental Health Services Administration
SDFS	Safe and Drug-Free Schools
SES	Senior Executive Service
SL	Senior Level
SPO	Senior Performance Official
TEDS	Treatment Episode Data Set
The Strategy	The National Drug Control Strategy
USTR	Office of the United States Trade Representative
VA	United States Department of Veterans Affairs

EXECUTIVE SUMMARY

The Office of National Drug Control Policy (ONDCP) was established by the Anti-Drug Abuse Act of 1988 and has been reauthorized numerous times over the years by Congress.¹ It is a component of the Executive Office of the President (EOP) and currently has 106 employees.²

ONDCP is charged with responsibility to shape the nation's drug policy goals established by Congress and the Administration through such activities as:

- Formulating national drug control policy;
- Overseeing and coordinating implementation of the National Drug Control Strategy (Strategy) by federal agencies and coordinating these activities with state and local governments;
- Reviewing and certifying agency drug budgets;
- Assessing intelligence to identify domestic and international drug threats;
- Assessing counterdrug technical needs and funding research and development in these areas;
- Educating the public and attempting to reduce drug use through such programs as the National Youth Anti-Drug Media Campaign and the Drug Free Communities Program; and
- Working with state and local law enforcement to dismantle drug trafficking through its High Intensity Drug Trafficking Area (HIDTA) program.

When ONDCP was initially established, the national counterdrug effort was frequently referred to as “the war on drugs.” Consistent with that perspective, the initial Strategy in 1989 characterized drug abuse as a moral issue, and prominent roles were established for the Department of Defense and law enforcement in the areas of interdiction and eradication.³ Today, however, ONDCP characterizes the drug problem as a public health issue—a preventable and treatable disease thought to be spread through emulation of peer behavior—with primary exposure and initiation occurring between the ages of 12 and 20.⁴

The position of Director of ONDCP, elevated to cabinet-level status in 1993, is often referred to as the “Drug Czar” due to the incumbent's ability to serve as a critical linchpin in the nation's law enforcement and public health arsenal. Now, at almost 20 years old, ONDCP finds itself at

¹ONDCP was initially authorized for five years, and subsequently reauthorized in 1994, 1998, and 2006. The current authorization expires in 2010. During periods without an authorization, ONDCP activities were carried out under authority provided in its appropriation acts.

² This data is as of March 15, 2008.

³ G. Hawkins and F.E. Zimring. “What Kind of Drug War?” National Criminal Justice Reference Service 18, no. 4 (1991): <http://www.ncjrs.gov/App/Publications/abstract.aspx?ID=136347>, September 2008.

⁴ Office of National Drug Control Policy. FY 2007 Performance Summary Report. (Washington, D.C.: Office of National Drug Control Policy, July 2008) p. 2.

an important juncture as a new Administration takes office in January 2009. Like all federal organizations, it is accountable to the President, to Congress, and to the American public for its use of federal resources—over \$14 billion projected to be spent across the federal government on drug control, prevention, and treatment efforts in FY 2009, with \$26 million projected to fund ONDCP’s operations. It is responsible for communicating to the public on the efforts being undertaken to combat drug abuse and their consequences, explaining the challenges the nation faces in this area, demonstrating achieved outcomes, and establishing short and long-term strategic drug policy plans based upon a continuing threat reassessment.

Against this backdrop, the FY 2008 Consolidated Appropriations Act authorized this study by an independent Panel of the National Academy of Public Administration (the Academy) to gain “insights into changes and improvements that could make ONDCP more effective in the future.”⁵ The Act specifically cited a 2000 Government Accountability Office (GAO)-commissioned study of ONDCP and requested that the study determine whether internal management issues identified in that review continue to exist. In consultation with ONDCP, the Panel determined that the review should focus on the following areas:

- Structure, organization, and management of ONDCP;
- Resource management, planning, and budgeting;
- Hiring, recruitment, and utilization of personnel; and
- Policy development, coordination, and implementation.

The Panel determined in the course of the study that the following areas merited more detailed treatment:

- National Drug Control Strategy, budget, and ONDCP funding;
- ONDCP statutory requirements;
- ONDCP workforce; and
- ONDCP goals and performance measures.

Over the past eight months, the Panel has conducted extensive research and analysis; an in-depth review of ONDCP’s governance structure, statutory requirements, budget, policies, and procedures; more than 135 interviews with ONDCP staff, National Drug Control Program agency representatives, and stakeholders; effective practice comparisons; and workforce analysis.

⁵ Consolidated Appropriations Act, 2008, Public Law 110-161, 110th Cong., 1st. Sess. (December 26, 2007).

OVERVIEW OF THE PANEL’S FINDINGS AND RECOMMENDATIONS

Throughout this study, the Panel gathered substantial information from ONDCP and its stakeholders, balancing competing interests and tailoring its five recommendations to ONDCP’s particular challenges across each of its five main areas of work.⁶

Underlying all of its recommendations is the Panel’s belief that ONDCP’s adoption of a comprehensive approach to multi-year strategic planning, informed by the best data, will help the organization to accomplish its mission. Without such a well-coordinated, well-substantiated vision in place, it is impossible to build supportive relationships around common, articulated goals. The Panel also believes that Congress and ONDCP must take a fresh look at the organization’s approach to budget processes, particularly by increasing transparency and focusing on aspects with the most added value. With simplified, more efficient tools, ONDCP will be in an enhanced position to ensure its priorities receive the necessary support and funding across the federal government. Finally, based on an assessment of ONDCP’s organizational health, the Panel recommends that ONDCP streamline its structure; rebalance its workforce; and reexamine its human capital policies and practices.

In the aggregate, the Panel’s recommendations embody principles, tools, and processes that will maximize ONDCP’s effectiveness under any Administration and any Director, regardless of party or philosophy. If Congress and ONDCP implement these recommendations, ONDCP’s ability to marshal resources to meet the nation’s drug control policy goals will be enhanced, along with its internal organizational and overall mission effectiveness.

The Panel’s findings and recommendations are reproduced and explained below. For each recommendation, the Panel also has supporting action items for ONDCP and other stakeholders. These action items are discussed in full in Chapter VI and are included in the recommendations chart that follows this Executive Summary.

THE NATIONAL DRUG CONTROL STRATEGY

Recommendation 1: Develop A Comprehensive, Multi-Year National Drug Control Strategy Informed by a Variety of Data.

In its review of ONDCP’s National Drug Control Strategies since 1999, the Panel found them to be inconsistent, heavily reliant on data from a single survey, and to be focused more on program success than comprehensively assessing the short- and long-term status of the drug problem. The Panel’s analysis shows that many of the Strategies, especially those produced before requirements from the 2006 Reauthorization Act came into force, were narrowly focused documents concentrating primarily on youth and marijuana and without the long-term strategic perspectives in support of national imperatives. Such an approach to Strategy neither addresses

⁶ As discussed in detail in Chapter I, the Panel characterizes these as (1) national drug policy and budget formulation; (2) national drug policy coordination, oversight, and communications; (3) research, development, and data collection/dissemination; (4) program operations; and (5) administrative infrastructure.

the depth and breadth of illicit drug use and its consequences nor lays the fundamental basis for making enduring national resource commitments. ONDCP has begun to develop a more comprehensive Strategy in response to Congressional direction; however, the Panel believes that ONDCP can do more in this regard and proposes some specific ways in which ONDCP can build upon these initial steps toward a more comprehensive Strategy.

Therefore, the Panel recommends that ONDCP develop a comprehensive multi-year National Drug Control Strategy, informed by high-quality and diverse datasets, covering all age groups, illicit drugs, and regions of the nation.

Most federal strategic plans cover multiple years because they are future-oriented documents establishing a comprehensive direction and accompanying actions that cannot realistically be implemented in just one year's time. As a first step, ONDCP could jump-start its shift to a long-range perspective and increase transparency by re-establishing key advisory boards to provide ONDCP leadership with increased access to the full range of the nation's drug expertise.

EXTERNAL RELATIONSHIPS

Recommendation 2: Build a Collaborative and Consultative Culture.

Healthy relationships with stakeholders are critical to ONDCP given its significant responsibility in the areas of policy coordination, oversight, and communications. Clearly, ONDCP cannot build a productive relationship on its own—all stakeholders bear responsibility for working together in a collaborative manner to produce a beneficial outcome for the nation in this critical policy area. ONDCP does, however, have the responsibility to take the initiative in working to build an environment conducive to collaboration and consultation.

The Panel is particularly concerned that the relationship between ONDCP and Congress has deteriorated over the last seven years, resulting in an “us-versus-them” environment in which neither party's interests are served well. Although ONDCP's relationship with partner drug agencies is not as strained as its relationship with some committees in Congress, the Panel's survey of these agencies shows that opportunities to improve collaboration and coordination remain, especially at the departmental level. Finally, the Panel sees an opportunity for ONDCP to expand its outreach efforts to non-federal stakeholders in order to build nation-wide capacity to address drug challenges.

Therefore, the Panel recommends that ONDCP work to create a more collaborative and consultative environment to increase its effectiveness in its relationships with Congress, the National Drug Control Program agencies, and other stakeholders throughout the nation.

The Panel's proposed action items are designed to rebuild the relationships so critical to advancing the national drug control mission.

BUDGET

Recommendation 3: Develop a Comprehensive National Drug Control Budget Summary and Modify Oversight Processes.

Just as ONDCP should develop a comprehensive Strategy to address all aspects of the drug problem, a comprehensive drug budget summary is important to ensure that policymakers and the public have a full understanding of the investments being made in this area. In FY 2004 ONDCP restructured its long-established Budget Summary, eliminating over 30 national drug control agencies and programs totaling over \$7 billion in federal expenditures. From the Panel's standpoint, this more limited Budget Summary does not adequately inform the public or policymakers about federal drug control expenditures.

The Panel found that the budget review, certification, and accounting processes, as defined by statute and implemented by ONDCP, add little demonstrated value. The Panel, nonetheless, appreciates the Director's support for these budgetary tools in delivering the President's agenda. While not disputing that ONDCP should have an opportunity to influence the budgets of high-priority Administration programs, the Panel believes that a more effective mechanism could be established in which ONDCP and OMB jointly communicate annual funding priorities to the agencies based on a multi-year strategic plan. In this revised process, ONDCP would continue to work with OMB to ensure that agencies include, in the President's Budget, funding for the Administration's drug program priorities. The Panel also found that ONDCP's current accounting and performance measure efforts parallel existing OMB and annual audit processes, adding little independent value.

Therefore, the Panel recommends that ONDCP develop a comprehensive National Drug Budget Summary informed by a multi-year strategy, that incorporates the total estimated federal expenditures for all supply reduction; demand reduction; state, local, and tribal affairs activities; and other federal activities related to drug control. The Panel further recommends that Congress modify ONDCP's oversight responsibilities relative to individual agency drug budgets.

ORGANIZATION AND HUMAN CAPITAL

Recommendation 4: Streamline the Organization and Rebalance the Workforce.

ONDCP's human capital resources and the way in which they are organized and managed determine its capacity to accomplish its strategic goals. The Panel found ONDCP's current structure to be less than optimally aligned for the work to be done, highly compartmentalized, and out of balance, with an over-abundance of supervisors, managers, and political appointees. Continuity of effective operations at ONDCP is a concern during the upcoming Presidential transition because the nearly 25 percent of the workforce in untenured political appointments will likely all leave by January 20, 2009, yet ONDCP's statutory requirements are not anticipated to change.

ONDCP's organizational structure has developed in a piecemeal fashion over the past 20 years. The current fragmented structure has many small units not aligned with their associated major mission program. This over-compartmentalizes the organization's functions, weakens its focus, and impedes performance. Rather than relying on ONDCP's five Presidential appointees to manage related functions, the current structure divides rather than unifies the mission elements. ONDCP's workforce is also out of balance in its heavy reliance on its 20 Schedule C political employees and its over-investment in supervisory and managerial employees, who constitute over a third of the workforce. This staffing pattern has resulted in an organization and workforce that are out of balance and may not be fully reflective of the human resources needed to perform the jobs desired. Further complicating the development of an agile and responsive planning process, ONDCP manages its workforce in a highly centralized manner, with an uneven allocation of internal management responsibilities.

Therefore, the Panel recommends that ONDCP streamline its organizational structure by consolidating and aligning sub-units under their corresponding mission program, as well as rebalance its workforce.

Recommendation 5: Implement Effective Human Capital Policies and Practices.

In its review, the Panel found that ONDCP's human capital governance structure, policies, and practices lack full transparency and reflect the considerable involvement of political employees in career personnel processes and decision-making. For example, the Panel noted that Schedule C employees served on the preponderance of recent rating and interviewing panels for career hires and that ONDCP's intern application includes political affiliation questions. Likewise, ONDCP has not adopted effective human capital practices in such areas as competency assessment, succession planning, incentive awards, and employee engagement.

Therefore, the Panel recommends that ONDCP leadership establish less centralized and more transparent human capital management policies and practices. In addition, ONDCP should examine its policies and practices to avoid even the appearance of unfairness, undue political influence, or bias. The Panel also recommends that ONDCP make structural improvements to its awards program and increase employee engagement to improve retention and organizational health.

CONCLUSION

As ONDCP approaches its 20th anniversary, the Panel believes the organization has the opportunity to enhance its credibility and effectiveness, increase transparency, streamline its organization, bolster its workforce management, and improve and leverage relationships. Seizing this opportunity has great potential for the nation's public health. When Congress enacted legislation in 1988 to create ONDCP, it envisioned policy and coordinating potential that could harness the significant resources dedicated to address this multi-dimensional public health

and law enforcement issue. The Panel believes that, as a mature organization, ONDCP must adapt to changing threats and enhance its ability and readiness to realize its full potential.

The Panel's recommendations are rooted in its commitment to good government and to helping the nation combat drug abuse and its consequences. The Panel believes that ONDCP's timely implementation of these recommendations will help ONDCP increase organizational and mission effectiveness. In the process, ONDCP and the nation will benefit from its enhanced capacity to marshal the nation's resources to accomplish this important mission.

**ONDCP MANAGEMENT STUDY
RECOMMENDATIONS OVERVIEW**

RECOMMENDATION	ACTION ITEMS
DEVELOP A COMPREHENSIVE, MULTI-YEAR NATIONAL DRUG CONTROL STRATEGY INFORMED BY A VARIETY OF DATA.	
NATIONAL DRUG CONTROL STRATEGY	<p data-bbox="326 552 686 913"><i>RECOMMENDATION 1:</i> The Panel recommends that ONDCP develop a comprehensive multi-year National Drug Control Strategy, informed by high-quality and diverse datasets, covering all age groups, illicit drugs, and regions of the nation.</p> <ul data-bbox="751 552 1490 1629" style="list-style-type: none"> • Bring to bear the full range of the nation’s drug control expertise to increase the nation’s efficiency and effectiveness in identifying and solving the critical problems associated with drug abuse and its consequences; • Build an internal culture that values critical inquiry, open debate, and pragmatic decision-making; • Engage academia and the workforce in developing a more creative and robust understanding of the drug problem and drug threats; • Establish a working group of subject matter experts to advise ONDCP senior leadership on international, national, and regional/local drug issues; • Reinforce staffing for statistical analysis to compare and contrast relevant data sources and become the federal focal point for examination of the full range of drug-related data; • Consider holding an annual conference to address issues raised by disparate data and perspectives; • Ensure systems are in place at all levels (ONDCP, partner drug agencies, and non-federal entities) to revise priorities based on changing conditions; • Include in the Strategy the roles and responsibilities of ONDCP and each of the National Drug Control Program agencies and programs; and • Establish and articulate realistic, time-defined goals and objectives within each aspect of Prevention, Treatment and Market Disruption for ONDCP, federal partner agencies, and non-federal entities.

RECOMMENDATION	ACTION ITEMS
BUILD A COLLABORATIVE AND CONSULTATIVE CULTURE.	
EXTERNAL RELATIONSHIPS	<p data-bbox="326 331 678 800">RECOMMENDATION 2: The Panel recommends that ONDCP work to create a more collaborative and consultative environment to increase its effectiveness in its relationships with Congress, the National Drug Control Program agencies, and stakeholders.</p> <p data-bbox="727 331 1276 365"><i>With respect to Congress, ONDCP should:</i></p> <ul data-bbox="751 411 1487 1031" style="list-style-type: none"> • Comply with statutory requirements, or work with the Congressional committees to discuss and resolve disagreements regarding the impact and appropriateness of such requirements. • Consider Congressional intent in responding to report requirements by providing responsive, comprehensive data, and materials. • Provide information to Congress in a timely manner, both in response to its reporting requirements and in any requested follow-up to specific reports. If ONDCP cannot respond, it should let Congress know and explain why. • Schedule regular meetings between the Office of Legislative Affairs and staff members of the Appropriations and Authorizing Committees to improve communication and establish a more cooperative relationship. <p data-bbox="727 1073 1479 1251">The Panel also urges Congress to establish fewer and less burdensome requirements and to hold hearings on ONDCP budget issues and critical policy topics to foster dialogue and improve public access to timely information concerning ONDCP’s policies, programs, and priorities.</p>

RECOMMENDATION	ACTION ITEMS
BUILD A COLLABORATIVE AND CONSULTATIVE CULTURE.	
EXTERNAL RELATIONSHIPS	<p data-bbox="699 348 1382 380"><i>With respect to the NDCP agencies, ONDCP should:</i></p> <ul data-bbox="748 426 1442 1304" style="list-style-type: none"> <li data-bbox="748 426 1442 747">• Increase the NDCP agencies’ ability to have meaningful input into the substance of the Strategy by establishing a more formal collaborative process that allows both departmental and bureau officials to be involved at all stages of the development process—such actions would increase the impact of the Strategy on the agencies’ drug control policies and programs; <li data-bbox="748 758 1442 898">• More actively engage with NDCP bureaus and, particularly, departments, as they develop their drug control policies and collect appropriate data tied to their Strategy responsibilities; <li data-bbox="748 909 1442 1083">• Use Working/Coordinating Committees to expand its outreach capabilities by increasing membership in existing committees and/or creating a limited number of needed additional committees in specific areas; and <li data-bbox="748 1094 1442 1304">• Institute a regular feedback mechanism, i.e., a survey and/or a series of focus groups, with NDCP agencies and stakeholders to receive their input on how to enhance existing collaborative efforts, improve the current level of communication, and maximize impact.

RECOMMENDATION	ACTION ITEMS
DEVELOP A COMPREHENSIVE NATIONAL DRUG CONTROL BUDGET SUMMARY AND MODIFY BUDGET OVERSIGHT PROCESSES.	
BUDGET	<p data-bbox="326 380 691 1178"><i>RECOMMENDATION 3:</i> The Panel recommends that ONDCP develop a comprehensive National Drug Budget Summary, informed by a multi-year Strategy, that incorporates the total estimated federal expenditures for all supply reduction; demand reduction; state, local, and tribal affairs activities; and other federal activities related to drug control. The Panel further recommends that Congress modify ONDCP’s oversight responsibilities relative to individual agency drug budgets.</p> <ul data-bbox="751 422 1451 1230" style="list-style-type: none"> • No longer review and certify departmental/bureau budgets—a process that involves ONDCP in internal budget deliberations over which it has limited influence and through which it adds little value. • Submit funding guidance through OMB for all NDCP programs. OMB would then transmit this funding guidance to the affected departments in time for it to be incorporated into their budget formulation. • Continue to coordinate with OMB during the budget review process to ensure that its funding priorities are being considered. • Participate in the OMB Director’s Review that occurs before a revised budget pass-back is submitted to the agencies. • No longer require annual accounting reports and corresponding Inspectors General attestations from drug control agencies. • No longer require performance reports and corresponding Inspectors General attestations from drug control agencies.

RECOMMENDATION	ACTION ITEMS
STREAMLINE THE ORGANIZATION AND REBALANCE THE WORKFORCE	
ORGANIZATIONAL STRUCTURE AND HUMAN CAPITAL	<p data-bbox="326 348 691 709"><i>RECOMMENDATION 4:</i> The Panel recommends that ONDCP streamline its organizational structure by consolidating and aligning sub-units under their corresponding mission program, as well as rebalance its workforce.</p> <ul data-bbox="751 348 1455 1612" style="list-style-type: none"> • Rebalance the workforce, primarily by reducing the representation of Schedule C political employees and the number of supervisors; • Develop a succession management plan to ensure sufficiency of career expertise required for continuity of effective operations, particularly during periods of political transition, including appropriate delegations of authority to the five Presidential appointees as well as to career executives; • Not fill vacated supervisory positions, except with the reassignment of existing supervisors or on an acting basis; • Explore the possibility of converting some non-supervisory SES slots to Senior Technical or Senior Level positions to reflect more accurately their limited responsibility for internal management; • Establish a more balanced allocation of internal management responsibilities consistent with the structural recommendation above; • Benchmark ONDCP staffing levels and patterns against comparable EOP aggregate data; • Review the workforce allocation across the five mission areas, especially that portion allocated to the administrative infrastructure function; • Work with EOP’s Office of Administration to ensure that maximum use is being made of its support services and that no duplicative administrative work is being done by ONDCP; and • Use a more formal competency analysis to determine workforce gaps and excesses and use that analysis to inform recruitment, attrition, and succession planning.

RECOMMENDATION	ACTION ITEMS
IMPLEMENT EFFECTIVE HUMAN CAPITAL PRACTICES	
ORGANIZATIONAL STRUCTURE AND HUMAN CAPITAL	<p data-bbox="326 348 673 491">RECOMMENDATION 5: Implement effective human capital policies and practices.</p> <p data-bbox="716 348 1226 420"><i>With regard to the broad aspects of this recommendation, ONDCP should:</i></p> <ul data-bbox="751 464 1437 1608" style="list-style-type: none"> • Brief all new political appointees on merit system principles and prohibited personnel practices as part of the official orientation process; • Develop written administrative policies and procedures regarding the recruitment and promotion processes and distribute them broadly within ONDCP; • Ensure that only merit-based criteria are used in the selection and advancement of career employees; • Exclude political staff from General Schedule rating and interviewing panels; • Ensure no political affiliation questions are included in the ONDCP student intern application; • Create terms of office for Executive Resource Board members, Performance Review Board members, and Senior Performance Officials, who currently serve in these positions at the will of the Director; • Utilize Schedule C employees only in their positions of record and only as direct reports to other political appointees; • Delegate to career SES managers elements of the decision-making authority currently exercised by the Chief of Staff and Director for human resource issues, such as hiring, awards, and promotions; and • Use senior career managers to chair advisory/review boards, such as the Quality Step Increase Review Board.

RECOMMENDATION	ACTION ITEMS
IMPLEMENT EFFECTIVE HUMAN CAPITAL PRACTICES	
ORGANIZATIONAL STRUCTURE AND HUMAN CAPITAL	<p data-bbox="326 310 690 600">The Panel recommends that ONDCP make structural improvements to its awards program to increase transparency and encourage employee perceptions of equity, fairness, and integrity.</p> <p data-bbox="716 310 1398 380">In implementing this portion of the recommendation, ONDCP should:</p> <ul data-bbox="751 426 1442 1083" style="list-style-type: none"> • Develop and use standard ONDCP award nomination forms, including standardized formats for Quality Step Increase, Special Act, and SES bonus nominations; • Develop and use a recognition guide with appropriate dollar ranges for Special Act employee contributions; • Provide additional guidance to rating officials as to appropriate dollar ranges or percentage increases for the various performance ratings, and establish boundaries for each level of performance to enhance ONDCP consistency and employee perceptions of process equity and fairness; and • Make additional use of career-led advisory/review boards to ensure broader input into decision-making, increase buy-in, transparency, and cross-organizational consistency.
	<p data-bbox="326 1165 662 1346">The Panel recommends that ONDCP increase employee engagement to improve retention and organizational health.</p> <p data-bbox="716 1165 1398 1234">In implementing this portion of the recommendation, ONDCP should:</p> <ul data-bbox="751 1276 1425 1570" style="list-style-type: none"> • Regularly conduct its own human capital survey, or participate in the one conducted annually by OPM; • Establish a formal exit interview process, and mine the data to better understand and reduce attrition; and • Revise SES performance plans to emphasize and reward contributions to workforce diversity.

CHAPTER I INTRODUCTION

BASIS FOR THE STUDY

The Office of National Drug Control Policy (ONDCP) was established in 1988 to provide leadership and coordination to the national effort to reduce illicit drug use, manufacturing, trafficking, drug-related crime and violence, and drug-related health consequences. In the FY 2008 Consolidated Appropriations Act,⁷ Congress directed the National Academy of Public Administration (Academy) to conduct an independent study and analysis of ONDCP's organization and management.⁸ From the Congressional perspective, the purpose of the study is to provide “insights into changes and improvements that could make ONDCP more effective in the future.”⁹

In response to the Congressional direction, ONDCP contracted with the Academy to conduct an independent study of the following aspects of ONDCP:

- Structure, Organization, and Management;
- Resource Management, Planning, and Budgeting;
- Hiring, Recruitment, and Utilization of Personnel; and
- Policy Development, Coordination, and Implementation.

The Academy Panel that conducted this study and that is responsible for this report is comprised of six members with diverse backgrounds in fields such as public health, social policy, law enforcement, public management, budget, and policy analysis. (See Appendix A for brief biographies of the Panel members and staff and Appendix B for a list of individuals contacted or interviewed for this study.)

⁷ Consolidated Appropriations Act, 2008, Public Law 110-161, 110th Cong., 2nd. Sess. (January 4, 2008).

⁸ See also, Report of the Senate Appropriations Committee, *Financial Services and General Government Appropriation Bill, 2008*, S.Rep. 110-129, at 41, July 13, 2007. The Senate Report also referred to an independent review commissioned by the General Accounting Office seven years earlier that “found weaknesses in ONDCP organization and management” that the Committee believed “persist today.” See GAO/GGD-00-170R, PricewaterhouseCoopers’ *Management Review of the Office of National Drug Control Policy* (PwC Study), June 26, 2000. In summary, the PwC study found: (1) efficient, effective, and results-oriented performance of ONDCP’s statutory and regulatory responsibilities; but also, (2) internal operational inefficiency; (3) human resources not optimized toward accomplishing mission objectives; (4) increased workload due to new program requirements; (5) inability to maintain a knowledge base because of staff attrition; (6) a low to medium risk of non-adherence to sound and prudent internal financial controls; and (7) a potential internal control risk arising from inadequate matching of increased responsibilities and infrastructure. At the time, ONDCP took issue regarding the conduct, accuracy, depth, and conclusions of the PwC study. This Academy Panel report takes into account historical data from the PwC report, but does not use the PwC report as the basis for any judgments.

⁹ Senate Committee on Appropriations, *The Financial Services and General Government Appropriation Bill of 2008*, 110th Cong., 1st sess., 2007, S.Rep. 110-129, 41.

Within the broad areas of the contract, ONDCP officials requested that the Panel assess the following topics during its review: (1) human capital management, including workforce utilization and diversity; (2) the data it should collect in support of the National Drug Control Strategy and its internal data management system requirements; (3) stakeholder relationships with drug control agencies, Congress, and others; and (4) strategies for communicating with stakeholders and the public.

The study was conducted in two phases. During Phase I, the Panel conducted an initial assessment of ONDCP's organizational and human capital governance structure, mission, budget, and workforce. In June 2008, the Panel shared the results of this review with ONDCP in its *Phase I General Management Assessment* and decided to devote particular attention to the National Drug Control Strategy, budget, and ONDCP funding; ONDCP legal requirements; ONDCP workforce; and drug control performance measures.

This Panel report is based upon research and analysis that was conducted in both Phases I and II. It includes practical findings and recommendations that, if adopted, would increase ONDCP's effectiveness in fulfilling its mission responsibilities.

The Panel acknowledges that “effectiveness” in drug policy, as in many policy areas, can be difficult to gauge and that a multitude of factors influence the overall supply of drugs and drug abuse by individuals. As one of many public and private organizations working in this area, ONDCP's effectiveness in meeting drug policy goals is only partially within its control. In the words of current ONDCP Director John Walters, it is ONDCP's responsibility to “set the table” by making public policy choices and establishing the most favorable framework for their implementation. The Panel believes this includes establishing meaningful and appropriate goals, performance measures, and metrics; organizing and managing the agency, its workforce, and its relationships to achieve those goals; and helping to achieve the goals established by Congress and the Administration.

OVERVIEW OF ONDCP

Prior to ONDCP's establishment in 1988, the Government Accounting Office (GAO)¹⁰ issued numerous reports consistently finding that the nation's complex drug control responsibilities were fragmented among multiple federal agencies. Congress created ONDCP in the Anti-Drug Abuse Act of 1988, in part, to oversee and coordinate implementation of a National Drug Control Strategy as well as other policies, priorities, and objectives for the nation's drug control program.

ONDCP also certifies the budgets of drug-related agencies—comprising over \$13.5 billion in FY 2008—and its Director advises the President on organizational, managerial, budgetary, or workforce matters that affect the ability of federal agencies to meet their obligations under that Strategy. With subsequent reauthorizations in the intervening years, Congress added

¹⁰ In July 2004, the General Accounting Office (GAO) changed its name to Government Accountability Office. Throughout this report, the same acronym (GAO) is used for both.

management and oversight of several operational/grant-making programs to ONDCP's responsibilities.¹¹ ONDCP is, therefore, also responsible for administering four operational programs:¹² (1) High Intensity Drug Trafficking Area (HIDTA); (2) National Youth Anti-Drug Media Campaign; (3) Drug-Free Communities; and (4) Counterdrug Technology Assessment Center. No other EOP components have such operational programs. The FY 2008 ONDCP budget is \$421.7 million, of which \$26.4 million is for the Salaries and Expenses of its workforce. Although it is located in the White House, it is statutorily mandated to be a non-partisan organization.¹³

From the standpoint of its authorized workforce, ONDCP is the fourth largest of the twelve components in the Executive Office of the President. (EOP).¹⁴ (See Table 1-1.) The EOP Office of Administration provides administrative support to EOP components such as ONDCP, including contracting, human resources, and financial services. Each EOP component, however, has the delegated authority to establish individual human resource and other policies, as long as they are consistent with law and regulation.

¹¹ From the beginning, Congress authorized the ONDCP Director to apply a "HIDTA designation" (High Intensity Drug Trafficking Area) to geographic areas of the United States exhibiting serious drug trafficking problems and harming other parts of the country. The HIDTA Program provides additional federal resources to those areas to help eliminate or reduce drug trafficking and its harmful consequences. Five areas were initially designated in 1990 (Houston, Los Angeles, New York/New Jersey, South Florida, and the Southwest Border). From 1994 to 2001, twenty-three additional HIDTAs were designated. Currently, there are 28 HIDTAs located in 45 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The Southwest Border HIDTA is divided into five regions that function as a separate HIDTA in most respects.

¹² ONDCP's role in managing these operational programs varies. For example, the ONDCP Office of State, Local, and Tribal Affairs provides oversight to local area HIDTAs spread throughout 43 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Daily management of each HIDTA is performed by local non-ONDCP professional staff who are responsible to the HIDTA Executive Board. By comparison, ONDCP actively manages the Media Campaign, with creative and advertising support services being provided by contractor personnel. The Department of Health and Human Services (HHS) Substance Abuse and Mental Health Services Administration (SAMHSA) is under contract with ONDCP to provide the day-to-day management of the Drug-Free Communities program. Another quasi-operational program that is housed at ONDCP is the Counterdrug Technology Assessment Center (CTAC), which was established by the Counternarcotics Technology Act of 1990. CTAC serves as the central counterdrug technology research and development organization, although its program to transfer state-of-the-art technology to local law enforcement for counterdrug programs is being phased out this year.

¹³ Congress' intention that ONDCP be non-partisan is reflected in the 1994 Violent Crimes Act and repeated in the 1998 ONDCP reauthorization. Language in both pieces of legislation bars the Director of ONDCP from participating in federal political campaigns, except for personal financial contributions to candidates. Both laws also explicitly prohibit the ONDCP Director and the four other ONDCP Presidential appointees from "political travel."

¹⁴ The other components are the Executive Residence at the White House, the White House Offices, the Office of the Vice President, Office of Administration, Office of Science and Technology Policy, Council on Environmental Quality, Office of Management and Budget, Office of Policy Development, National Security Council, Office of the U.S. Trade Representative, and the Council of Economic Advisers.

Table 1-1
Full Time Equivalent (FTE) Authorizations
for Components within the Executive Office of the President

EOP COMPONENT	FTE
Office of Management and Budget	510
Office of Administration	222
Office of the United States Trade Representative	209
Office of National Drug Control Policy	118
National Security Council	71
Office of Science and Technology Policy	40
Council of Economic Advisers	35
Office of Policy Development ¹⁵	35
Council on Environmental Quality	24

Since 1988, Congress has reauthorized ONDCP three times (1994, 1998, and 2006) and placed numerous requirements, both of a reporting and a non-reporting nature, on the organization. The current authorization expires on September 30, 2010.¹⁶

Major Provisions of the Anti-Drug Abuse Act of 1988

Under the 1988 Act¹⁷ which created ONDCP, the Office was given a great deal of leeway in determining how to accomplish its mandate and fulfill its mission. The Act gave the Director the following primary responsibilities:

- Establish policies, objectives, and priorities for the National Drug Control Policy;
- Annually promulgate the National Drug Control Strategy (the Strategy);
- Coordinate and oversee the implementation by NDCP agencies of the policies, objectives, and priorities established under the Strategy;
- Make recommendations to the President regarding changes in organization, management, and budget of federal departments and agencies engaged in drug enforcement, and the allocation of personnel to and within these entities;

¹⁵ The White House Office of Policy Development, which works across all major policy areas, has 35 authorized FTE. According to the White House webpage, this office “currently oversees the National Economic Council and the Domestic Policy Council.” The National Economic Council was established in 1993 to advise the President on matters related to U.S. and global economic policy. Numerous department and agency heads within the Administration serve on the Council. The Domestic Policy Council, established by a Reorganization Plan in 1993, coordinates the domestic policy process and domestic policy advice to the President, ensures that domestic policy decisions and programs are consistent with the President’s goals, and monitors implementation of the President’s domestic policy agenda. It consists of the President, who serves as Chair of the Council; the Vice President; and cabinet-level and other senior officials. Although ONDCP is responsible for one policy area, it has a wide-ranging statutory mandate with a much deeper set of responsibilities than the White House Office of Policy Development.

¹⁶ The Drug Free Communities program is reauthorized through FY 2012.

¹⁷ Anti-Drug Abuse Act, 22 U.S.C. § 1501 (1988).

- Consult with and assist state and local governments with respect to their relations with the NDCP agencies;
- Appear before committees and subcommittees of Congress to represent the drug policies of the Executive Branch; and
- Notify any NDCP agency if its policies are not in compliance with its responsibilities under the Strategy and transmit a copy of such notification to the President.

Reauthorization of 1994

The Violent Crime Control and Law Enforcement Act of 1994¹⁸ contained several amendments to the 1988 Act, but continued to provide ONDCP with a great deal of authority to determine how best to accomplish its mission. It expanded the Director's role and established a means for ONDCP to measure its effectiveness. The most notable provisions follow:

- Heads of the NDCP agencies were required to include, in their submissions to OMB, funding requests for specific initiatives that were consistent with the President's priorities for the Strategy;
- The Director was required to provide, annually, by July 1, budget recommendations to the heads of departments and agencies with responsibilities under the NDCP;
- The Director was given the power to issue fund control notices to NDCP agencies to ensure compliance with the NDCP;
- Prohibitions on political campaigning by Presidentially-appointed ONDCP officials, except for contributions to individual candidates;
- Required, in each Strategy, an evaluation of the effectiveness of federal drug control during the preceding year, an assessment of the quality and adequacy of drug use measurement instruments and techniques, and the identification of specific factors restricting the availability of treatment services; and
- With each Strategy, an assessment of drug use and availability in the United States, including an estimate of the effectiveness of the preceding year's programs in reducing drug use and availability.

Reauthorization of 1998

The ONDCP Reauthorization Act of 1998¹⁹ further expanded the Office's mandate, but required detailed assessments by ONDCP of its drug control efforts and required specific measurement goals. Among its new provisions were the following:

- Authority for the Director to issue written decertifications of agency budgets;
- The creation of two positions: Deputy Director of ONDCP and Chief Scientist;

¹⁸ Violent Crime Control and Law Enforcement Act, 42 U.S.C. § 13701 (1994).

¹⁹ Office of National Drug Control Policy Reauthorization Act, 21 U.S.C. § 1701 (1988).

- A requirement for effective dissemination of drug prevention and drug treatment research and information;
- Inclusion of drug interdiction results in each annual NDCP budget; and
- A report to Congress with an accounting for funds expended by agencies for National Drug Control Program activities.

Reauthorization of 2006

The Reauthorization Act of 2006²⁰ reauthorized ONDCP through FY 2010, substantially increased Congressional scrutiny, and imposed an additional 28 reporting requirements along with numerous non-reporting requirements. Many of the reports were one-time requests. Most notable among the new requirements were reports to Congress concerning:

- Details of ONDCP's consultation with and assistance to state, local, and tribal governments in formulating the Strategy;
- Impact of each federal drug reduction strategy on the availability, addiction rate, use rate, and other harms from illegal drugs;
- HIDTA budget justifications; program purposes, goals, objectives, and performance measurements; assessment of drug enforcement task forces; assessment of law enforcement intelligence sharing in HIDTAs; and use of HIDTA funds to combat Methamphetamine trafficking;
- Counterdrug Technology Assessment Center (CTAC) technology transfer operations;
- Evaluation of the effectiveness of the National Youth Anti-Drug Media Campaign; and
- A National Interdiction Command and Control Plan to be prepared by the U.S. Interdiction Coordinator.

Consolidated Appropriations Act of 2008

The Financial Services and General Government Appropriations Act of 2008, passed as part of the Consolidated Appropriations Act of 2008,²¹ included several additional information requirements, that ONDCP must submit for approval to the Committees on Appropriations:

- A spending plan for the use of CTAC funds;
- Additional funds for HIDTA programs exceeding the Fiscal Year 2007 budget request; and
- Initial and discretionary HIDTA funding, with use of the discretionary funds subject to committee approval.

²⁰ The Office of National Drug Control Policy Reauthorization Act, 2006, Public Law 109-469, 109th Cong., 2nd. Sess. (December 29, 2006).

²¹ Consolidated Appropriations Act, 2008 (H.R. 2764). 110th Cong., 1st. Sess. (December 19, 2007).

As this discussion of the relevant statutes and the most recent appropriations act shows, Congress has given ONDCP more scrutiny over the years. In particular, the 2006 Reauthorization Act introduced many new reporting requirements, and a few more were introduced in the Consolidated Appropriations Act of 2008. Because the Panel believes that ONDCP and Congress must work together in a productive manner for the nation's drug policy goals to be accomplished, Chapter II analyzes the increasing number of reporting requirements in greater detail.

Appendix C sets forth the reporting requirements, and Appendix D contains the non-reporting requirements Appendix E contains statutory restrictions and/or prohibitions. Appendix F contains requirements in committee report language since 1988.

ONDCP'S ORGANIZATION, STRUCTURE, FUNCTIONS, AND WORKFORCE

ONDCP's major components include:

- The **Office of the Director**, which supports the Director in managing ONDCP, developing and coordinating policy, and ensuring achievement of Administration and ONDCP goals. It includes the Deputy Director, a Presidentially-appointed, Senate-confirmed (PAS), Executive Level (EX) II position, and a non-career Senior Executive Service (SES) Chief of Staff. The Office is responsible for local community-based prevention, including maintaining contact with prevention organizations and administering the Drug-Free Communities (DFC) program. The Director of ONDCP, frequently referred to as "The Drug Czar," is a PAS, EX-I official, and a member of the President's Cabinet since 1993.
- The **Office of Demand Reduction (ODR)**, which seeks to prevent and reduce substance abuse and dependence and promotes effective treatment programs for those suffering from addiction. This office: 1) coordinates prevention and treatment policy for federal agencies and courts and supports state and local efforts to enhance prevention and treatment; 2) is focused on strategies, programs, and policies aimed at reducing the demand for illicit drugs and promoting best practices for intervention and treatment; 3) promotes forms of prevention and deterrence, including screening in schools and the workplace, and educating the public on science-based adverse consequences of drugs; 4) works on expanding treatment access, via Access to Recovery and Drug Court programs; and 5) promotes evidence-based treatment strategies and the publication of effective federally-funded programs, to encourage dissemination and implementation of best practices for treatment. The Deputy Director of the ODR is a PAS, EX-III official.
- The **Office of Supply Reduction (OSR)**, which coordinates international diplomatic, policy, and program efforts to disrupt illegal drug trafficking. In conjunction with the Department of State, OSR supports the efforts of foreign governments to reduce the production, trafficking, and abuse of illegal drugs. It also provides foreign and domestic drug intelligence to ONDCP and its Director. It is responsible for the development of national policy and strategy; focusing and overseeing all U.S. programs and activities

involved in achieving the supply reduction goals of the Strategy; and countering the nexus between illegal drugs and terrorism. The Deputy Director of OSR is also a PAS, EX-III official.

- The **Office of State, Local, and Tribal Affairs (OSLTA)**, which coordinates federal efforts to disrupt the domestic market for illegal drugs through federal, state, local, and tribal law enforcement. It also manages the HIDTA program and supports state and local government officials and entities in their efforts to reduce substance abuse at the community level. The Deputy Director of OSLTA is also a PAS, EX-III official.
- The **Counterdrug Technology Assessment Center**, which was established by the Counternarcotics Technology Act of 1990²² and reauthorized in 2006²³ to serve as the central counterdrug technology research and development organization. This office coordinates supply and demand reduction research activities, including policy and interagency drug data and research and development activities in law enforcement, prevention, and treatment; and coordinates targeting and mapping technologies and products. Until this year, it also managed a technology transfer program that provided counterdrug technology (such as night vision goggles) to local law enforcement agencies. CTAC's current budget is \$1 million (excluding salaries and expenses). Previously it was able to apply up to \$40 million dollars per year to work with NIH's National Institute of Drug Addiction to purchase sophisticated magnetic resonance imaging equipment for brain centers to encourage medical research relating to addiction as well as to support other technologies.
- The **National Youth Anti-Drug Media Campaign Office**, which manages ONDCP-sponsored media, advertising, and public relations strategies. The Campaign is focused on youth 12 to 17 years of age, and its primary emphasis since 2002 has been marijuana. The 2006 Reauthorization Act²⁴ required that 10 percent of the budget must be used to reduce the demand for Methamphetamine.
- **Office of Legal Counsel**, the **Office of Legislative Affairs**, the **Office of Management and Administration**, the **Office of Public Affairs**, and the **Office of Performance and Budget**, which house critical administrative infrastructure functions.

Figure 1-1 depicts the organization, including at least 19 units and sub-units, and FTE in each ONDCP office/unit.²⁵

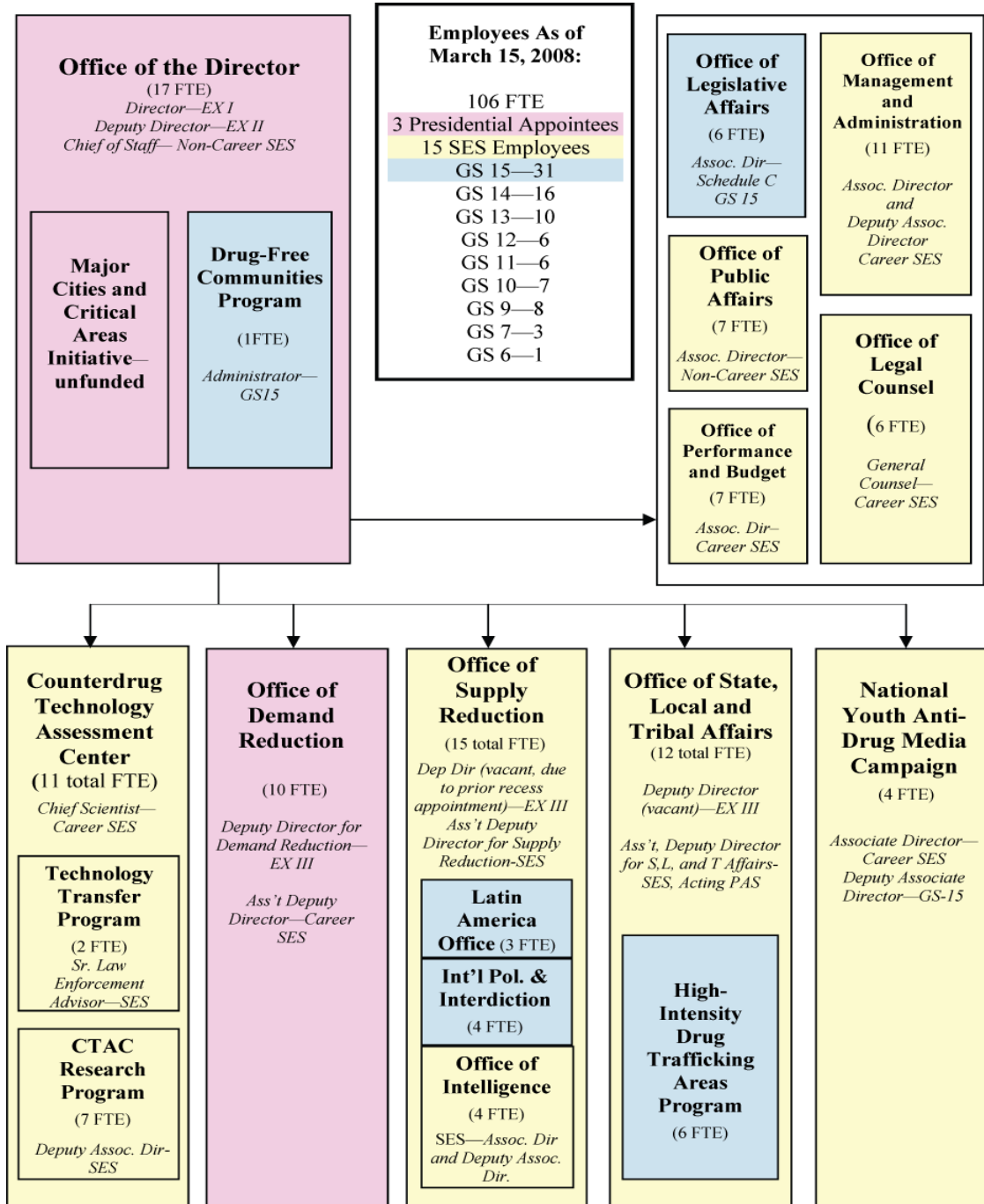
²² Public Law 101-510.

²³ Public Law 109-469.

²⁴ The Office of National Drug Control Policy Reauthorization Act, 2006, Public Law 110-469, hereafter "2006 Reauthorization."

²⁵ Although ONDCP has an authorized FTE of 118, only 106 positions were filled as of March 15, 2008. At that time, information on the allocation of vacancies was not available from ONDCP. Subsequent listings of FTE and vacancies by unit were provided by ONDCP on April 25, 2008. Thus, there are minor inconsistencies in the number of employees assigned to the sub-units. This is due to movement within ONDCP, attrition, and other factors.

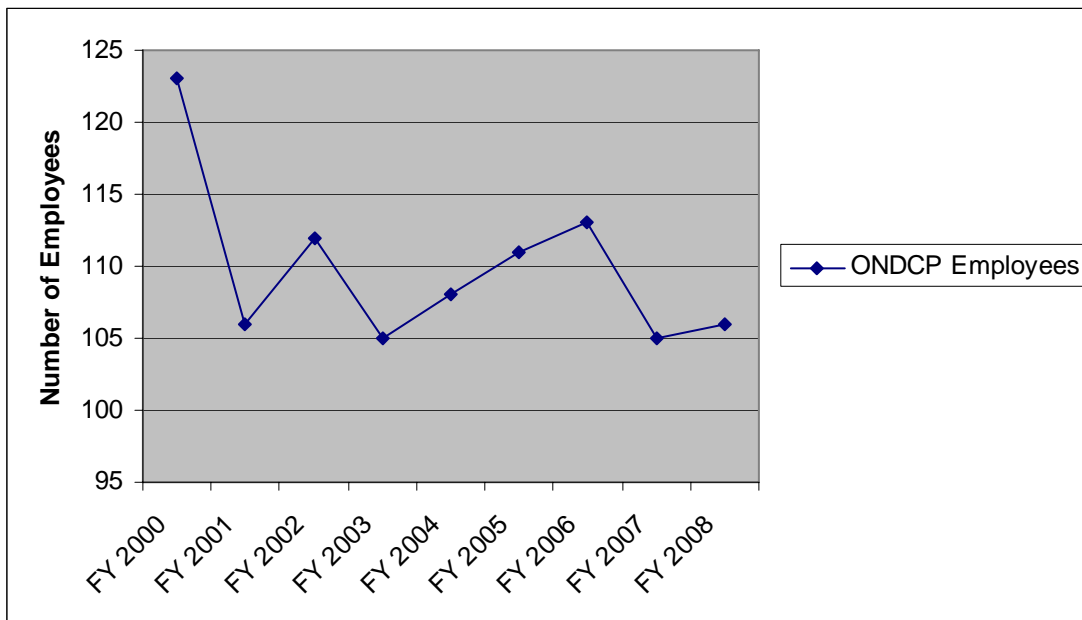
Figure 1-1²⁶
ONDCP's Organization and Position Distribution



²⁶ The colors in this figure represent the pay system of the leadership position for each component. Pink represents PAS, yellow represents SES personnel, and blue represents General Schedule (GS) Grade 15 personnel. Sub-units of larger organizations show the portion of the larger unit's FTE allocated to the sub-unit.

As Figure 1-2 shows, ONDCP had 106 employees (PAS, Schedule C and other political, career, and time-limited) as of March 15, 2008—a 13.82 percent decline from FY 2000, when it had 123 employees.

Figure 1-2
Number of ONDCP Employees²⁷
FY 2000 – FY 2008



Source: EOP Administration ONDCP Workforce Data and Academy Calculations

Of the 106 employees, 78 are career employees; three are PAS appointees; 22 are Schedule C or other political appointments,²⁸ and three are time-limited appointments.²⁹ As of March 31st, ONDCP had 16 vacant positions, including two of its five authorized PAS positions.

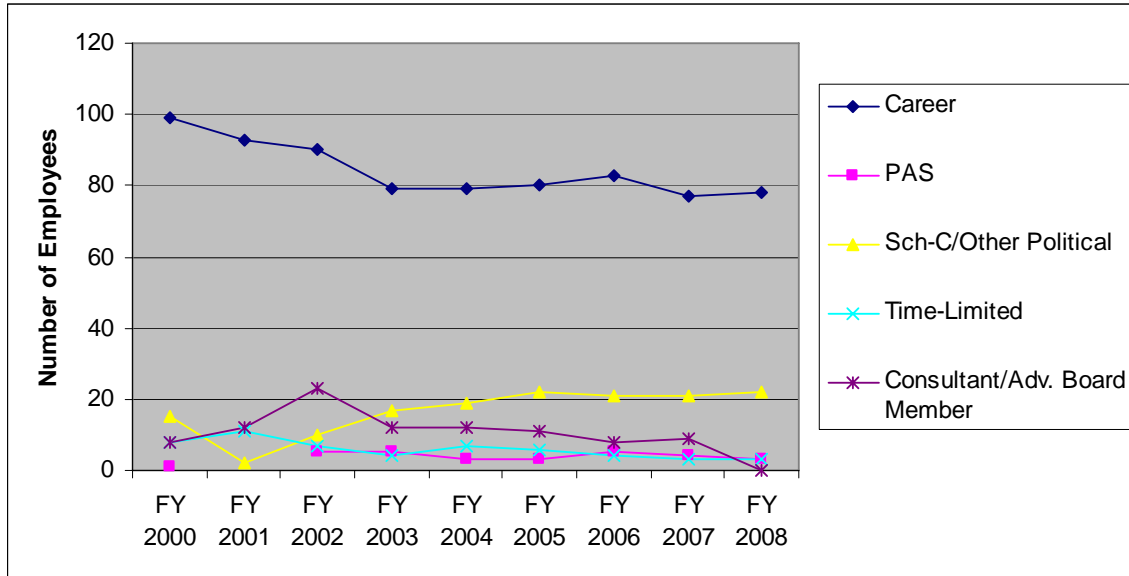
To illustrate how ONDCP’s workforce composition has changed over time, Figure 1-3 presents all appointment types, including consultant/advisory board members. The total number of career employees has declined by 19, from 99 in FY 2000 to 78 in FY 2008. The number of on-board PAS employees has increased from 1 to 3—reflecting changes due to the last Presidential transition. Other political employees have increased from 15 to 22. Time-limited employees have declined from 8 to 3. Consultant/advisory board members have declined from 8 to 0.

²⁷ This data excludes consultants and advisory board members.

²⁸ These “other political” appointments are non-career SES.

²⁹ Time-limited employees are ONDCP employees on either an Excepted Appointment, with a Not-to-Exceed a date, or a Term Appointment, with a Not-to-Exceed date.

Figure 1-3
ONDCP Workforce by Appointment Type³⁰
FY 2000 – FY 2008



Source: EOP Administration ONDCP Workforce Data and Academy Calculations

In addition, currently there are nine military detailees in the Office of Supply Reduction who work under the direction of ONDCP managers and seven agency detailees who serve as liaisons to their home agencies. Under former Director McCaffrey, ONDCP had as many as 30 military detailees, and the number of agency liaisons has varied over time, with as many as 14 liaisons on board in some years. ONDCP currently uses a total of 32 contractors (19 of these are security guards) and 8 U.S. Marshals.³¹ It also has authority to use personnel from other levels of government, academia, and the non-profit sector through the Intergovernmental Personnel Act.

³⁰ ONDCP has used a limited number of non-career SES positions (a total of five employees over nine years). OPM regulation limits the number of SES non-careers an agency may have to 25 percent of an agency’s SES allocation. For purposes of this figure, non-career SES are included, along with Schedule C employees, in the category of “other political.” ONDCP had one employee on an “SES Limited Term Appointment” who served as Counselor to the Deputy Director in FY 2005 and FY 2006; one employee on an “SES Non-career Permanent” appointment who served as Associate Director for Public Affairs in FY 2007 and FY 2008; and a total of three employees on an “SES Non-Career Indefinite” appointment (one served as Chief of Staff from FY 2004 to FY 2008; another served as Associate Director for Legislative Affairs from FY 2003 to FY 2005; and the other served as Chief of Staff in FY 2003). In FY 2000, ONDCP had two “SES Non-Career-Permanent” employees, one of whom served as Chief of Staff and the other served as Director for Legislative Affairs, as well as one “SES Non-Career-Indefinite” employee who served as Deputy Chief of Staff. In FY 2002, it had one “SES Non-Career-Indefinite” employee who served as Associate Director for Legislative Affairs.

³¹ This data comes from a March 31, 2008 staffing report.

ONDCP Mission Responsibilities Framework

Throughout this study, the Panel focused on keeping the mission of ONDCP at the forefront. Based on a review of legal requirements and interviews with key stakeholders, the Panel identified five major ONDCP mission responsibilities and the percentage of the workforce involved in each:

1. National Drug Policy and Budget Formulation;
2. Policy Coordination, Oversight, and Communications;
3. Research, Development, and Data Collection/Dissemination;
4. Program Operations; and
5. Administrative Infrastructure.

Table 1-2 provides more detail on each responsibility and presents ONDCP's estimate of the proportion of its workforce that has at least *some* responsibility for each of these areas. This does not convert to FTE because individuals can have responsibility for multiple areas, as demonstrated in the third column. The Panel did not attempt to quantify the percentage of each employee's time spent on each responsibility. This table shows that more employees are involved with national drug policy coordination, oversight, and communications (66.98 percent) than any other area. This is followed by administrative infrastructure (50.94 percent), which has the largest number of employees solely devoted to it; research, development, and data collection/dissemination (32.08 percent); national drug policy and budget formulation (31.3 percent); and program operations (24.53 percent).

Table 1-2
ONDCP Mission Responsibilities and Employee Focus
FY 2008

MISSION AREA	# Employees with some responsibility for this area (% of workforce)	# Employees with responsibility solely in this area
<i>National Drug Policy and Budget Formulation</i> <ul style="list-style-type: none"> • Develop National Drug Control Strategy • Develop agency priorities • Develop Statement of Administration Policy (SAP) regarding drug control • Develop funding guidance • Certify and decertify budgets • Approve proposed drug policy changes by national drug control program agencies 	33 (31.3%)	0

MISSION AREA	# Employees with some responsibility for this area (% of workforce)	# Employees with responsibility solely in this area
<p><i>National Drug Policy Coordination, Oversight, and Communications</i></p> <ul style="list-style-type: none"> • Coordinate and oversee implementation of national drug control policy, including reporting to and working with the Hill • Communicate with stakeholders about national drug policy • Monitor and evaluate resource allocation among federal law enforcement agencies during the year • Coordinate federal interdiction activities • Coordinate with non-federal stakeholders 	71 (66.98%)	5
<p><i>Research, Development, and Data Collection/Dissemination</i></p> <ul style="list-style-type: none"> • Assess technical needs • Develop a performance measurement program to evaluate effectiveness of national drug control policy and National Drug Control Program agencies' programs. • Assess HIDTA program's ability to respond to rural drug trafficking movements • Coordinate and implement counterdrug technology transfer program. • Ensure agencies effectively disseminate drug prevention and drug treatment research/information to state and local governmental and non-governmental entities involved in demand reduction. • Assess intelligence about domestic and international drug threats • Share drug enforcement intelligence obtained by the Intelligence Support Center for each HIDTA 	34 (32.08%)	6
<p><i>Program Operations</i> Administration and oversight for the following:</p> <ul style="list-style-type: none"> • HIDTA Program • National Youth Anti-Drug Media Campaign • Drug Free Communities Support Program • CTAC • Demonstration Programs 	26 (24.53%)	0
<p><i>Administrative Infrastructure</i></p> <ul style="list-style-type: none"> • Legal • Legislative Affairs • Human Resources • Finance • Public Affairs • Information Technology • Procurement • Administrative Assistance Services • Other Administrative Support Functions 	54 (50.94%)	25

As shown in Table 1-2, less than 25 percent of the workforce has any responsibility for operational programs, and ONDCP did not identify any employees as solely engaged in these activities. More than half of the workforce has administrative responsibilities.

THE CHALLENGE OF THE 2009 PRESIDENTIAL TRANSITION

The Panel believes that the Presidential transition in January 2009 will be a challenging period for ONDCP because of the significant proportion (24 percent) of political appointees (PAS, non-career SES, and Schedule C) and time-limited appointments (2.8 percent) in its workforce. This means that approximately 27 percent of the workforce is likely to leave when the next President is inaugurated, but ONDCP's statutory responsibilities will likely remain the same. Soon thereafter, Congressional and Administration attention will turn to the September 30, 2010 expiration of ONDCP's authorization and the major issues and decisions surrounding reauthorization.

During the 2001 transition, ONDCP had a career official as Acting Director for most of the Administration's first year. The President did not nominate John Walters to be Director until May 10, 2001, and the Senate did not confirm him until December 7, 2001. The events of September 11th were one reason for the Senate's delay,³² but there was also an ideological debate over the confirmation and a change in committee leadership.

The confirmation of a new ONDCP Director will likely raise philosophical questions such as: What is the best approach to drug control? What is the appropriate role of the federal government? What strategies and programs have worked best in the past? Should the federal government's policy on "medical marijuana" be revised? What is the proper balance between supply-oriented and demand-oriented programs? In addition, it is possible that the new President may have a different perspective on how ONDCP should be organized and staffed. Upon taking office in 1993, for example, President Clinton significantly downsized ONDCP as a way to fulfill a campaign pledge to reduce the number of White House staff.³³

STUDY METHODOLOGY

During Phase I, the study team met initially with the ONDCP Chief of Staff, General Counsel, and other key leaders. The study team also conducted interviews with over thirty individuals within ONDCP, including the heads of most major programs and administrative support activities. To gauge the views of external partners, the study team also met with budget officials in partner drug agencies whose drug budgets are certified by ONDCP and with other individuals

³² The Senate Judiciary Committee's originally scheduled confirmation hearing was delayed due to the events of September 11th until October 10, 2001. In addition, the confirmation was delayed due to concerns on the part of some Senators that Walters was too focused on law enforcement approaches, including mandatory minimum sentences and international interdiction activities, and not as supportive of federal prevention and treatment activities.

³³ On February 9, 1993, the White House announced a reduction in ONDCP staff from 146 to 25. See Byron York's, "Clinton's Phony Drug War," *The American Spectator*, February 27, no. 2 (1994): pp. 40-44.

who are knowledgeable about drug control policy.³⁴ In addition to conducting interviews, the study team reviewed ONDCP's human capital governance structure and management policies and procedures and analyzed two datasets provided by the HR Management Division within the Executive Office of the President's Office of Administration:

- ONDCP workforce data as of the last date in the fiscal year from FY 2000 to FY 2007, as well as current employees as of March 15, 2008; and
- ONDCP employee awards from 1999 to 2007.

During Phase II, the Panel held two additional meetings and, on September 19, 2008, met with Director Walters, who shared his perspective on ONDCP's evolution and what he characterized as the "shattering" impact of the ONDCP reduction-in-force during the first Clinton Administration. Director Walters also briefed the Panel on an internal management tool used to track performance regarding operational and program priorities on employee desk tops.³⁵

In support of the Panel, the study team conducted the following additional research activities:

- Interviews with most SES officials at ONDCP, officials of partner drug agencies, and stakeholders;
- Analysis of ONDCP's compliance with legal requirements;
- Analysis of National Drug Control Strategies from FY 1999 to FY 2008;
- Survey of officials in NDCP agencies who have had experience working with ONDCP in budget and policy matters;
- Meetings with representatives of select non-federal stakeholder groups, such as Community Anti-Drug Coalitions of America and the Partnership for a Drug Free America;³⁶
- Reviews of ONDCP position descriptions, performance plans, appraisals, awards, and documentation of career hiring decisions for FY 2007 and FY 2008;
- Comparative workforce data analysis of two other EOP components, the Federal Transit Administration and the National Drug Intelligence Center;
- A competency requirements survey of ONDCP unit heads and the Chief of Staff to determine what subject-matter expertise and other knowledge are required for their unit to meet its mission; and

³⁴ On May 9, 2008, the Panel held its first meeting, with the ONDCP General Counsel and Associate Director, Office of Management and Administration attending for part of the meeting. During late May 2008, the Panel met with the ONDCP Chief of Staff to gain his perspective on ONDCP challenges.

³⁵ According to ONDCP officials, the key benefit of the system is that it allows the Director and senior management real time assessments of progress on the work of ONDCP programs and components and is used to inform ONDCP employee performance ratings. SES performance rating documentation revealed a linkage between operational priorities and individual SES responsibilities, but did not reference this specific tool.

³⁶ The study team did not meet with state and local government officials or community action groups, but did visit one of ONDCP's grantees—the Washington-Baltimore HIDTA.

- Virtual interviews of ONDCP employees who agreed to participate.

With respect to the virtual interview, ONDCP employee input was sought via an anonymous tool, which contained ten open-ended questions simulating an in-person interview and an opportunity to comment. The Academy hosted this virtual interview on its website and offered employees the option to mail or fax their replies to the Academy if they so desired. Of the 106 on-board employees, 15 individuals responded; and 14 declined to participate. Given the low level of participation, the Panel did not believe the responses were necessarily representative of the ONDCP workforce and has not included them in the report. The Panel has furnished a summary of the survey results separately to ONDCP.

ORGANIZATION OF THE REPORT

The remainder of the report consists of five additional chapters:

- Chapter II evaluates the development of the National Drug Control Strategy and its impact, the goals and statistics reported in the Strategy, and the impact of ONDCP's policy coordination role.
- Chapter III focuses on the critical relationships with Congress and partner drug agencies. The chapter discusses the statutory requirements that define ONDCP's mission and reporting responsibilities, and describes the non-binding report language that accompanies Congressional enactments and appropriations for ONDCP. Based on a survey of key contacts within nine departments and 13 bureaus,³⁷ the chapter also evaluates ONDCP's relationship with these agencies.
- Chapter IV examines the annual National Drug Control budget, including ONDCP's current role in budget review and certification, as well as the FY 2004 budget restructuring that ONDCP has pursued and Congressional reaction to it.
- Chapter V evaluates ONDCP's human capital governance structure, policies, and procedures. It also provides an overview of ONDCP's current workforce from FY 2000 to FY 2008 and how that compares to selected other organizations.
- Chapter VI presents the Panel's recommendations for improving ONDCP's future effectiveness.

³⁷ ONDCP uses the term "bureau" to describe all entities below the departmental level. These include agencies, bureaus, and directorates/programs.

This report also contains the following appendices:

- Appendix A: Panel and Staff
- Appendix B: Individuals Interviewed or Contacted
- Appendix C: Data from the National Survey on Drug Use and Health and Monitoring the Future
- Appendix D: Statutory Reporting Requirements
- Appendix E: Statutory Non-Reporting Requirements
- Appendix F: Statutory Prohibitions, Restrictions, and Limitations
- Appendix G: Committee Report Language (Not Included in Statutory Language)
- Appendix H: ONDCP's Response to Statutory Compliance Questionnaire
- Appendix I: Partner Agency Survey Methodology and Data Analysis
- Appendix J: ONDCP Budget
- Appendix K: National Drug Control Budget Restructuring
- Appendix L: ONDCP Competency Requirements
- Appendix M: Workforce Data Analysis, Comparisons, and Methodology
- Appendix N: Glossary
- Appendix O: Selected Bibliography

CHAPTER II

THE NATIONAL DRUG CONTROL STRATEGY, GOALS, AND STATISTICS

The Director of ONDCP is charged with developing a National Drug Control Strategy and updating it annually. This document is expected to establish the nation's drug control policy and program direction, include a Budget Summary, and set guidelines for interagency/intergovernmental cooperation. According to ONDCP, the Strategy "sets forth a comprehensive plan for the year to reduce illicit drug use and the consequences of such illicit drug use in the U.S. by limiting the availability of, and reducing the demand for, illegal drugs."

Strategic planning maps where an organization is going and how it is going to get there. Public organizations use a variety of perspectives, models, and approaches to develop this plan. How it chooses to develop such a document depends on the organization's leadership, organizational culture, complexity of the environment, and statutory and regulatory requirements. Experts typically recommend that organizations conduct the full strategic planning process at least once every three years,³⁸ with annual updates, particularly in periods of significant change, such as a change of Administration.

As will be discussed further in Chapter III, the requirements for the Strategy have evolved over the years. Under the Anti-Drug Abuse Act of 1988, ONDCP was required to:

- Develop a National Drug Control Strategy, with short and long-term objectives;
- Annually revise and issue a new Strategy to take into account what has been learned and accomplished during the previous year;
- Develop an annual consolidated National Drug Control Program (NDCP) budget providing funding estimates for implementing the Strategy;
- Review and certify, in writing, that each agency's drug control program budget request is adequate and contributes to the implementation of Strategy objectives; and
- Oversee and coordinate implementation of the Strategy by federal agencies.

The 1994 Reauthorization³⁹ added requirements that each Strategy include an evaluation of federal drug control efforts based on measures of effectiveness.

³⁸ See http://www.managementhelp.org/plan/_str_plan.htm for further information on *Strategic Planning (in non-profit or for-profit organizations)*.

³⁹ 42 U.S.C. § 13701 (1994).

Additional requirements were placed on ONDCP in the 1998 five-year reauthorization.⁴⁰

- Develop a long-term, rather than an annual, Strategy;
- Develop specific, measurable goals for reducing drug consumption and drug related crime in the United States; and
- Produce annual reports to the Congress containing specified measures of progress in implementing the Strategy.

The 2006 Reauthorization required ONDCP to develop “a comprehensive plan for the year to reduce drug use and its consequences.” It requires that the annual Strategy include long-range quantifiable goals for reducing illicit drug use and its consequences and annual quantifiable and measurable objectives and specific targets to accomplish the quantifiable long-term goals. This statutory requirement for a yearly plan does not, however, obviate the need for ONDCP to do longer-term, multi-year planning. In addition, Congress has mandated that ONDCP’s Strategy include a five-year projection for program and budget priorities, which necessarily entails longer-term planning.

Based on historical perspective and its knowledge of strategic planning processes and federal requirements under the Government Performance and Results Act of 1993 (GPRA),⁴¹ the Panel has the following insights:

- Although ONDCP has a long-term internal strategic plan, it produces only a yearly National Drug Control Strategy.
- The Strategies are inconsistent from year-to-year in terms of their length, focus, and data.
- When assessing current drug use, ONDCP relies heavily upon data from Monitoring the Future (MTF),⁴² which conducts an annual survey of only three grade levels (8th, 10th, and 12th graders).⁴³

⁴⁰ 21 U.S.C. § 1701 et seq.

⁴¹ The Government Performance and Results Act of 1993 (GPRA) requires agencies to submit strategic plans with a comprehensive mission statement, goals and objectives, a description of how the goals will be achieved, a description of performance goals included in the plan, an identification of external risk factors, and a description of how programs will be evaluated. The strategic plans are to cover a period not less than five years and to be updated every three years.

⁴² Monitoring the Future (MTF) is an ongoing study of the behaviors, attitudes, and values of American secondary school students, college students, and young adults. Approximately 50,000 students in the 8th, 10th, and 12th grades are surveyed during the spring of each year. The Monitoring the Future Study has been funded under a series of investigator-initiated competing research grants from the National Institute on Drug Abuse (NIDA), a part of the National Institutes of Health. MTF is conducted at the Survey Research Center in the Institute for Social Research at the University of Michigan.

⁴³ In comments on the Agency Review Draft of this report, ONDCP stated that “the moving cohort is thoroughly surveyed at different stages of their aging” because the survey is conducted on an annual basis.

- From 1999 to 2008, the Strategies have focused heavily on youth and, in the later years, have not incorporated an assessment of the nation’s progress in reducing drug use among adults.
- Since 2001, the Strategies have reduced their focus on addressing the wide range of negative consequences of drug use, such as increasing the risk of HIV/AIDS and other diseases.
- The Strategies have not sufficiently included or discussed alternative data sources and their possible mission implications.
- The only Strategy produced since the FY 2006 Reauthorization Act (the FY 2008 Strategy) is more comprehensive than those produced in previous years.
- Based on the Monitoring the Future study, the nation exceeded ONDCP’s two-year goal of a ten percent reduction in current use for 8th and 10th graders, but did not meet this goal for 12th graders. The nation met ONDCP’s five-year goals of a 25 percent reduction in current use for 10th graders, but did not meet this goal for 8th and 12th graders. The most recent MTF data, released in December 2007, shows that drug use has continued to decline among 8th graders, but has begun to increase among 10th and 12th graders.
- Based on the National Survey on Drug Use and Health, the nation did not achieve ONDCP’s two- or five-year current use reduction targets for youth, young adults, or adults.

Given the central importance of the Strategies to ONDCP’s mission, this chapter contains an analysis of the past ten Strategies across the following areas:

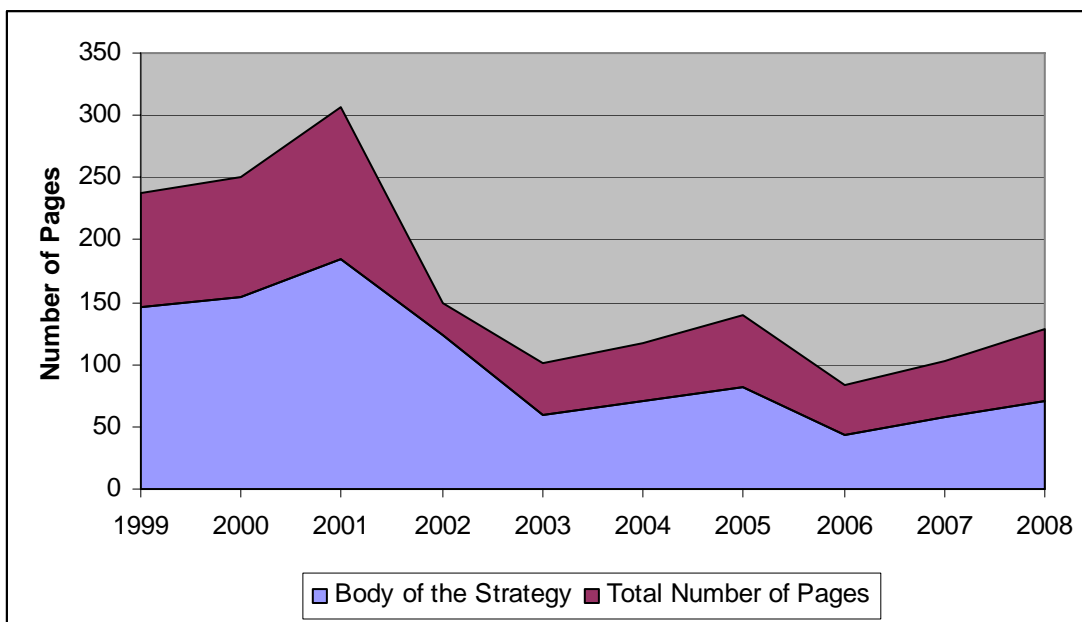
- Nature and focus of the Strategies;
- Goals and objectives;
- ONDCP’s assessment of progress;
- Panel’s assessment of progress and concerns about the Strategy documents; and
- Potential effective practices that ONDCP could adopt.

NATURE AND FOCUS OF THE STRATEGIES

A number of partner drug agency officials and other drug control stakeholders criticized recent Strategies for narrowly focusing on youth and marijuana to the detriment of other age groups and other illicit drugs, such as Methamphetamine. Further, recent Strategies have been criticized for omitting a full discussion of the consequences of drug abuse. Figure 2-1 shows that the number of pages in the Strategy has varied considerably over this period. The entire Strategy, including the body of the report and the appendices, has ranged from 43 pages in 2006 to 185 in 2001. The body of the Strategy has ranged from 26 pages in 2002 to 122 pages in 2001. From 1999 to 2002, Strategies contained numerous data tables in appendices. ONDCP deleted this information from the Strategy in 2003, but began publishing a separate data supplement and posting it on its

website, except for 2006 and 2007.⁴⁴ The Strategy documents contain no reference to the data supplement and no web address.

Figure 2-1
Length of Strategy
FY 2000 – FY 2008



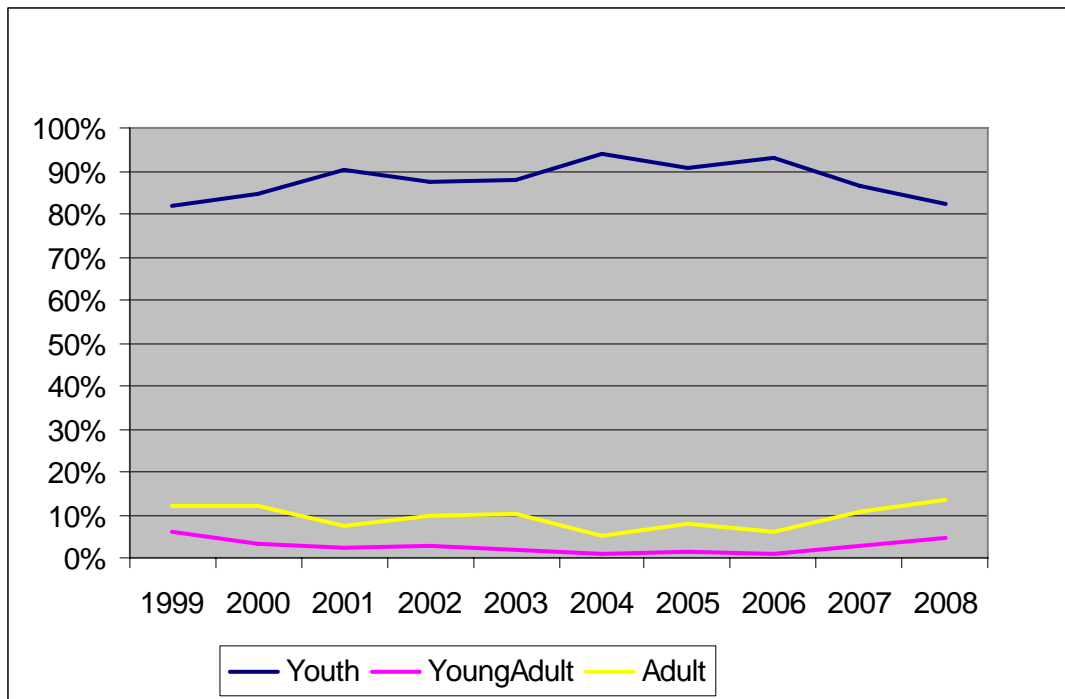
Given the critical importance of the National Drug Control Strategy to the nation’s drug control efforts, the Panel believed it was important to conduct a detailed assessment of the content of the Strategy from 1999 to 2008 to assess its focus and changes over time. To determine each Strategy’s age group targets and drug focus, the Panel chose to use word counts. This is the same methodology underlying “tag clouds” that have become common mechanisms for analyzing Presidential speeches, candidate debates, website content, and other public information.⁴⁵ These kinds of assessments can provide useful insights into what a reader sees as the relative importance of language within a document’s content.

⁴⁴ <http://www.whitehousedrugpolicy.gov/policy/ndcs.html> [Accessed on October 27, 2008]

⁴⁵ In comments on the Agency Review Draft of this report, ONDCP criticized the “methodology of word frequency searches” as “futile and unscientific” and a “remarkably inadequate measure of Strategic focus.” ONDCP also criticized the methodology because the data on individual drug references showed that “[e]ach term’s frequency rises and falls in a bewildering and non-systematic manner.”

Figure 2-2 shows relative age group references during this time period.⁴⁶ References to the youth category represented over 80 percent of the population references each year, showing that the Strategy has long placed a heavy emphasis on young people. Youth references constituted more than 90 percent of all age group citations in 2001, 2004, 2005, and 2006, reflecting an even greater emphasis on youth in some recent years. Compared to youth, the Strategies cited other population groups to a much lower degree. Young adult (18 to 25 year olds) references were near or slightly over 5 percent in 1999 and 2008, but almost non-existent in 2004 through 2006. Adult references (26 years and older) ranged from a low of 5 percent in 2004 to a high of 13 percent of all age groups in 2008.

Figure 2-2
Strategy Relative Age Group References*
1999-2008
(Percent of total mentions)



*All age group references add to 100% each year.

Source: Academy calculations from Strategies.

Table 2-1 shows the total number of specific drug references in the 1999-2008 Strategies, including all segments of the document (introduction, demand-oriented chapters, and supply-oriented chapters). In five of the ten years, marijuana was the most frequently mentioned drug (2001, 2003, 2004, 2007, and 2008). Cocaine was the most frequently mentioned drug in three years (2002, 2005, and 2006). Alcohol was mentioned most frequently in 1999 and 2000.

⁴⁶ Youth terms searched were youth, kid, teen, 8th grader, 10th grader, 12th grader, middle schooler, high schooler, and student; young adult terms were young adult, 18 to 25, eighteen, twenty-five, and college; adult terms were adult, elderly, over 25, and baby boomer.

Methamphetamine had the lowest relative frequency of reference in 2003, but rose steadily in 2004, 2005, and 2006.

Table 2-1
Number of References to Major Drugs in the Entire Strategy
1999 – 2008
(Most frequently cited drug in bold *italics*)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Marijuana	149	138	<i>158</i>	31	<i>37</i>	<i>44</i>	11	40	<i>59</i>	<i>119</i>
Cocaine	160	149	153	<i>43</i>	34	37	<i>40</i>	<i>77</i>	45	84
Meth	90	86	116	15	3	20	32	75	53	96
Prescription Drugs	0	0	1	0	0	7	3	10	15	32
Heroin	124	94	138	32	9	43	12	47	18	11
Tobacco	86	62	53	8	11	6	7	5	8	12
Alcohol	<i>211</i>	<i>452</i>	155	41	29	21	24	22	44	39

Table 2-2 shows the number of references in the Strategy’s supply chapter. In six of the ten years, cocaine was the most frequently mentioned drug in the supply chapter (1999, 2000, 2003, 2005, 2006, and 2008). Heroin was most frequently mentioned in 2001 and 2004; marijuana in 2002; and Meth in 2007.

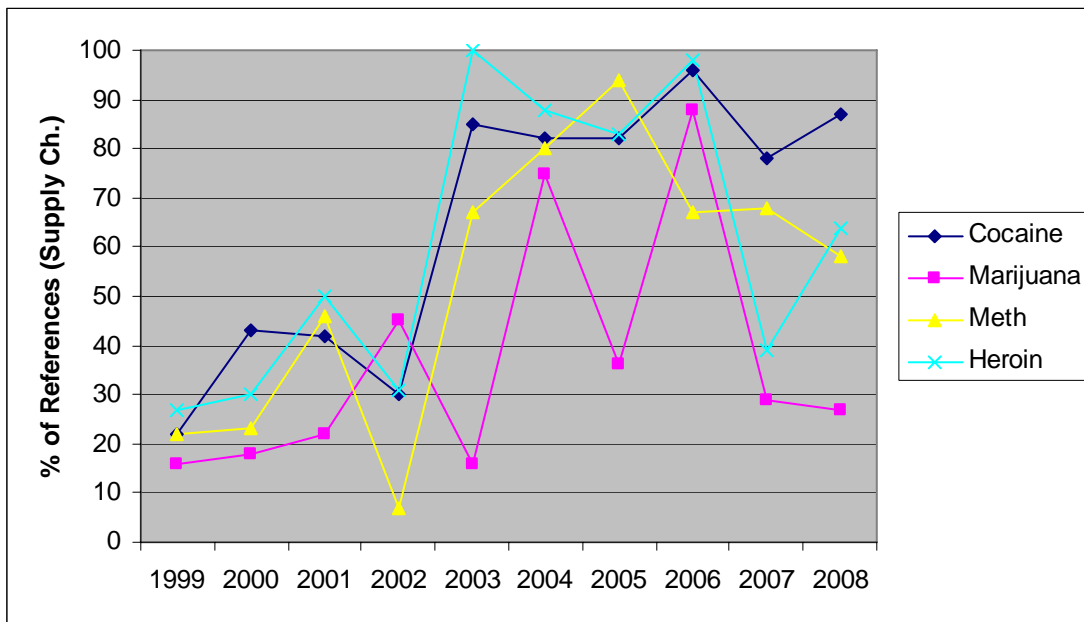
Table 2-2
Number of References in the Supply-Oriented Chapters⁴⁷
1999 – 2008
(Most frequently cited drug in bold *italics*)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Marijuana	24	25	35	<i>14</i>	6	33	4	35	17	32
Cocaine	<i>35</i>	<i>64</i>	64	13	<i>29</i>	30	<i>33</i>	<i>74</i>	35	<i>73</i>
Meth	20	20	53	1	2	16	30	50	<i>36</i>	56
Prescription Drugs	0	0	0	0	0	0	0	10	11	0
Heroin	33	28	<i>69</i>	10	9	<i>38</i>	10	46	7	7
Tobacco	0	0	0	0	0	0	0	0	0	0
Alcohol	0	0	0	0	0	0	0	0	0	0

⁴⁷ The supply-oriented chapters are those dealing with domestic law enforcement, interdiction efforts, and international issues.

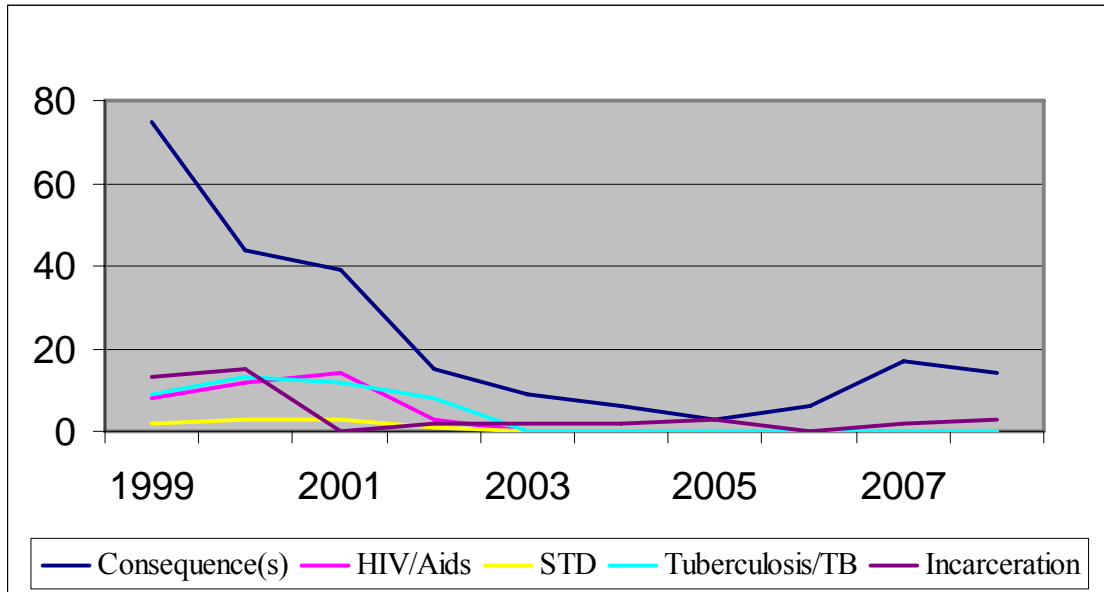
For the four most frequently cited drugs in the Strategy documents, Figure 2-3 shows the percentage of references for each drug contained in the supply-oriented chapters from 1999 to 2008. In several years, this data indicates that much of the Strategy itself was supply focused. In 2004, for example, 75 percent or more of the references to each of these four drugs occurred in the supply chapters. From 2003 through 2008, 78 percent or more of the references to cocaine occurred in the supply chapters.

Figure 2-3
Proportion of Individual Drug References in the Supply-Oriented Chapters
1999 – 2008
(Percent of References)



Because ONDCP is statutorily mandated to consider the consequences of drug use, Figure 2-4 shows the frequency of references to *consequence(s)* from 1999 to 2008. General references to this word decreased from 2001 to 2005 and increased some in 2006 and 2007. Tuberculosis, HIV/AIDS, and Sexually Transmitted Diseases received some mention in Strategies from 1999 through 2002, but disappeared entirely after 2002. After the 2000 Strategy, there are few or no references to incarceration.

Figure 2-4
Strategy Drug Use Consequence References
1999-2008
(Number of References)



Source: Academy calculations from Strategies.

The 2008 Strategy supports these patterns and the focus on youth prevention and targeting marijuana.⁴⁸ According to the Strategy, “[t]he association of early marijuana use with addiction to other drugs later in life [the gateway theory] offers a compelling case to focus on marijuana prevention during the critical and vulnerable adolescent period.” Citing 2007 data from MTF, the Strategy goes on to say, “Data on youth drug use supports this approach: since 2001, youth use of marijuana has declined by 25 percent, while youth use of any illicit drug has declined by 24 percent—remarkably similar trends.”

The data pattern also portrays the timeframe in which ONDCP incorporated the Methamphetamine epidemic into the annual Strategy. The Methamphetamine problem emerged over the course of more than a decade. According to the DEA website, in the early 1990s, Methamphetamine trafficking was an evident threat to California drug markets and by the mid-1990s had expanded to other Western drug markets. By the late 1990s and early 2000s, Methamphetamine trafficking had expanded eastward. By 2003, Methamphetamine was recognized as the most significant drug problem within the drug treatment system, with treatment admission rates for persons aged 12 and older up more than 400 percent from 1992 to 2002.⁴⁹

⁴⁸ Office of National Drug Control Policy, *National Drug Control Strategy*, 2008 Annual Report (Washington, D.C.: Office of National Drug Control Policy) p. 2.

⁴⁹ www.methamphetamine.org/html/overview.html, November 3, 2008.

In the early 2000s, Congressional hearings, bills, and reports expressed concern about the growing production, trafficking, and use of Methamphetamine and criticized ONDCP for not addressing the problem. A number of hearings were held during the 108th Congress, including field hearings across the country. These hearings explored the problem and what could be done about controlling precursor chemicals, treatment of addiction, and pollution from Methamphetamine labs. The Senate Treasury, Postal, and General Government Appropriations Bill for 2003, for example, cited the State of Missouri as having the highest number of Methamphetamine lab seizures in the country and expressed distress that ONDCP had not provided more funds to address the situation.

Methamphetamine references in the Strategy began to increase in 2004 and more than doubled in 2006. In October 2004, ONDCP released the National Synthetic Drugs Action Plan, described as the first comprehensive national plan to address the problems of synthetic and pharmaceutical drug trafficking and abuse. After the Combat Methamphetamine Epidemic Act (PL 109-177) was passed by Congress in 2005, ONDCP released the Synthetic Drug Control Strategy in June 2006 to respond to the illicit use and production of Methamphetamine and the non-medical use of prescription drugs.

COMPARING DATA SOURCES

A significant amount of diverse survey instruments and data sets about U.S. drug use is available to ONDCP. Two of the most significant sources are the Monitoring the Future survey (MTF) and the National Survey on Drug Use and Health (NSDUH); their major characteristics are as follows,

**Table 2-3
Key Characteristics and Methodology of Two Surveys on Drug Use**

Monitoring the Future (MTF)	National Survey on Drug Use and Health (NSDUH)
<ul style="list-style-type: none"> • Focus on youth to determine behaviors, attitudes, and values of American secondary school students, college students, and young adults.⁵⁰ • Surveys approximately 50,000 students in the 8th, 10th, and 12th grades during the spring of each year. Approximately 420 public and private high schools and middle schools selected to provide an 	<ul style="list-style-type: none"> • Focus on entire U.S. population, formerly National Household Survey on Drug Abuse (NHSDA)—second largest federal survey after the Census. • Annual survey of the civilian, non-institutionalized population of the United States aged 12 years old or older and the primary source of statistical information on substance use and abuse by the U.S. population.⁵¹

⁵⁰ MTF has been funded under a series of investigator-initiated competing research grants from the National Institute on Drug Abuse (NIDA), a part of the National Institutes of Health. MTF is conducted at the Survey Research Center in the Institute for Social Research at the University of Michigan. <http://www.monitoringthefuture.org/>, September 2008.

⁵¹ <http://oas.samhsa.gov/nsduhLatest.htm>, September 2008.

Monitoring the Future (MTF)	National Survey on Drug Use and Health (NSDUH)
<p>accurate, representative cross-section of students throughout the 48 contiguous United States at each grade level.</p> <ul style="list-style-type: none"> • Group-administered questionnaires in classrooms during a normal class period, whenever possible, though circumstances in some schools require the use of larger groups. • Some youths may report false positives in MTF because of perceived peer pressure. • Data released in December of the year during which the data is collected. 	<ul style="list-style-type: none"> • Respondents in three age bands, including 12 to 17, 18 to 25, and 26 and older. • Renamed in 2002 to make it more representative of the topic and content of the survey and because of concern that the term “drug abuse” might be misleading or threatening to potential respondents • Collects information from a representative sample of 67,000 respondents, over a 51-week period, through face-to-face interviews at their place of residence • Youths surveyed at home may report false negatives because of perceived parental pressure. • Results reported in September for the previous calendar year.

The study team conducted an assessment to determine how often the Strategies from 1999 to 2008 cited MTF, NSDUH and a number of other data sets. Table 2-4 shows the results of this analysis, with the data reflecting the number of times a reference is made to each illicit drug survey either in the text or in a table. From 1999 through 2002, the Strategies used a number of data sets and data sources, some of which were not used again after 2002. Data from MTF and NSDUH appeared throughout the period, although NSDUH less frequently. The study team’s review of how these sources are used showed that MTF has primarily been used to document drug use reductions among youth. By contrast, the more comprehensive NSDUH has not been used to track progress toward ONDCP goals, but to illustrate specific trends, such as the percentage of prescription drug abusers obtaining these drugs from family and friends. During 2003 through 2005, only a limited amount of NSDUH comparative data was available because of the re-baselining of the survey in 2002. Three years of comparative data became available once again for the 2006 Strategy. The 2007 Strategy included more references to MTF, NSDUH, and the El Paso Intelligence Center than the 2006 version and also cited an additional survey (QUEST).

**Table 2-4
National Drug Control Strategies
Frequency of Survey References**

DRUG SURVEYS/ DATA SETS	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
MTF	39	34	37	11	9	8	8	7	13	4
NHSDA/NSDUH*	42	58	71	11	6	3	1	1	15	3
ADAM II	0	0	0	0	0	0	0	0	0	4
ADAM	15	19	17	3	0	0	0	0	0	0
Bureau of Justice Statistics	14	10	28	4	0	0	0	0	0	0
CDC	14	20	24	14	0	0	0	0	0	1
DAWN	30	17	0	6	0	2	0	0	0	4
Drug Use Forecasting Program	2	2	3	1	0	0	0	0	0	0
EPIC	0	5	13	9	0	0	3	3	13	11
Federal-Wide Drug Seizure System	3	6	7	6	0	1	1	0	0	0
National Center for Health Statistics	3	3	3	5	0	0	0	0	0	0
Natl. Drug and Alcoholism Treatment Unit Survey	3	2	3	4	0	0	0	0	0	0
NIAAA	16	17	15	4	1	0	0	0	0	0
Quest	0	4	0	0	0	0	0	0	2	4
Survey of Inmates in Federal Correctional Facilities	3	2	3	6	0	0	0	0	0	0
Survey of Inmates in State Correctional Facilities	2	1	2	6	0	0	0	0	0	0
TEDS	7	1	0	0	0	0	0	0	0	1
Uniform Crime Reports	11	9	9	6	1	0	0	0	0	0
Uniform Facility Data Set	4	4	4	6	0	0	0	0	0	0
Youth Risk Behavior Survey	9	8	15	16	0	0	0	0	0	0

* Survey name was changed in 2002.

Impact of the 2006 Reauthorization

The 2006 Reauthorization placed additional management and reporting requirements on ONDCP, a number of which were directed toward the development and content of the Strategy. This was partially in response to Congressional concern that the annual Strategy had evolved into a narrow document that primarily promoted positive results. The Strategies' primary reliance on a narrow band of data from a single survey to reflect accomplishments in reducing drug use has

engendered criticism from some key stakeholders,⁵² both inside and outside of government.⁵³ Some of the critics found fault with the primary data source, MTF, because populations move in and out of its data set each year. Further criticism faulted the Strategy for not including a data set that addressed the post-high school years.

Among the items the 2006 Reauthorization required the Strategy to include were:

- Comprehensive, research-based, long-range, quantifiable goals for reducing illicit drug use and its consequences;
- Annual quantifiable and measurable objectives and specific targets to accomplish long-term quantifiable goals;
- A five-year projection for program and budget priorities;
- Estimates of drug prevalence and frequency of use as measured by national, state, and local surveys of illicit drug use;
- An assessment of federal effectiveness in achieving the National Drug Control Strategy for the previous year;
- A summary of the efforts made to coordinate with private sector entities to conduct private research and development of medications to treat addiction; and
- Measures to ensure that state, local, and tribal officials and relevant private organizations commit to support and take steps to achieve the goals and objectives of the National Drug Control Strategy.⁵⁴

The 2008 Strategy is the first to be developed since the 2006 Reauthorization Act. This latest Strategy has expanded from the previous year's 57 pages to 71 pages and includes more detail on treatment and prevention and domestic law enforcement. It continues to emphasize the three national priorities, youth and marijuana use, and the two-year and five-year goals for youth.

In response to the Reauthorization requirements, the 2008 Strategy introduced six new goals including: 1) helping to expand random student drug testing programs; 2) establishing screening and brief intervention services at a total of 15 Level I trauma centers in major U.S. cities;

⁵² For a perspective from the private sector and former government officials, see Bob Curley. *Bush Claims Success on Youth Drug Use, But Critics Slam Strategy*. Join Together, March 20, 2008

[<http://www.jointogether.org/news/features/2008/bush-claims-success.html>], accessed November 2008. Rosalie Liccardo Pacula of RAND and former ONDCP staffer John Carnevale "criticized ONDCP for focusing its drug strategy and claims of success on a narrow interpretation of youth drug use trends while giving short shrift to adult use, which has not declined at all during the Bush administration. ONDCP is not serving the nation's interest in addressing the drug problem ... It has ignored many of its legal responsibilities to address the drug-control problem and, most seriously, it is now misinforming the nation about its overall progress in reducing drug use." Similar points were made by some government stakeholders interviewed by the study team.

⁵³ See 2006 House Report 109-434, which criticized the Administration for "refusing to provide a necessary, comprehensive strategy" to deal with Meth.

⁵⁴ The Office of National Drug Control Policy Reauthorization Act of 2006, Pub.L. No. 109-469, Title II, Section 706, (a)(2)(i through xiv).

3) reducing the diversion of prescription drugs and Methamphetamine precursors; 4) reducing Andean cocaine production and Afghan opium poppy cultivation; 5) stemming the flow of illegal drugs across the Southwest border; and 6) combating the domestic production and use of marijuana. Although new goals are included, none are accompanied by annual quantifiable and measurable objectives and specific targets as required by the 2006 Reauthorization.

Congress continues to express concern about the 2008 Strategy and its degree of compliance with the 2006 Reauthorization. In a March 2008 hearing, the Chairman of the Domestic Policy Subcommittee of the of the House Committee on Oversight and Government Reform said that Congress' intent in passing the 2006 Reauthorization was to ensure that ONDCP uphold its statutory responsibility to identify, develop, and advocate for drug control policies that are effective in reducing drug abuse.⁵⁵ The Chairman went on to say that ONDCP seems unwilling to comply with the standards of accountability that Congress has imposed.

GOALS AND OBJECTIVES

The Strategy's goals and objectives have differed over the years. The 1999 to 2001 Strategies and supporting budgets included numerous goals and sub-goals or objectives, while Strategies since 2002 have contained only a few goals. For example, the FY 2001 Budget Summary, issued in February 2000, had five goals and 31 supporting objectives under the Performance Measures of Effectiveness (PME) system. PME was developed by ONDCP in 1997, implemented in February 1998, and endorsed in the 1998 reauthorization.

Each drug agency's budget was arrayed according to the PME goals it supported. Table 2-5 is taken from the FY 2001 Budget Summary and describes the total drug budget according to the five Strategy goals.

⁵⁵ Chairman Dennis J. Kucinich's Opening Remarks, "The National Drug Control Strategy for 2008, the Fiscal Year 2009 National Drug Control Budget, and Compliance with the ONDCP Reauthorization Act of 2006: Priorities and Accountability at ONDCP," Domestic Policy Subcommittee of the House Committee on Oversight and Government Reform, March 12, 2008, pp. 2-3.

Table 2-5
FY 2001 National Drug Control Budget Summary
Drug Funding by Goal
(\$ millions)

<u>Goal</u>	<u>FY 99</u> <u>Actual</u>	<u>FY 00</u> <u>Estimate</u>	<u>FY 01</u> <u>Request</u>	<u>FY 00-01</u> <u>Change</u>	<u>%</u> <u>Change</u>
1. Reduce youth drug use	2,028.8	2,166.4	2,234.8	68.3	3.2%
2. Reduce drug-related crime	7,574.5	7,568.8	8,233.8	665.0	8.8%
3. Reduce consequences	3,300.6	3,539.2	3,741.6	202.4	5.7%
4. Shield air, land, and sea frontiers	2,724.9	2,243.4	2,500.3	256.8	11.4%
5. Reduce sources of supply	<u>2,082.5</u>	<u>1,982.6</u>	<u>2,185.9</u>	<u>203.3</u>	<u>10.3%</u>
Subtotal	17,711.2	17,500.6	18,896.4	1,395.9	8.0%
<i>Plan Colombia & Andean Region (Goal 5)</i>		<u>954.4</u>	<u>318.1</u>		
Total	17,711.2	18,455.0	19,214.5	759.6	4.1%

Several PME objectives supported each of the goals. For example, under the goal of reducing youth drug use, the first objective was: “Educate parents and other care givers, teachers, coaches, clergy, health professionals, and business and community leaders to help youth reject illegal drugs and underage alcohol and tobacco use.” Associated quantifiable measures of effectiveness were:

1. a 50-percent reduction by 2007 in the rate of illegal drug use compared to 1996;
2. a 50-percent reduction by 2007 of the available supply of drugs;
3. a 30-percent reduction by 2007 in the rate of crime and violent acts associated with drug trafficking and drug use; and
4. a 25-percent reduction by 2007 in the health and social costs of drug abuse.

The June 2000 PwC report found that, in terms of its external, mission-oriented performance, ONDCP had been successful in developing goals, objectives, and performance impact targets

and in tracking progress against them.⁵⁶ This was accomplished through annual National Drug Control Strategies that discussed the overall goals of the NDCP agencies over a ten-year time period. The goals were then translated into objectives, which could be easily mapped onto the business processes of the ONDCP organization.

The final PME annual report published in 2002 explained that the PME system should be viewed as a rough gauge of the national drug control community's progress toward the desired end states. Actual results were compared against the "glide path" developed to gauge movement toward five and ten-year targets of the 1998 Strategy. Annual changes were reported but no assessment of "statistical significance" was made since many of the data sources did not permit such calculations and some targets were not quantitative.

The PME approach was not wholly positive or successful, however. According to a former ONDCP official, the PME system was well intentioned but unwieldy. It implied a degree of drug budget granularity that did not exist. The five goals and 31 supporting objectives, although philosophically valid, could not be tied to line items in individual agency and program budgets. Another former ONDCP official stated that the system collapsed under its own weight.

With the new Administration, the 2002 Strategy established three national priorities to replace the PME system's five goals and 31 objectives. The Strategy was divided into three chapters aligned according to these national priorities. Chapter I, "Stopping Use Before It Starts," included prevention efforts, which were described as "the most cost-effective approach to the drug problem, sparing society the burden of treatment, rehabilitation, lost productivity, and other social pathologies." Chapter II, "Healing America's Drug Users," described treatment programs and initiatives to heal drug abusers and those who are drug dependent. Chapter III, "Disrupting the Market," described domestic efforts to attack the supply of drugs, through federal, state and local law enforcement efforts, as well as international efforts.

Although the 2002 Strategy and its accompanying Budget Summary made several references to agency goals, there was no direct tie between these goals and the Strategy, other than the general requirement to reduce drug use. Further, there were neither direct ties to agency missions and objectives nor means of measuring specific performance. In addition to the national priorities, the 2002 Strategy focused on the four key goals reflected in Table 2-6.

In comments on the Agency Review Draft of this report, ONDCP maintained that "[i]t is the function of the Operational Priorities to directly link overarching goals to the Strategy." The Operational/Program Priorities System, however, is described as "a management tool designed to enable the ONDCP Director and senior management to plan, track, and assess progress on the work of ONDCP's programs and components." While this internal system is important, it does not establish specific goals for the partner agencies directly tied to the Strategy, nor does it measure agencies' progress against specific Strategy goals.

⁵⁶ U.S. General Accounting Office and Pricewaterhouse Coopers, LLC., *Management Review of the Office of National Drug Control Policy, Final Report to the General Accounting Office*, GAO/GGD-00-170R. (Washington, D.C.: June 2000).

Table 2-6
2002 National Drug Control Strategy Goals

NATIONAL DRUG CONTROL STRATEGY GOALS	
Two-Year Goals:	A 10 percent reduction in current use of illegal drugs by the 12–17 age group A 10 percent reduction in current use of illegal drugs by adults age 18 and older
Five-Year Goals:	A 25 percent reduction in current use of illegal drugs by the 12–17 age group A 25 percent reduction in current use of illegal drugs by adults age 18 and older

Current ONDCP officials explain that Director Walters wanted to narrow the organization’s focus to goals that are attainable given the organization’s relatively small size. Therefore, the Director narrowed his focus to three precepts: (1) drug abuse has similar epidemiological characteristics to other diseases; (2) adolescence is a particularly vulnerable and critical period in determining an individual’s risk for drug dependence later in life; and (3) counterdrug efforts must aggressively target marijuana. According to ONDCP, the association of early marijuana use with addiction to other drugs later in life provided a compelling case for focusing on marijuana prevention during the critical and vulnerable adolescent period.⁵⁷

Consequently, the 2002 Strategy reflected an emphasis on youth and stopping drug use before it starts. Although it addressed all illegal drugs, it placed great emphasis on marijuana as the primary illicit drug first used by youth.⁵⁸ This “gateway drug” approach became a cornerstone of the Administration’s and the National Drug Control Strategy’s drug prevention and demand reduction efforts.

ONDCP’S ASSESSMENT OF PROGRESS

Consistent with the major themes of the Strategies and emphasis on youth and marijuana, the Strategies from 2002 through 2006 reflected a decreasing reliance on broader National Household Survey on Drug Abuse (NHSDA)/National Survey on Drug Use and Health (NSDUH) Survey data.

⁵⁷ Office of National Drug Control Policy, *National Drug Control Strategy, Annual Report* (Washington, D.C.: Office of National Drug Control Policy, 2008) p. 2.

⁵⁸ According to ONDCP officials, this principle is well established in the empirical literature from SAMHSA and NIDA.

In the 2002 Strategy, ONDCP stated its intent to use the NHSDA to assess progress against all goals. A footnote to the table of goals contained in the Strategy provided the following explanation:

Progress toward all goals will be measured from the baseline established by the 2000 National Household Survey on Drug Abuse. All strategy goals seek to reduce ‘current’ use of ‘any illicit drug,’ as defined by the Household Survey. Use of alcohol and tobacco products, while illegal for youths, is not included in these estimates.⁵⁹

In the 2003 Strategy, ONDCP acknowledged changes to the NHSDA that created a discontinuity between the 2002 survey and previous years and that prevented prior year comparisons of use rates.⁶⁰ According to the SAMHSA website, this discontinuity resulted from improvements to the survey procedures. Due to a decline in response rates—a problem other federal surveys also were experiencing at the time—the survey, renamed NSDUH, introduced an incentive payment of \$30 per respondent and instituted additional data quality control procedures. As a result, the estimates of the extent of drug use from the 2002 NSDUH were higher than the corresponding estimates from the 2001 survey. Subsequent analyses by SAMHSA concluded that the incentive payments had worked to increase cooperative participation among the respondents thus resulting in an increase in prevalence data. SAMHSA officials stated that the survey data since 2002 is comparable from year to year. ONDCP acknowledged the comparability in the 2003 Strategy, which stated, “Changes to the survey will provide more reliable estimates of drug use in future years.”

Due to this discontinuity, the 2003 Strategy indicated that ONDCP would use the MTF survey for youth-related statistics with the 2000-2001 school year as a baseline, instead of using NSDUH. With no available alternative for measuring progress against adult goals, ONDCP would continue to use NSDUH using 2002 as a baseline. ONDCP could have continued to track youth drug use over time by using NSDUH with a 2002 baseline, as it committed in the 2003 Strategy to do with adults, but did not.

After NSDUH was re-baselined in 2002, three years of comparative data were needed to measure the trend. Since NSDUH data is published in September of the year following the year of data collection, there is a two-year lag between data collection and incorporation into the Strategy. Three years of NSDUH data became available with the publishing of the 2004 data in September 2005. This data could have been incorporated in the 2006 Strategy. In fact, the 2005 Strategy indicated that the 2006 Strategy would include adult drug use data from the 2004 NSDUH.

The 2004 Strategy cites the MTF Survey and describes an 11 percent drop in “past month use” over the previous two years (2001 to 2003) among 8th, 10th, and 12th graders. Even though MTF surveys only three of the seven teenage years, the transmittal letter to Congress cited “an 11

⁵⁹ Office of National Drug Control Policy, *National Drug Control Strategy* (Washington, D.C.: Office of National Drug Control Policy, 2002) p. 3.

⁶⁰ Department of Health and Human Services, SAMHSA, Office of Applied Studies. SAMHSA's Latest National Survey on Drug Use & Health. <http://oas.samhsa.gov/nsduhLatest.htm>, September 2008.

percent drop between 2001 and 2003 in the use of illicit drugs by teenagers.”⁶¹ The two and five-year goals for reducing current use by adults 18 and over remained a part of the 2004 Strategy. The 2004 Strategy, released in February of that year, did not provide percentages toward attainment of those adult goals in the prior year because the 2003 NSDUH results were not released until September 2004. The Strategy repeated the statement that progress toward adult goals would be measured from the 2002 baseline of the NSDUH.

The 2005 Strategy again repeated the table of two-and five-year goals for both youth (8th, 10th, and 12th graders) and adults. It again cited achievement of an 11 percent reduction for 8th, 10th, and 12th graders over the previous two years (2002 to 2004) and a 17 percent reduction over three years (2001 to 2004). With regard to achievement of adult-use-reduction goals, the 2005 Strategy stated, “Figures for adult drug use will become available with the publication, this summer [2005], of the 2004 National Survey on Drug Use and Health.”⁶²

When the 2006 Strategy arrived, it focused almost exclusively on youth and related accomplishments. It eliminated any reference to adult goals and offered no explanation for their omission. It contained several data tables about the use of specific drugs, but all report data on 8th, 10th, and 12th graders from MTF. The Strategy document did not mention the term “adult use” and referenced NSDUH only once—in a text box concerning cocaine price and purity—to make the point that supply reduction efforts against cocaine were working, stating:

The most recent data from the [NSDUH], a representative sample of more than 95 percent of the population 12 years of age and older, show reduced past-year consumption of crack cocaine between 2002 and 2004.

The 2007 Strategy continued to focus on youth and the two- and five-year goals as measured by MTF. The Strategy cited the continuing high rate of drug use by adults as a current challenge, but still did not contain adult goals.⁶³

A more detailed presentation of NSDUH and MTF data can be found in Appendix C.

⁶¹ Office of National Drug Control Policy, *National Drug Control Strategy, Transmittal Memorandum* available at <http://www.whitehousedrugpolicy.gov/publications/policy/ndcs04/2004ndcs.pdf> Accessed September 2008 (Washington, D.C.: Office of National Drug Control Policy, March 2004).

⁶² Office of National Drug Control Policy, *National Drug Control Strategy* (Washington, D.C.: Office of National Drug Control Policy, 2005) p. 1.

⁶³ Recent events illustrate the importance ONDCP places on MTF as compared to the NSDUH. On December 11, 2007, the President released the 2007 MTF data to the public in a joint press conference with ONDCP, the National Institute of Drug Abuse (NIDA), and the University of Michigan. The press release announced the continuing gradual decline in illicit drug use in 2007 by American teens based on MTF data. By comparison, the 2007 NSDUH results were released on September 4, 2008, not at the White House, but at a joint SAMHSA/ONDCP press conference at the National Press Club in recognition of National Recovery Month. Director Walters and the Acting Administrator for SAMHSA led the conference.

PANEL ASSESSMENT OF PROGRESS AND CONCERNS ABOUT THE STRATEGY DOCUMENTS

The Panel's analysis shows that the nation attained some of ONDCP's goals, as initially established in 2002 and updated in the 2003 Strategy, but not all of them. For youth, ONDCP aggregates the data for the three grade levels tracked by MTF "to offer a comprehensive depiction of the youth age category." Using this approach, ONDCP reports that it has met the two-year goal and cites a 24 percent six-year reduction in youth drug use from 2001 to 2007. ONDCP has not used NSDUH to comprehensively track youth or adult goals.

The Panel understands that ONDCP established its goals with 2001 as its baseline and now uses the MTF for the youth goals because of the NSDUH discontinuity discussed earlier in this chapter. Nevertheless, the Panel believes it is important to examine both data sources to determine whether the nation reduced drug use and the extent to which it has achieved ONDCP's targeted reductions. This is consistent with the concept of triangulation, which the Panel identifies as an effective practice. Table 2-7 summarizes the nation's progress in reducing drug use, based on these two surveys with different baseline years. Where the nation has met ONDCP's percentage reduction target, the table shows a check mark; where it has not, the table shows an X. As shown, the nation met some of ONDCP's targets according to MTF, but met none according to NSDUH.

**Table 2-7
Nation's Drug Use Results**

√ = Achieved Targeted Reduction

× = Did Not Achieve Targeted Reduction

	MTF Results (from 2001 baseline)	NSDUH Results (from 2002 baseline)
Two-year youth goals (10 percent reduction)	√ 8 th graders √ 10 th graders × 12 th graders	×
Five-year youth goals (25 percent reduction)	× 8 th graders √ 10 th graders × 12 th graders	×
Two-year adult goals (10 percent reduction)	N/A	× 18 to 25 year olds × 26 years and older:
Five-year adult goals (25 percent reduction)	N/A	× 18 – 25 year olds × 26 years and older

Figure 2-5 presents six-year current use trends from the 2001 baseline, as reported by MTF for three school grades, for all illicit drugs.⁶⁴ The Panel chose to track each grade separately because this method is consistent with the way ONDCP presented the goal in the 2003 Strategy and with that Strategy's analysis of historical MTF data and changes from the prior year.⁶⁵ The Panel's method also makes maximum use of the information available to the nation about teen drug use. As shown, current reported drug use declined for every grade from 2001 to 2003. The nation exceeded ONDCP's two-year goal of a ten percent reduction in use for 8th and 10th graders (13.57 percent and 13.13 percent reductions respectively), but not for 12th graders (7.16 percent reduction). Reported current use from 2001 to 2006 also declined for every grade. The nation met ONDCP's five-year goals for 10th graders (25 percent reduction). Although reported drug

⁶⁴ "Current use" is defined as use within the past 30 days. This data includes inhalants.

⁶⁵ The 2003 Strategy's goal did not aggregate the three grade levels, committing to "measure progress toward the two- and five-year goals as follows: drug use by young people will be measured at the 8th, 10th, and 12th grade levels using the Monitoring the Future survey, with the 2000 – 2001 school year as a baseline." ONDCP's historical analysis of 1991 to 2002 MTF data was broken down by grade level, and the MTF results were disaggregated in its analysis of changes from the previous year: "The goal of reducing current use by 10 percent among 8th, 10th, and 12th graders, as measured by Monitoring the Future, is well on the way to being met (with reductions of 11.1, 8.4, and 1.2 percent, respectively)." See pages 2 – 4 of the *2003 Strategy* for additional information.

use by 8th and 12th graders declined over the five-year period, the reductions (22.14 percent and 16.60 percent respectively) did not meet ONDCP’s goals of a 25 percent reduction in use. The most recent MTF data, released in December 2007, shows that drug use has begun to increase among 10th and 12th graders (increase of 2.26 percent and 3.17 percent respectively),⁶⁶ while continuing to decline among 8th graders (reduction of 7.34 percent).

Figure 2-5
Six-Year Illicit Drug Use Trends from MTF⁶⁷
(Past 30 Days)
2001 – 2007

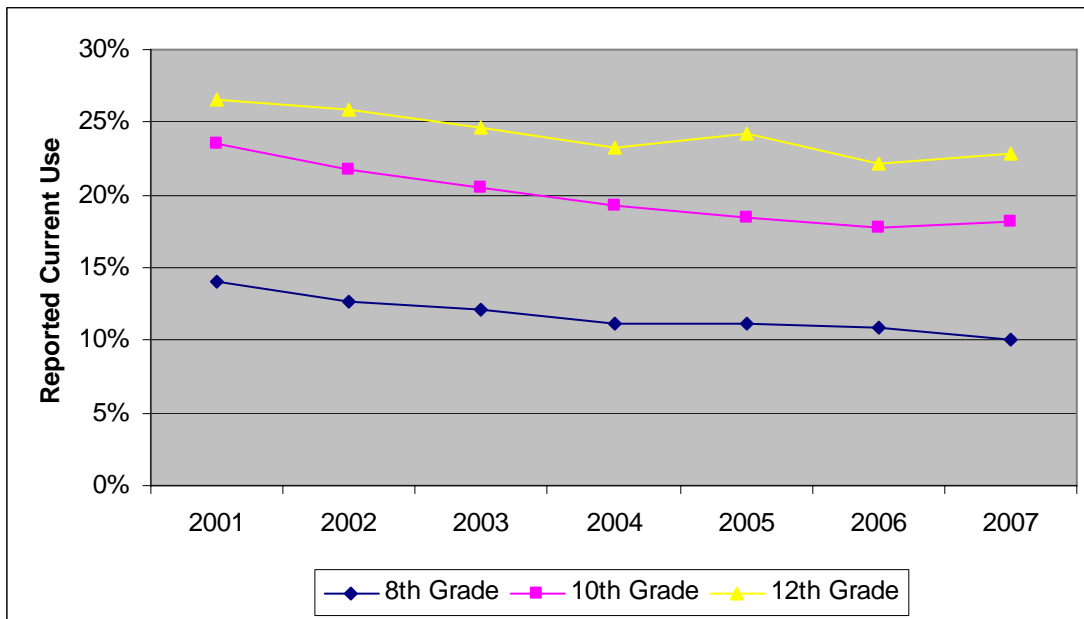


Figure 2-6 presents five-year current use trends from the 2002 baseline, as reported by NSDUH, for all illicit drugs.⁶⁸ As shown, the NSDUH survey found that reported youth drug use has declined every year from 2002 to 2007 (8.62 percent over two years and 18.1 percent over five years), but this decline did not meet the ONDCP targeted reduction for either time period. Of the three population groups, young adults continue to report the highest levels of current drug use. Although their use has declined, neither their two-year decline (3.96 percent) nor their five-year decline (2.47 percent) met ONDCP’s targeted reduction. Among adults 26 years and older,

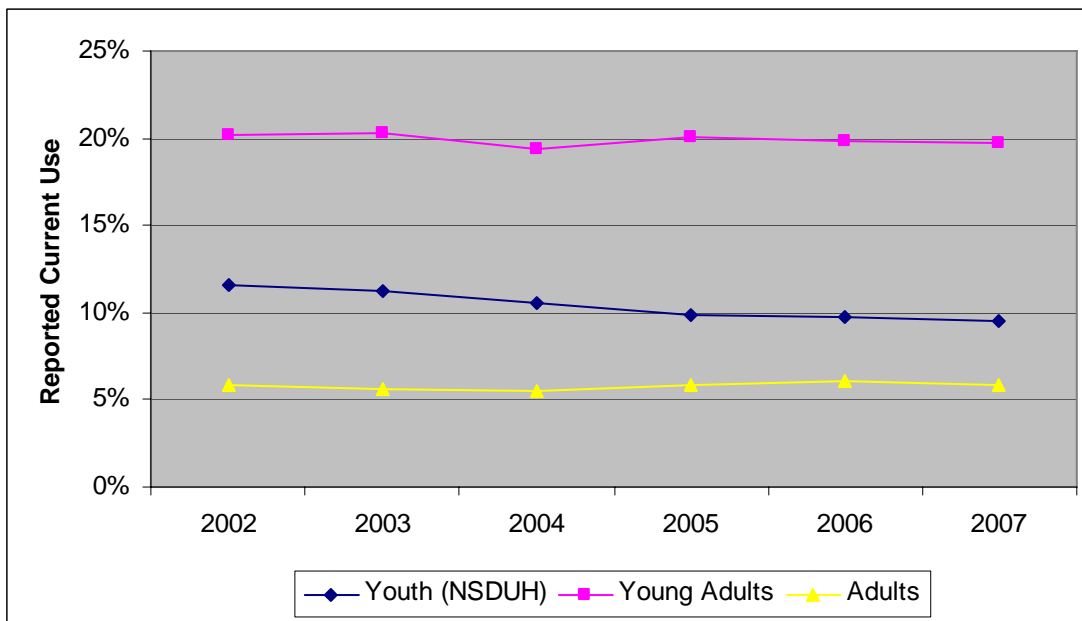
⁶⁶ In comments on this section, ONDCP noted that these changes are not statistically significant. In reviewing past MTF data from 2001 to 2007, however, the Panel found that the only statistically significant year-to-year change in illicit drug use (including inhalants) occurred in 2002. In that year, MTF reported a reduction in drug use among 8th and 10th graders that was statistically significant at the .05 level. ONDCP’s Strategies have cited MTF’s year-to-year changes as evidence of a decline in youth drug use, regardless of statistical significance. In those years when MTF’s reported increases/decreases for all illicit drugs (including inhalants) were not statistically significant at the .05 level, a greater than 5 percent chance exists that the change found in the MTF sample did not actually occur in the population.

⁶⁷ This data includes inhalants.

⁶⁸ “Current use” is defined as use within the past 30 days. This data includes inhalants.

NSDUH reports a 5.17 percent two-year decline, but no decline over five years because their use has increased from their 2004 low.⁶⁹ The nation did not meet ONDCP’s two-year or five-year goals for adults.

Figure 2-6
Five-Year Illicit Drug Use Trends from NSDUH
(Past 30 Days)
2002 – 2007



Inconsistent Strategy Formats and Tracking of Goals

In recent years, ONDCP has not adopted a standard format for the Strategy, nor have the Strategies transparently tracked progress toward goal accomplishments for all age groups. In addition, ONDCP’s long-term *Strategic Plan 2006-2012*, released in 2005, cited the National Drug Control Strategy and included the three national priorities and the two- and five-year goals for 8th, 10th, and 12th graders and adults age 18 and older. However, when the 2006 annual Strategy was released, it omitted the adult goals, with only the two- and five-year goals for youth remaining. Likewise, the 2007 and 2008 Strategies omit the adult goals and focus on 8th, 10th, and 12th graders. Although adult use reduction goals remain in the long-term Strategic Plan, their omission from the more prominent annual Strategy raises the question whether they remain an ONDCP priority. A current ONDCP official involved in producing the annual Strategy was not aware of the existence of the long-term Strategic Plan and stated a long-term Strategy is “in the minds” of those who write the annual Strategy.

⁶⁹ NSDUH found that 5.8 percent of adults 26 years and older were current users of any illicit drug in 2002, a rate that declined to 5.5 percent in 2004 before increasing to 5.8 percent in 2007.

As explained earlier, the 2003 Strategy cited changes to the NSDUH that created a discontinuity between the 2002 survey and previous year NSDUH data and prevented comparisons with use rates from years prior to 2002. The NSDUH data is particularly significant because the survey is the primary federal tool to track adult drug use. The 2004 NSDUH, published in summer 2005, provided ample time for inclusion of three years of comparative data in the 2006 Strategy, but this data was not included. With publication of the 2006 NSDUH in summer 2007, five years of comparative survey data were available prior to publication of the 2008 Strategy. Although the 2008 Strategy included selected NSDUH tables, it did not include comparative data on adult use. In July 2008, ONDCP published its FY 2007 Performance Summary Report. The Executive Summary acknowledged the existence of both youth and adult goals and stated, "...the primary national survey that captures adult use [has] been altered in such a manner as to disrupt continuity..." The paragraph went on to mention the difficulty in measuring adult use, but without acknowledging that five years of comparative NSDUH adult use data was available at the time of the report.

Unexplored Relationships between Youth Illicit Drug Use and Cigarette/Alcohol Use

In addition, the Strategy does not address the close association of youth illicit drug use with cigarette and alcohol use, which several stakeholders, including a former HHS Secretary, have described as the real gateways to drug-seeking behavior among youth. According to the 2007 NSDUH, the rate of current illicit drug use was almost 9 times higher among youths aged 12 to 17 who smoked cigarettes in the past month (47.3 percent) than it was among youths who did not smoke cigarettes in the past month (5.4 percent). According to the NSDUH, past month illicit use also was associated with the level of past month alcohol use. Among youths aged 12 to 17 in 2007 who were heavy drinkers (i.e., consumed five or more drinks on the same occasion on each of 5 or more days in the past 30 days), 60.1 percent also were current illicit drug users, which was higher than the rate among non-drinkers (5.0 percent).

According to a stakeholder in the demand reduction field, reductions in use of marijuana and other illicit drugs have been indirectly influenced by smoking bans, declines in social acceptance of tobacco, and anti-tobacco advertising. A 2003 report by the American Legacy Foundation and The National Center on Addiction and Substance Abuse (CASA) at Columbia University, revealed that a 50-percent reduction in the number of teens who smoke cigarettes can cut marijuana use by 16 to 28 percent. A GAO report on the National Youth Anti-Drug Media Campaign indicated that youth responsibility in general has been trending in a positive direction. According to the report, teen pregnancy rates, teen birth rates, juvenile homicides, and juvenile violent crime arrests have been decreasing, and all these trends, including illicit drug use, could be related to broader environmental, familial, or other influences.⁷⁰

⁷⁰ U.S. Government Accountability Office and Pricewaterhouse Coopers, LLC, *Contractor's National Evaluation Did Not Find That the Youth Anti-Drug Media Campaign Was Effective in Reducing Youth Drug Use*, GAO/GGD-06-818. (Washington, D.C.: August 2006).

POTENTIAL EFFECTIVE PRACTICES

ONDCP could make more use of two effective practices often utilized by academic researchers, policy experts, and strategic planners.

Triangulation

It is not unusual for data from two surveys such as NSDUH and MTF to produce different results, especially given the difference in scope and methodology. In the social sciences, investigators typically seek multiple sources of data to corroborate findings and raise confidence in findings if differing methods lead to the same result. If the findings of two methods clash, the concept of triangulation can be used. Under this approach, information collected by different methods, by different groups, and in different populations is examined in order to corroborate findings across data sets. This reduces the impact of potential biases that can exist in a single study.

Whereas triangulation can enhance a study's confidence and integrity, too narrow a focus has the potential to elicit skepticism of the work, particularly in the scientific community. Noting its concentration on positive results, some drug control agency officials consistently stated that the annual Strategies provide little value to them in their day-to-day business. Instead, their operations are in line with their own agency or department strategic plans, not ONDCP's Strategy. Their only linkage to the Strategy is through the connection of their agency's mission responsibilities to one of the three national priorities: 1) Stopping Drug Use Before it Starts (Prevention), 2) Intervening and Healing America's Drug Users (Treatment), and 3) Disrupting the Market (Supply Reduction).

The 2007 Strategy began to re-introduce data from the NSDUH. Although it did not report NSDUH statistics on adult use, it contained several specifically focused NSDUH tables used to demonstrate the specific aspects of the drug problem. To demonstrate accomplishments, the 2007 Strategy used only MTF data.

Advisory Groups

It is critically important that ONDCP—charged with a non-partisan mission—be a data-driven organization seen by other drug agencies as an honest broker, with a full understanding of the nature of the problem and the substantive knowledge of what works to reduce it. The Westat multi-year evaluation of the National Youth Anti-Drug Media Campaign, a \$42.7 million study begun in 1999, is an example of ONDCP's reaction to the results of validated social science studies. GAO⁷¹ concluded in August 2006 that the Westat finding that the campaign was not

⁷¹ U.S. Government Accountability Office and Pricewaterhouse Coopers, LLC., *Contractor's National Evaluation Did Not Find That the Youth Anti-Drug Media Campaign Was Effective in Reducing Youth Drug Use*, GAO/GGD-06-818. (Washington, D.C.: August 2006), p. 48.

effective⁷² in reducing youth drug use was a credible determination based on established social science research methodology.⁷³ Westat's final report was received by NIDA and ONDCP in February 2005, but not released to the public until June 2006. According to GAO, the Weststat study's findings "raise concerns about whether any [such federal media] campaign can affect youth drug use, especially since the lack of effect does not seem to be related to recognition of campaign ads, but, rather, to subsequent impact on attitudes and behaviors." ONDCP's response to GAO's review questioned whether it was possible to establish a causal connection between a media initiative and outcomes, despite having concurred with the methodology in February 2001 and having made program revisions in 2002 based on Weststat's preliminary research.⁷⁴

ONDCP did not challenge the Westat methodology until the study yielded negative results about the Media Campaign. As GAO noted, "ONDCP is on record as stating that the evaluation by Westat would be the means to assess the impact of the Campaign." GAO found no evidence that ONDCP had ever claimed the evaluation method was fundamentally flawed prior to publication of the final results. That ONDCP had made refinements based on the interim results is inconsistent with the belief that the method was flawed.⁷⁵ GAO concluded that the "continuation of programs that have been demonstrated not to work diverts scarce resources from programs that may be more effective." Without a clear understanding of both the successes and the shortcomings of current efforts, ONDCP's credibility is undermined, thus diminishing its effectiveness across each of its major mission responsibilities.

Currently, ONDCP has no active advisory groups, which, if utilized effectively, could be an important way to infuse the best available information into the organization's decision-making processes. The 2000 PwC study noted the absence of a senior advisory steering group or committee that would meet regularly to consult with and advise the ONDCP Director on overall priorities and strategies. While the report acknowledged ONDCP's reliance on policy advisory

⁷² In comments on the Agency Review Draft of this report, ONDCP disagreed with the Westat finding. GAO found that Westat had "credible evidence that the campaign was *not* effective in reducing youth drug use" [emphasis added]. In fact, Westat found that Campaign exposure may have weakened anti-drug norms among affected youth ("exposure to the advertisements generally did not lead youth to disapprove of using drugs and may have promoted perceptions among exposed youth that others' drug use was normal"). Westat concluded, "[t]hroughout most of the Campaign period, there were significant delayed effects of Campaign exposure on social norms and perceptions of other kids' use of marijuana, and these effects were consistently in an unfavorable direction, i.e., higher exposure leading to weaker anti-drug norms. In addition, there may have been a significant unfavorable effect of exposure from the Marijuana Initiative period on initiation of use, i.e., higher Campaign exposure leading to higher rates of initiation. Finally, an analysis of youth who had already begun using marijuana yielded no evidence that higher Campaign exposure led to quitting or reducing use." (See Westat, *National Youth Anti-Drug Media Campaign: 2004 Report of Findings Executive Summary*, p. viii).

⁷³ Specifically, the Weststat review showed that "exposure to the advertisements generally did not lead youth to disapprove of using drugs and may have promoted perceptions among exposed youth that others' drug use was normal."

⁷⁴ ONDCP has continued to request congressional funding for the Media Campaign. In his response to GAO's August 2006 report (pp. 65 – 71), Director Walters said that not continuing this effort would be "raising a white flag to those who favor drug legalization" and that "we must work together to overcome cynicism over whether we can reduce drug use among America's teens. We can, we have, and we will continue to do so, using the best available means we have at our disposal."

⁷⁵ In 2002, ONDCP made revisions to the campaign based on Weststat's preliminary findings and, in November 2005, launched a newly designed campaign called "Above the Influence."

groups on various issues, such as The Interdiction Committee on international counterdrug activities, it recommended the expansion of the concept to include more open, transparent advisory committees, incorporating stakeholders and public agency representatives working directly with agency leaders. ONDCP has experience with interagency collaboration through the use of advisory groups, some of which have been mandated or required by statute. For example, the Drug Control Research, Data, and Evaluation Committee (DCRDE) was established in 1995, with experts in law enforcement, medicine, science, and technology, who provided ONDCP with updated data related to counterdrug efforts specified in the Strategy. ONDCP decided to disband this committee on September 30, 2007.

Although ONDCP does not currently have any advisory groups, it has, at times, used advisory groups to inform ONDCP programs/components, such as Drug-Free Communities (DFC). For example, the Advisory Commission on DFC led the Director to adopt a scaled, five-year funding model intended to increase grant recipient autonomy and success. This commission was not renewed by Congress in the 2006 ONDCP Reauthorization.

Organizations such as the Food and Drug Administration (FDA), the Environmental Protection Agency (EPA), and the National Institutes of Health (NIH), however, use such groups and form independent committees of experts who meet on a regular basis. For example, the FDA, beginning in 1995, created a board of skilled analysts in public health, science, and toxicology to inform the Commissioner.^{76 77} The EPA and the NIH also have formalized, open processes that bring together specialists, who represent the public, the academic community, and the scientific community through advisory committees that directly inform management.^{78 79} Both organizations solicit public involvement in advisory group activities and promulgate information gathered and discussed by these groups through reports, meeting minutes, and webcasts available and easily accessible online.

⁷⁶ More information available at http://getinvolved.nih.gov/advisory_councils.asp and <http://www.fda.gov/oc/advisory/>.

⁷⁷ Harris, Gardiner. "F.D.A. to Create Advisory Board on Drug Safety." *New York Times* (February 16, 2005) available at <http://www.nytimes.com/2005/02/16/politics/16fda.html>

⁷⁸ The EPA has committees, such as the Science Advisory Board, the Clean Air Scientific Advisory Committee (CASAC), the Local Government Advisory Committee, and the Advisory Council on Clean Air Compliance Analysis (COUNCIL). These expert bodies explore issues, such as the validity of EPA's scientific practices, relevance of its technological systems, and EPA's relationship with local governments. COUNCIL studies the impact that the Clean Air Act has on public health, the American economy, and the environment. CASAC advises EPA's Administrator on technical issues, providing a formal channel of communication between EPA's head and highly skilled scientific specialists. See <http://yosemite.epa.gov/sab/sabpeople.nsf/WebCommittees> and http://www.epa.gov/ocir/scas_lgac/lgac_index.htm.

⁷⁹ The NIH has almost 30 advisory groups. Following a 1965 operational study, NIH established an Advisory Committee to the Director to inform the Director's decisions concerning organizational policies and resource distribution. The Council of Public Representatives also advises the Director, focusing on about broad organizational activities and priorities.

INFORMING THE RECOMMENDATIONS

This chapter's analysis shows that ONDCP's Strategies have not been comprehensive in their coverage of the full nature of the drug problem. In all too many years, they have focused on promoting past year accomplishments instead of developing a forward-focused roadmap based on a realistic assessment of overall accomplishments for all components of the population. Because the Strategies have excluded a wide range of applicable statistical data on affected populations, they have not reflected the full use of the nation's breadth of drug policy knowledge. This analysis is a critical foundation for the Panel's Strategy recommendation, presented in Chapter VI.

CHAPTER III

EXTERNAL RELATIONSHIPS

The Reauthorization Act of 2006 requires ONDCP to consult with Congress and NDCP agencies, as well as state, local, and tribal officials; private citizens and organizations, including community and faith-based organizations with experience and expertise in demand and supply reduction; and appropriate representatives of foreign governments (“other stakeholders”) in developing the National Drug Control Strategy. ONDCP is also statutorily required to coordinate and oversee the implementation of the national drug control policy by the NDCP agencies and consult with such agencies to develop a national drug control budget.

The Panel believes that the quality of these interactions—which cannot be legislated—has a significant impact on ONDCP’s mission effectiveness. Given the importance of these relationships, the Panel and study team analyzed ONDCP’s interactions with both Congress and the NDCP agencies to assess the state of these relationships and identify areas for improvement.

For ONDCP’s relationship with Congress, the study team reviewed the various statutory reporting and non-reporting requirements imposed upon ONDCP by Congress since ONDCP’s creation in 1988 and examined ONDCP’s fulfillment of these requirements. The purpose of the review was to determine the nature of ONDCP’s legislative requirements; whether ONDCP is meeting them; the timeliness and comprehensiveness of ONDCP’s responses; and the extent to which meeting such requirements has affected its ability to fulfill its primary mission to reduce drug-use and its consequences. The analysis also attempted to determine the nature of the relationship between ONDCP and Congress and steps each can take to make it more productive.

For ONDCP’s relationship with the NDCP agencies, the study team sought the views of these partner agencies⁸⁰ through a survey of 34 key organizational contacts who regularly work with ONDCP at 12 departments and 20 bureaus. They provided important feedback on ONDCP’s role in formulating and coordinating drug control policy; the impact of the Strategy on the agencies’ budgets and activities; the extent to which the agency has input into the development of the Strategy; and the impact of annual funding guidance letters. They also provided insights regarding their relationship with ONDCP.

RELATIONSHIP WITH CONGRESS

Approximately⁸¹ 36 statutory reporting requirements for FY 2007 resulted from the 2006 Reauthorization Act. Twenty-eight of these were new requirements, of which 16 were one-time

⁸⁰ These agencies are referred to in this report as “partner agencies” or “partner drug agencies” because of the Panel’s belief that the underlying intent of the Anti-Drug Abuse Act of 1988 was for a collaborative partnership to develop between them and ONDCP, working together to deal with drug control issues in the most constructive and efficient manner to reduce drug use and its negative consequences.

⁸¹ The numbers of reports are approximate since several “reports” (interagency reprogramming or transfer requests and fund control notices) could be filed multiple times throughout the year.

filings. For FY 2008, ONDCP was required under the 2006 Reauthorization Act to file approximately 21 reports, as well as several additional reports required in the Consolidated Appropriations Act of 2008. The number of reporting requirements and the level of detail prescribed for these reports appear to be daunting, especially in light of the Office's relatively small size. However, ONDCP was unable to provide quantifiable evidence of the resource implications of these requirements and the extent to which they impacted staff or the ability to perform its primary mission to reduce drug-use and its consequences. ONDCP officials express frustration with the value of some of the required reports. The Panel sees value in a large number of the requirements, not just for Congress, but for ONDCP's internal assessments of its programs.

With regard to whether ONDCP has been meeting its statutory obligations, the Panel determined that ONDCP has submitted most of its statutorily required reports, but many have been late or not comprehensive. As addressed further in Chapters II and IV, certain reporting and non-reporting requirements, relating to the National Drug Control Strategy, the National Drug Control Budget, and ONDCP's interaction with NDCP agencies, may not have been fully satisfied.

Finally, the Panel believes that ONDCP's refusal to comply with certain statutory obligations based on its view that the requirements are unconstitutional is not a desirable response. ONDCP should take steps—probably with senior management speaking directly to Members of Congress—to explain Administration policy and that of the Department of Justice on such issues. In the absence of a fundamentally sound relationship, such actions have only served to further increase tensions between ONDCP and Congress.

As part of the EOP, ONDCP has the advantage of proximity to the President. Yet, with its mission legislated by Congress, it must also maintain strong relationships with the Legislative Branch, particularly its appropriating and authorizing committees. Critical to this relationship are timely and comprehensive compliance with valid statutory requirements; consideration of legislative intent in complying with such requirements; and strong avenues of communication between ONDCP and its appropriating and authorizing committees and their staff.

The relationship between ONDCP and Congress has steadily deteriorated over the last seven years. Both sides indicate an “us vs. them” environment, exacerbated by Congress' increasing demands and scrutiny of ONDCP's organization and processes and ONDCP's inability or refusal to comply with certain statutory requirements.

Number of Requirements

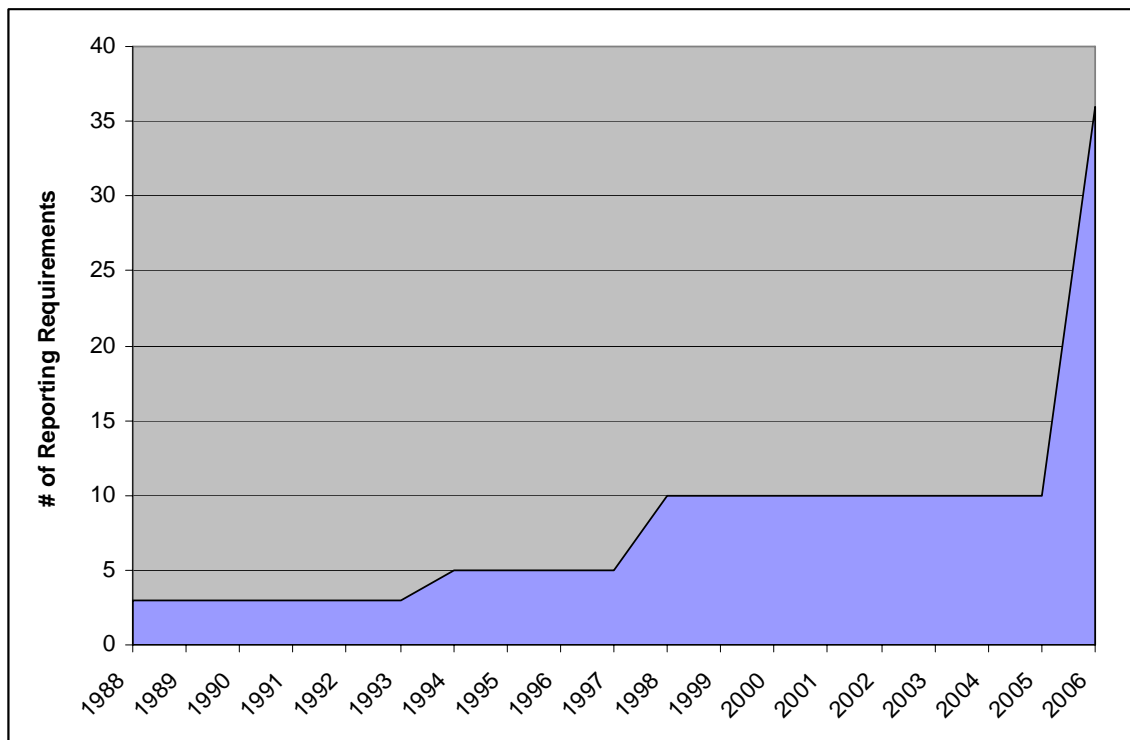
The number of statutory requirements ONDCP is expected to meet, while still achieving its primary mission to reduce illicit drug use and its consequences, is significant. Congress' expectations are even more impactful when viewed in light of ONDCP's relatively small size and limited workforce of 118 authorized FTE (with 106 current employees). As noted in Chapter I, the number of requirements has increased dramatically in recent years. The 2006 Reauthorization contained approximately 36 reporting requirements, some of which were to be

included in either the National Drug Control Program Budget or the National Drug Control Strategy.

Total Requirements

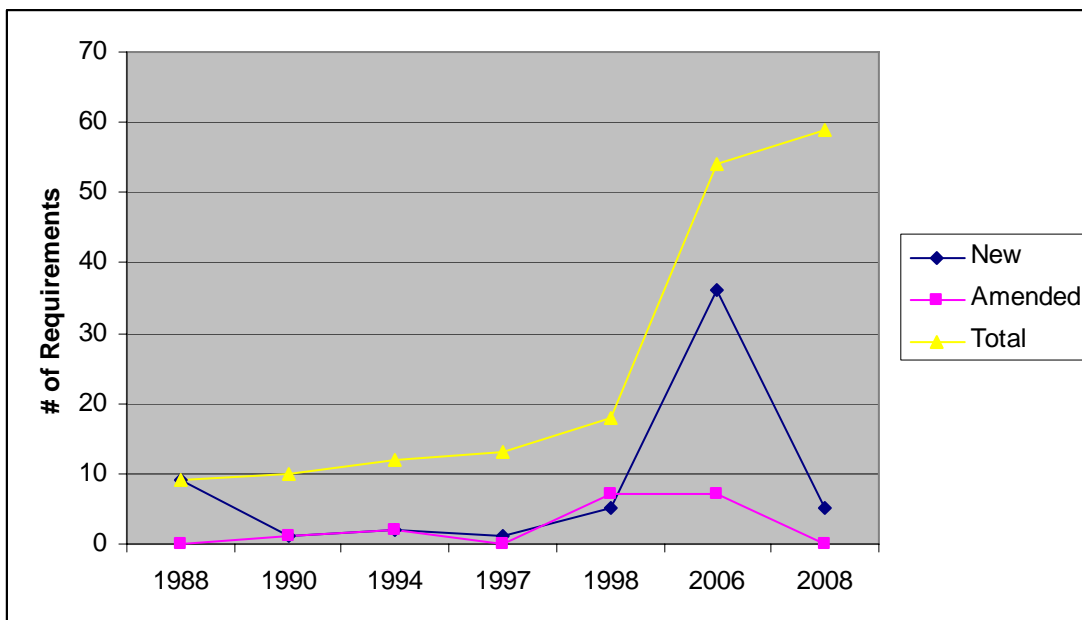
Figure 3-1 and Figure 3-2 show the increasing number of requirements, both reporting and non-reporting, since the Anti-Drug Abuse Act of 1988 through the Reauthorization Act of 2006.

**Figure 3-1
ONDCP Authorization/Reauthorization Reporting Requirements⁸²
1986-2008**



⁸² This figure only includes requirements found in authorization and reauthorization statutes since 1988 (i.e., it does not include appropriations requirements).

Figure 3-2
ONDCP Statutory Non-Reporting Requirements⁸³
1986-2008



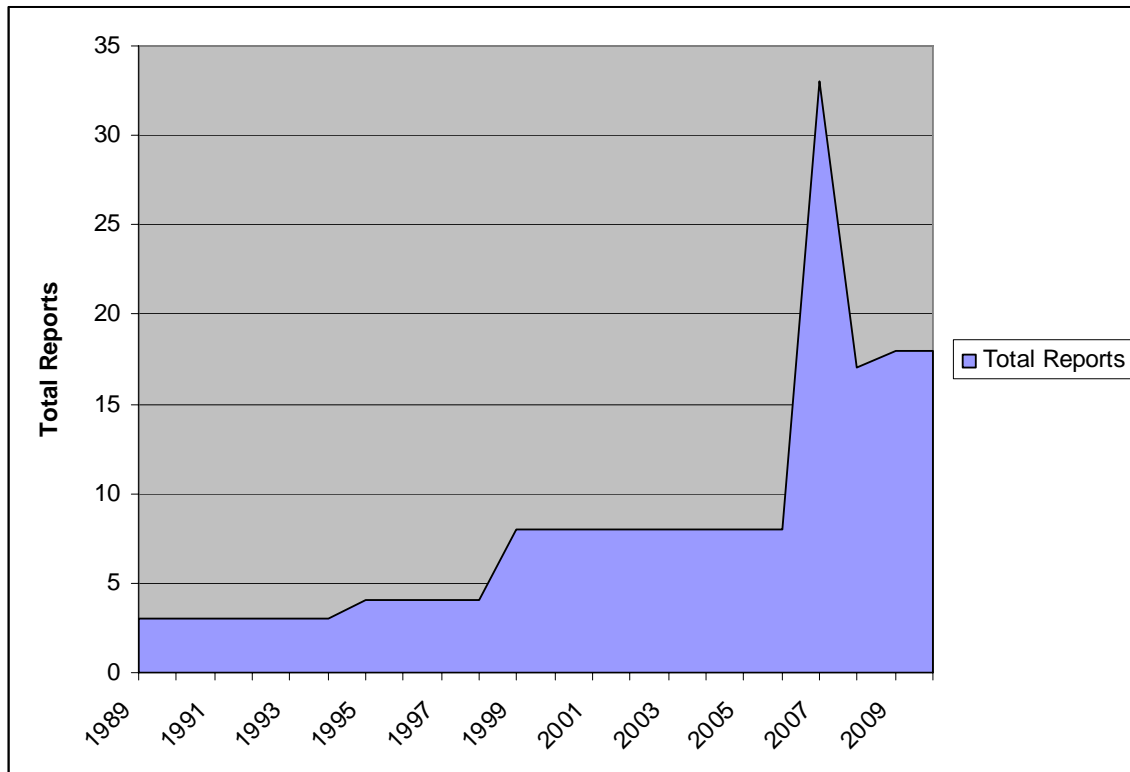
Reporting Requirements Workload

Figure 3-3 maps the reporting requirements workload. As shown, the reporting requirements slowly grew from 1989 to 2006 (from 3 to 8 reports per year respectively). After the 2006 Reauthorization, the number increased to 33 in 2007, although many of these were one-time reports. In 2008, ONDCP has been required to submit a total of 19 reports.⁸⁴ Based on the study team’s review of current requirements, ONDCP will be expected to file 18 reports in FY 2009 and again in FY 2010.

⁸³ This includes requirements introduced in 1990 as part of the Counternarcotics Technology Act of 1990, Pub. L. No. 101-510, and those introduced in 1997 as part of the Drug Free Communities Act of 1997, Publ. L. No. 105-20.

⁸⁴ These figures do not include reports required in the Consolidated Appropriations Act of 2008.

Figure 3-3
ONDCP Reporting Workload⁸⁵
Based on Authorization/Reauthorization Requirements
1989 - 2010



ONDCP officials commented on the large number of reporting requirements, particularly since the 2006 Reauthorization. Not all of the ONDCP officials interviewed, however, believed the requirements to be overly burdensome, particularly since many of the 2006 reports are single, rather than annual, filings. One ONDCP official stated that many of the reports are valuable and should be produced, not just for Congress but for ONDCP’s own internal evaluations. Officials also noted the limited value of some of the reports. For example, they cited as having limited value the report required in the 2006 Reauthorization on drug court programs that conduct hearings in nontraditional public places. For ONDCP, the reporting requirements therefore have become an issue of balancing competing priorities and limited resources—juxtaposed with the issues of report utility and value. The reports consume staff time and funds, and production of

⁸⁵ This does not include the fund control notice and interagency reprogramming/transfer request authority granted to the ONDCP Director in the 1994 and 1998 reauthorizations because the number of such actions varies each year, and the study team did not have historical information on this issue. The 33 reports shown for 2007 are lower than the 36 reporting requirements discussed above because neither the fund control nor the interagency reprogramming/transfer requests have been included; additionally, one reporting mandate requires two filings (one in 2009 and one in 2010), and these are counted in those respective years.

reports with limited utility and value interferes with ONDCP's primary mission to reduce drug-use and its consequences.

The Panel sought quantifiable evidence from ONDCP regarding the Congressional requirements burden. ONDCP did not receive any additional funds to fulfill Congressional requirements and, therefore, had to use existing Salary and Expense funds to pay for staff work on these efforts. ONDCP does not use job-cost accounting and did not track staff hours by task. Therefore, it was able to provide only an annual estimate of costs to fulfill statutory requirements, primarily in the preparation of written reports. ONDCP provided the Congressional Budget Office with a \$35.5 million estimate of costs regarding the implementation of the 2006 Reauthorization Act. However, that estimate included some provisions that were not ultimately included in the Public Law.⁸⁶

The estimate, which did not ascribe dollars to all requirements, also included \$25 million for the cost to GAO of a required annual audit of ONDCP activities. ONDCP's estimate of GAO costs assumed GAO would audit all HIDTA grantees and the 700 plus Drug-Free Community coalitions.⁸⁷ While ONDCP said that its estimate of the cost of complying with all the proposed 2006 provisions was for annual expenditures, many of the requirements spanned multiple years. The Panel is, therefore, unable to make an assessment as to the extent to which Congressional reporting requirements overburden staff resources.

Hearings

An assessment of the relationship with Congress can be further evaluated by a review of Congressional hearings on ONDCP and its programs. ONDCP officials stated that they believed the number of reporting requirements had increased as the number of budget hearings has decreased. ONDCP officials further stated that they believed that the written reports had become a substitute for open debate and discussion about priorities and resource allocation.

The Panel sought information regarding the frequency of official hearings. Based on information provided by ONDCP, Director Walters and other ONDCP officials have testified at 42 hearings on ONDCP's programs since May 2001. However, Congress has decreased the use of hearings to discuss ONDCP budget issues.

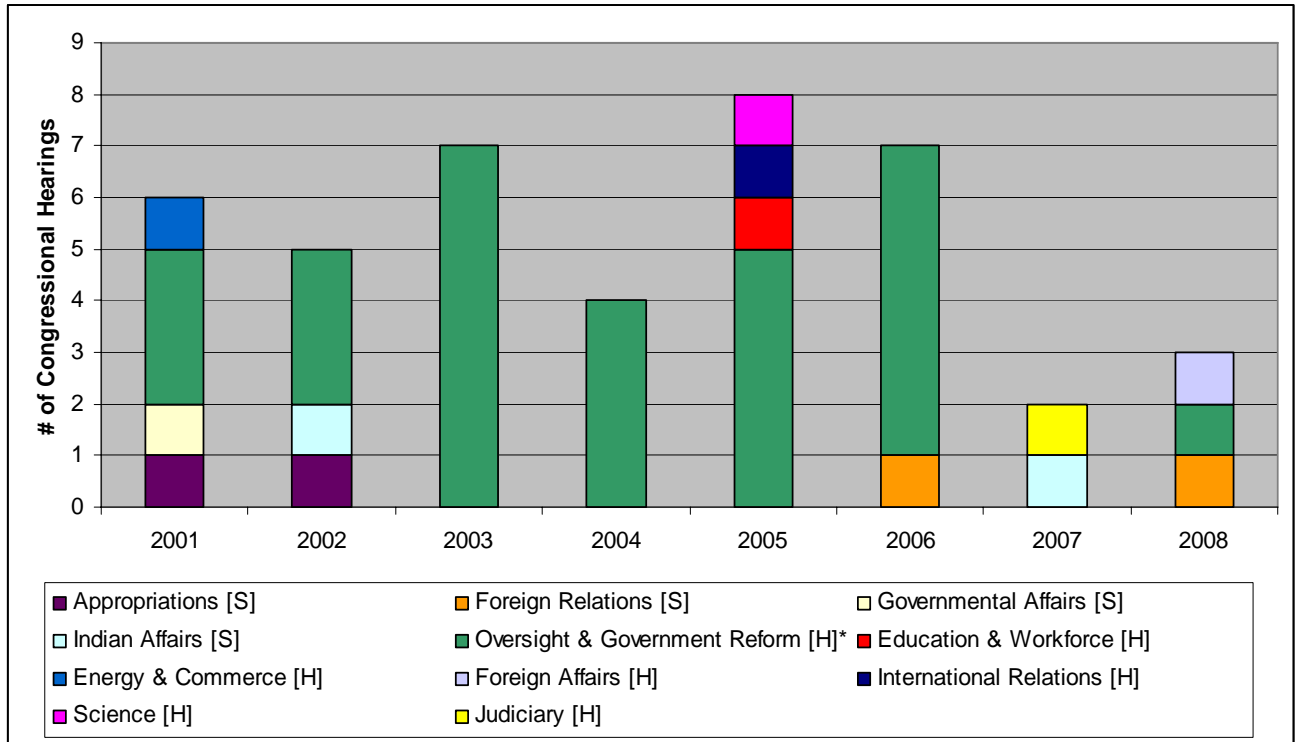
During this same period, there have been two appropriations subcommittee hearings, the last of which was held in June 2002. Figure 3-4 shows the number of hearings since 2001 by committee. Twenty-nine of the 42 hearings on ONDCP were conducted by the House

⁸⁶ "Cost Estimate for CBO Regarding S. 5260 ONDCP Reauthorization Act of 2006." The Congressional Budget Office estimated that the implementation of S. 5260 would cost the federal government a total of \$3.793 billion over the six year span of FY 2006-2011. These figures were based on the pending Senate version of ONDCP's reauthorization; not all of these provisions were included in the actual statute.

⁸⁷ The study team contacted GAO regarding the costs of audits mandated in the 2006 Reauthorization. GAO has interpreted the 2006 requirement, and Congress has agreed with its interpretation, that the statute requires a yearly ONDCP-focused audit, rather than a comprehensive audit of all ONDCP grant programs. This has resulted in a far lower cost than the ONDCP \$25 million estimate.

Committee on Government Reform (69 percent), likely due to the multi-year reauthorization efforts, while approximately 5 percent were conducted by the Senate Appropriations Committee.

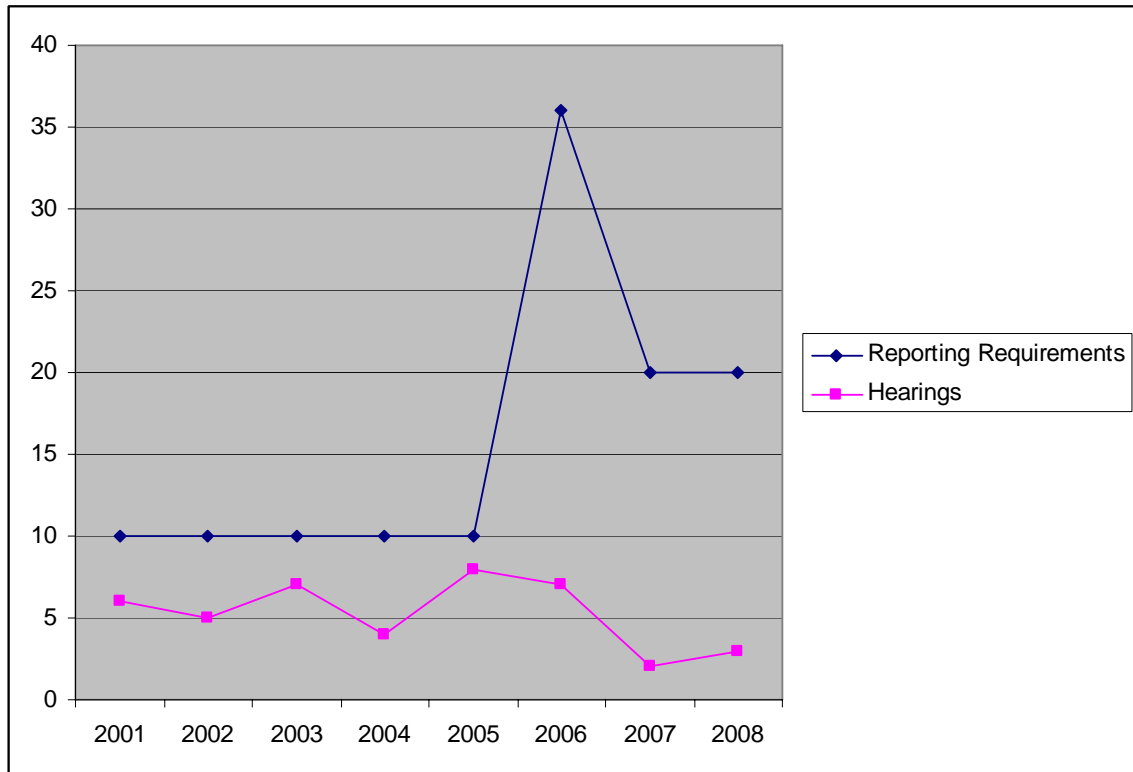
Figure 3-4
ONDCP Congressional Hearings from 2001-2008⁸⁸
(Organized by Committee)



⁸⁸ After the 109th Congress, the House Committee on Government Reform was renamed the House Committee on Oversight and Government Reform. Hearings under this committee were graphed with the present title.

Figure 3-5 juxtaposes the number of requirements against the number of hearings. The largest number of hearings was held in 2005 (a total of 8). After the 2006 Reauthorization, the number of hearings declined from 7 to 2.

Figure 3-5
ONDCP Congressional Hearings and
Authorization/Reauthorization Requirements



These numbers seem to confirm ONDCP’s assertion that statutory requirements have taken the place of hearings, particularly with the Appropriation Committees. The decline in hearings limits dialogue and debate on issues and reflects the break-down in communication between ONDCP and Congress. If the Director and the Office of Legislative Affairs (OLA) were able to reestablish the relationship with the Appropriation Committees, such bridge-making attempts could substantially decrease Congressional frustration with and scrutiny of ONDCP and arguably lead to less statutory requirements.

In contrast to complaints about ONDCP’s failure to comply, some members have stated that Congress has required “a lot of detailed reporting from ONDCP” and justified the “quantity and

breadth of Congressional reporting mandates” as necessary under the circumstances.⁸⁹ The Chairman of the House Committee on Oversight and Government Reform also characterized ONDCP’s late filing of reports as unsurprising, given the number of reports required.

In its review of ONDCP Congressional hearings, the study team found numerous statements by members of Congress which illustrate the Legislative Branch’s increasing frustration with ONDCP as well as its understanding of the consequences of this acrimonious relationship. In addition, some Congressional staff questioned the value of hearings, expressing dissatisfaction with the information provided by recent witnesses. Others have opined that—given the size of ONDCP’s budget relative to the federal budget as a whole and the limited role ONDCP plays in the total NDCP budget—it is not surprising that there have been few ONDCP appropriations hearings.

ONDCP Compliance with Statutory Requirements

The study team reviewed statutory report language since 1988 to better understand the nature of the relationship between Congress and ONDCP and met with ONDCP officials to gain their perspective. Additionally, the study team met with staff members of the Senate and House committees with jurisdiction over ONDCP to discuss their views as to whether the Office has fulfilled its requirements and whether its reports are sufficiently comprehensive, have met Congressional expectations, and have been filed on time.

Congressional staff primarily focused on the following issues:

- Many reports have not been filed on time, or have not been as comprehensive as expected;
- Some reports have been difficult to comprehend and not “user friendly”;
- Decisions regarding HIDTA funding allocations are made without consultation with the Appropriations Committees as required.; and
- Implementation of statutory requirements does not appear to consider Congressional intent.

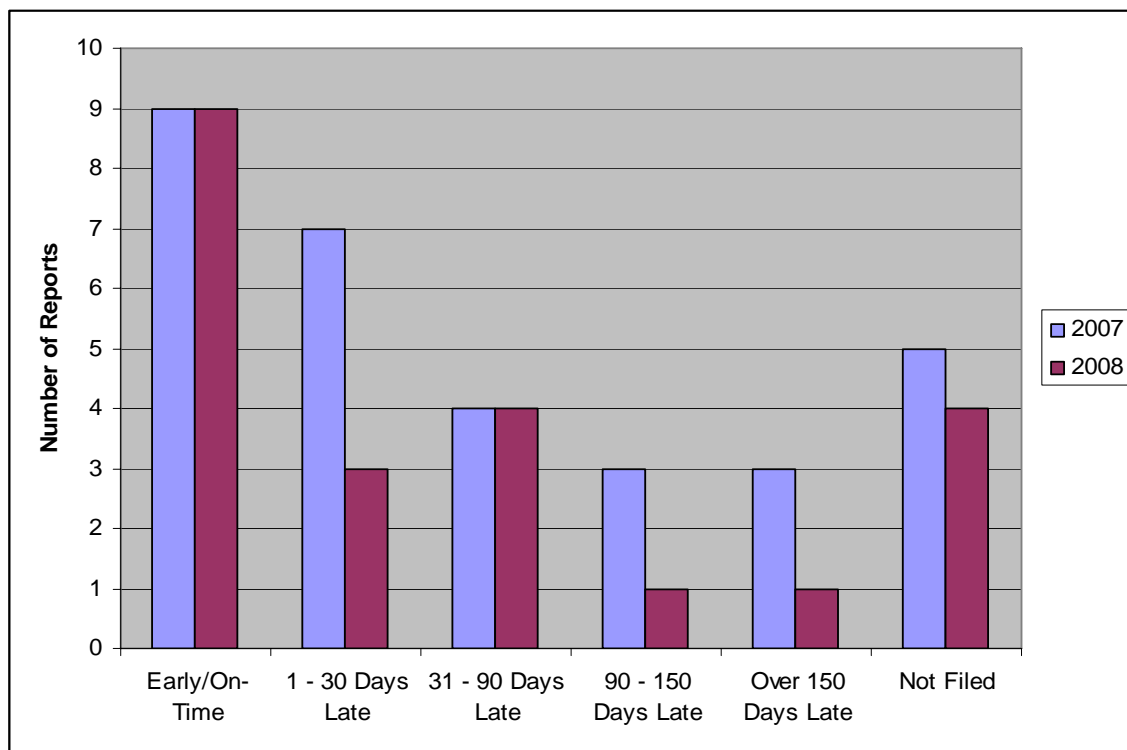
Congressional staff indicated that the intent was not to pile requirements on ONDCP that would make it impossible for the Office to meet its mandate, but rather to increase its responsiveness to Congressional requests and accountability for its use of funds, particularly with respect to the National Youth Anti-Drug Media Campaign. Although Congressional staff expressed frustration with the limited communication between Congress and ONDCP, they said that relations with ONDCP’s OLA have improved and that OLA is increasingly more responsive and communicative.

⁸⁹ See, e.g., Chairman Dennis J. Kucinich’s Opening Statement, “The National Drug Control Strategy for 2008, the Fiscal Year 2009 National Drug Control Budget, and Compliance with the ONDCP Reauthorization Act of 2006; Priorities and Accountability at ONDCP,” Subcommittee on Domestic Policy of the House Committee on Oversight and Government Reform, 110th Congress, 2nd Session, March 12, 2008, Washington, D.C.

With regard to timeliness, ONDCP officials commented on the difficulty of producing reports on time due to the Office’s relatively small size.⁹⁰ Officials also stated that some reports were late due to other competing requirements. Additionally, the time-consuming EOP clearance process and the fact that certain requested information is not readily available or is pre-decisional hamper ONDCP’s ability to produce reports on time.

Figure 3-6 summarizes the study team’s analysis of the timeliness of reports filed in FY 2007 and FY 2008, and the number of days past the due date for those reports filed late. A total of 29 percent of the reports were filed early or on-time in 2007 and 40 percent were in FY 2008. A total of 52 percent and 55 percent in FY 2007 and FY 2008 respectively were either early, on-time, or no more than 30 days late. Four reports required to be filed in FY 2007 were delayed until FY 2008. As of September 15, 2008, a total of 16 percent of the required FY 2007 reports and 18 percent of the required FY 2008 reports had never been filed. A total of 19 percent in FY 2007 and 9.09 percent in FY 2008 were over 90 days late.

**Figure 3-6
Timeliness of ONDCP Statutorily Mandated Reports
Filed with Congress in FY 2007 and FY 2008⁹¹**



⁹⁰ As noted in Chapters I and V, the study team verified with ONDCP that its workforce includes 25 full time employees dedicated to administrative infrastructure functions and an additional 29 employees who spend a portion of their time on these functions.

⁹¹ The FY 2008 numbers include the Consolidated Appropriations Act of 2008 reporting requirements. It does not include FY 2007 because the Government was funded through a series of Continuing Resolutions throughout the year.

Constitutionality of Certain Requirements

A major issue for Congressional Committee staff was ONDCP's failure to comply with certain statutory language. Specifically, they referenced ONDCP's noncompliance with statutory language requiring consultation with Congress prior to decisions regarding HIDTA funding allocations and its failure to reverse the reorganization of ONDCP's budget and CTAC offices, as directed in legislation. ONDCP states that, as has been the historic Executive Branch position, it treats the enactment of legislative vetoes as "notification requirements" and, after waiting what it deems to be a reasonable period of time for Congressional reaction, the Director either takes account of Congressional views, or in the absence of those views, takes the actions he deems appropriate pursuant to his statutory authority. ONDCP further states that "Congress has no power of direct supervision or management over agencies," but that the Office will continue to work in a cooperative manner with the Congress and take account of its views and intent in the formulation of drug control policy.⁹²

The requirements relating to Congressional approval of HIDTA funding have evolved over time since the first reference to committee approval in the Treasury and General Government Appropriations Act of 2000.⁹³ An example of the specific language, which appeared in the Consolidated Appropriations Act, of 2001,⁹⁴ and which has changed slightly in subsequent Appropriations Acts, reads as follows:

HIDTAs designated as of September 30, 2000, shall be funded at fiscal year 2000 levels unless the Director submits to the Committees, and the Committees approve, justification for changes in those levels based on clearly articulated priorities for the HIDTA program, as well as published ONDCP performance measures of effectiveness.

The most recent Consolidated Appropriations Act, 2008,⁹⁵ took the requirement one step further by also requiring prior approval of fund obligations, as follows:

That a request shall be submitted in compliance with the reprogramming guidelines to the Committees on Appropriations for approval prior to the obligation of funds of an amount in excess of the fiscal year 2007 budget request; Provided further, That the Office of National Drug Control Policy (ONDCP) shall submit recommendations for approval to the Committees on Appropriations for both the initial High-Intensity Drug Trafficking Area (HIDTA) allocation funding within 90 days after the enactment of this Act and the discretionary HIDTA funding, according to the framework proposed jointly by the HIDTA Directors and ONDCP, within 120 days after the enactment of this Act: Provided further,

⁹²"ONDCP Comments to the Draft Final Report," p. 5. October 24, 2008.

⁹³ Treasury and General Government Appropriations Act, 2000, Pub. L. No. 106-58 (Sept. 29, 1999).

⁹⁴ Consolidated Appropriations Act, 2001, Public Law 106-554, 106th Cong., 2nd. Sess. (December 21, 2000).

⁹⁵ Consolidated Appropriations Act, 2008, Public Law 110-161, 110th Cong., 1st. Sess. (December 26, 2007).

That within the discretionary funding amount, plans for use of such funds shall be subject to committee approval.

With regard to the reorganization issue, in late 2006, ONDCP proposed to expand CTAC's mission through an internal reorganization to move the social science research function (along with nine staff members) from the Office of Budget, Performance, and Research to CTAC. ONDCP made the CTAC reorganization effective on January 22, 2007 without Congressional response to its proposal or approval. Congress expressed its dissatisfaction with the reorganization by including language in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007⁹⁶ which read as follows:

The structure of any of the offices or components within the Office of National Drug Control Policy shall remain as they were on October 1, 2006. None of the funds appropriated or otherwise made available in the Continuing Appropriations Resolution, 2007 (Public Law 110-5) may be used to implement a reorganization of offices within the Office of National Drug Control without the explicit approval of the Committees on Appropriations of the House of Representatives and the Senate.

ONDCP officials have refused to comply with these statutory requirements. The ONDCP General Counsel and other officials explained that they view these as constitutional issues and that the requirements violate the principles of bicameralism and presentment—one-house legislative vetoes are unconstitutional.⁹⁷ As such, ONDCP does not believe it is legally obliged to wait for Congressional approval with respect to internal reorganizations and HIDTA funding. ONDCP has taken the position that these approval processes are informational—that is, Congress will be notified once the decisions have been made. An ONDCP official stated that this has been settled policy for both this Administration and the last.

ONDCP's refusal to comply with these requirements has been discussed in both hearings and committee report language. Most recently, the Senate Appropriations Committee report for the Financial Services and General Government Appropriations Bill, 2009,⁹⁸ stated:

[T]he Committee stated in various communications (orally and by bi-cameral and bipartisan letter) both last year and this year, that consultation with the Committee was expected prior to decisions regarding HIDTA funding, yet that still did not occur. ONDCP often disregards the intent of Congress; defying statutory law and directives enacted in previous legislation, such as not undoing the reorganization

⁹⁶ The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, Public Law 110-28, 110th Cong., 1st. Sess. (May 25, 2007).

⁹⁷ An ONDCP official cited two cases in support of ONDCP's claim that the statutory language is unconstitutional—*INS v. Chadha*, 462 U.S. 919 (1983) (which upheld the 9th Circuit's holding that Congress may not grant itself a legislative veto over actions of the Executive Branch inconsistent with bicameralism and presentment principles) and *Bowsher v. Synar*, 478 U.S. 714 (1986) (which held that Congress cannot play a direct role in the execution of the laws).

⁹⁸ Senate Committee on Appropriations, Financial Service and General Government Appropriations Bill, 2009, 110th. Cong., 2d sess., 2008, S. Rept.110-417, 9–10.

of the budget and CTAC offices. The Committee is aware that other entities requiring interaction with ONDCP have troubled relationships as well.

Congress' continuing frustration with ONDCP is apparent in the Senate version of the 2009 Financial Services and General Government Appropriations Bill language which includes an additional requirement that ONDCP submit for approval a spending plan for CTAC funds within 90 days of enactment of the Act, in addition to language regarding the HIDTA funding approval. Also, the bill would require that any new projects and changes in funding of ongoing projects would be subject to the prior approval of the Committees on Appropriations.

It is not within the Panel's purview to determine whether certain statutory requirements are unconstitutional. However, beyond the legal issues lies a fundamental political and management difference about how ONDCP should be organized and how its resources should be allocated both internally and to grantees. This issue has become increasingly negative and has distracted both ONDCP and Congress from their respective roles and responsibilities. Refusing to comply with statutory requirements, while not making the necessary efforts to resolve these issues with Congress, only serves to increase frustration on both sides. Therefore, the Panel strongly urges ONDCP's Director, General Counsel, and OLA to address such issues before they become embedded in law. Ideally, Congress and ONDCP would reach a compromise on language that would allow both sides to achieve their goals without the allegation that certain requirements are unconstitutional. This becomes, again, an issue of communication and cooperation between ONDCP and its Congressional committees, primarily Appropriations.

Minimal Compliance with Other Statutory Requirements

Congressional Committee staff members have also expressed concern regarding what they view to be ONDCP's minimal compliance with certain other statutory requirements. The National Drug Control Strategy is a clear example of another statutory Congressional issue. As discussed in Chapter II, numerous members of Congress, their staff, and agency officials have questioned the comprehensiveness, scope and accuracy of what ONDCP has reported in the Strategy. Similarly, Congress has made clear its view that ONDCP's FY 2004 restructuring of the National Drug Control Budget is not as comprehensive as required by the 2006 Reauthorization.⁹⁹ Chapter IV provides a detailed discussion and analysis of this issue.

As part of its evaluation, the Panel submitted to ONDCP officials a series of questions to help assess how the Office is meeting its statutory requirements and to give ONDCP the opportunity to explain the processes it has established to meet the requirements. Appendix H contains the questions and responses.

ONDCP officials agreed that certain reports may not be as thorough as they could be, but argue they have tried to fulfill these statutory requirements while still fulfilling its primary mission of

⁹⁹ See, e.g., "The National Drug Control Strategy for 2008, the Fiscal Year 2009 National Drug Control Budget, and Compliance with the ONDCP Reauthorization Act of 2006; Priorities and Accountability at ONDCP," Subcommittee on Domestic Policy of the House Committee on Oversight and Government Reform, 110th Congress, 2nd Session, March 12, 2008, Washington, D.C.

drug eradication. ONDCP therefore prioritizes its response to reporting requirements. The study team reviewed numerous required reports prepared by ONDCP since the 2006 Reauthorization and found several reports, such as the FY 2007 description of HIDTAs to be sufficiently detailed and comprehensive. The report fills three large binders and contains summary reports prepared by ONDCP for each HIDTA, as well as each HIDTA's annual report and on-site review report. Additionally, the report titled "State Precursor Chemical Control Laws: A Progress Report on Efforts to Combat Methamphetamine in the United States" appeared to be comprehensive and compliant with statutory language.

On the other hand, other reports, such as the three-page "Report on Holding Drug Court Hearings in Nontraditional Venues," provided minimal information. Similarly, a required report on ONDCP travel expenses was unclear, contained numerous trip purpose descriptions as "Official" with no further explanation, and did not disaggregate out-of-town and local travel.

Congressional Intent

Congressional Committee staff expressed particular frustration with what they view as ONDCP's literal interpretation of the statutory language and ONDCP's refusal to consider legislative intent, which they believe clearly defines Congressional expectations. Congressional staff said this is one of the primary reasons for the increase in statutory requirements.

ONDCP officials do not view committee report language as binding. However, they stated that the Office tries to comply with report language, when possible. Congressional Research Service officials confirmed that report language is legally non-binding. They further explained that—while it is not unheard of for agencies to ignore report language—agencies generally follow requirements in report language to maintain positive relations with Congress. Representatives of the Congressional Research service also stated that it has not seen an increase in the number of agencies ignoring report language during this Administration.

RELATIONSHIP WITH NATIONAL DRUG CONTROL PROGRAM AGENCIES

As part of its analysis, the Panel also examined the quality of the relationship between ONDCP and the NDCP agencies. As explained in Chapter I, ONDCP's mission includes working with national drug program agencies by:

- Soliciting their input into the National Drug Control Strategy;
- Reviewing and certifying their drug control budget requests;
- Reviewing and approving drug policy changes they may propose;
- Developing a system to measure their performance; and
- Receiving an annual report on their drug expenditures, verified by their Inspector General.

To determine the quality of the relationship between ONDCP and NDCP agencies, the Panel conducted an electronic partner agency survey¹⁰⁰ that included questions across the following areas:

- ONDCP’s role in formulating and coordinating drug control policy with departments and agencies;
- Impact on the National Drug Control Strategy on agency budgets and activities;
- Opportunity to provide input into ONDCP’s development of the National Drug Control Strategy; and
- Assessment of ONDCP’s involvement and impact in the areas of Strategy, budget, and performance measurement.

The survey’s overall response rate of nearly 80 percent represented 27 respondents out of 34 surveyed. The respondents represented 9 of the 11 surveyed departments/independent agencies and 13 of the 20 bureaus.¹⁰¹ The Panel identified eight major opportunities for ONDCP to enhance its partner relationships and outcomes, as discussed below. See Appendix I for the survey methodology and a detailed analysis of the responses.

In comparing the departmental and bureau-level results, the bureau respondents reported higher levels of involvement by ONDCP and higher levels of satisfaction in most cases. Moreover, bureau respondents typically reported that ONDCP had more impact than departmental respondents did. Based on the survey results, the Panel identified eight major opportunities that ONDCP has to become more involved with the partner agencies and to have greater impact within the existing statutory authorizations.

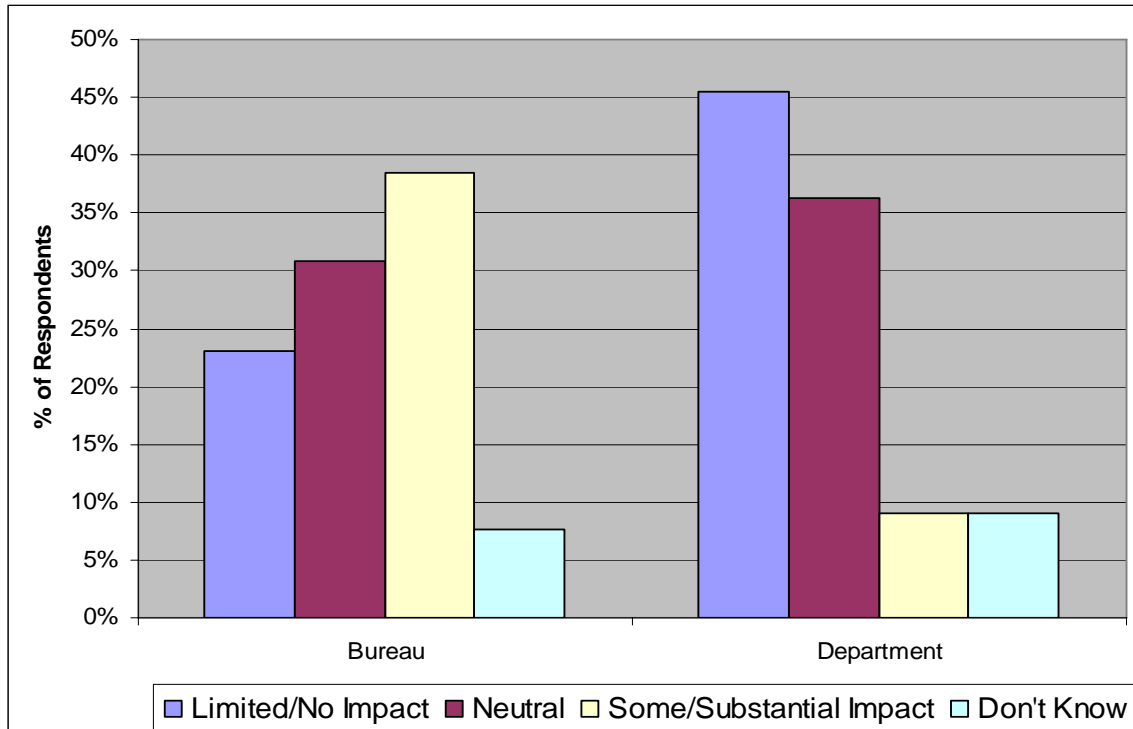
1) Overall, ONDCP has an opportunity to increase its impact and expand its role, especially at the departmental level.

Respondents were asked for an overall assessment of the impact ONDCP has on their organization’s drug control programs. As shown in Figure 3-7, 38.5 percent of bureau respondents said that it had *some* or *substantial* impact, compared to just 9.1 percent of departmental respondents. Among the latter, 45.5 percent said that ONDCP had *limited* or *no* impact, while, 23.1 percent of bureau respondents said that ONDCP had *limited* or *no* impact.

¹⁰⁰ In its October 24, 2008 comments on the Agency Review Draft of this report, ONDCP stated that it did not believe this survey was grounded in an appropriate appreciation of ONDCP’s role. It noted that ONDCP is an oversight rather than a customer service agency and that it views its Strategy as a leadership rather than a consensus document.

¹⁰¹ The study team did not survey ONDCP because the intent was to survey its relationship with the other drug control agencies. Each surveyed department sent in a response(s). The study team was unable to survey two departments because of lack of an appropriate contact. All but three of the surveyed bureaus sent in a response(s). The study team was unable to obtain contact information for an additional four bureaus.

Figure 3-7
Overall Impact of ONDCP
FY 2006 – FY 2008
(Bureau N = 13; 1 = Don't Know)
(Department N = 11; 1 = Don't Know)



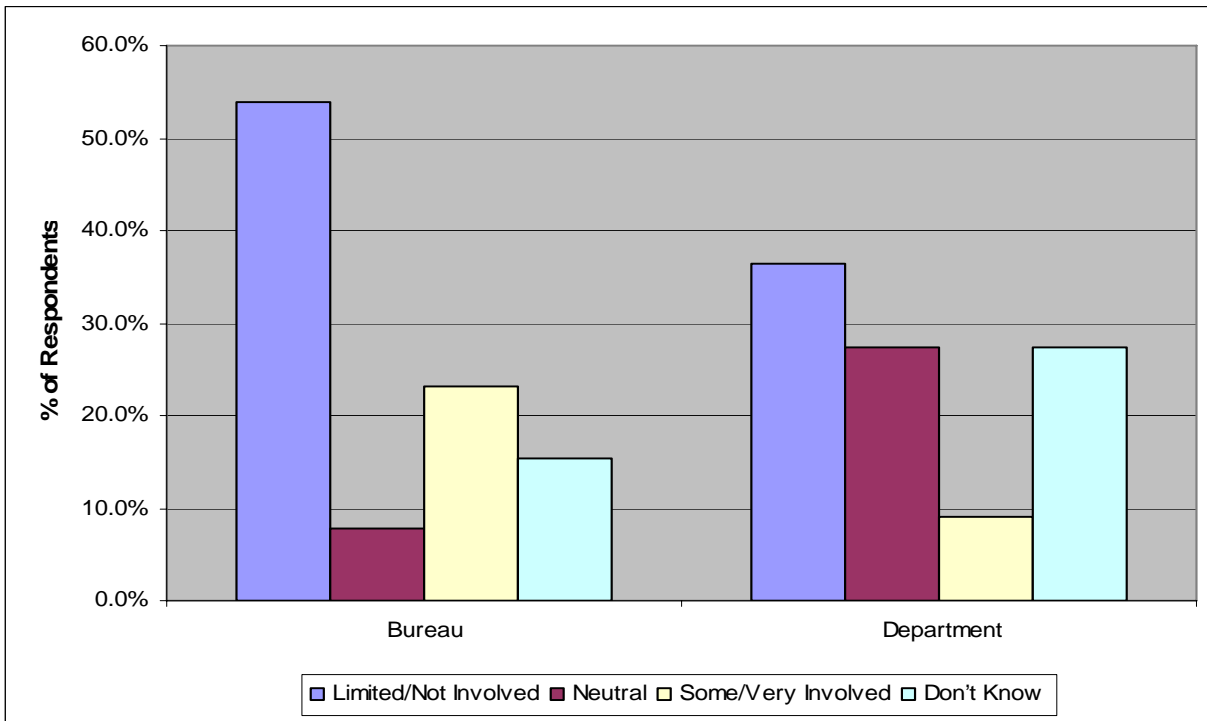
Bureau and departmental respondents also provided suggestions for how ONDCP could help their organizations achieve their drug control goals by:

- Increasing opportunities to provide input into the Strategy;
- Continuing electronic notifications systems;
- Facilitating coordination, collaboration, and information sharing among drug control agencies on such issues as data collection, performance measurement, and program development;
- Expanding support of evidence-based prevention and treatment approaches;
- Establishing quarterly meetings with drug program agencies; and
- Expanding its work with OMB and Congress to ensure the necessary funding is available for drug programs.

2) ONDCP has an opportunity to increase the role of the NDCP agencies in the Strategy development process.

Although majorities of both bureau and departmental respondents reported that ONDCP has sought their input into the Strategy since FY 2006, few reported that their organization has had an opportunity to be *very involved*. As shown in Figure 3-8, only a fourth of bureau respondents and approximately 9 percent of departmental respondents said they were somewhat or very involved with ONDCP on Strategy development. Compared to bureau respondents, departmental respondents reported lower levels of involvement with the Strategy development process. This indicates that ONDCP could expand its outreach at both levels, but particularly at the departmental level.

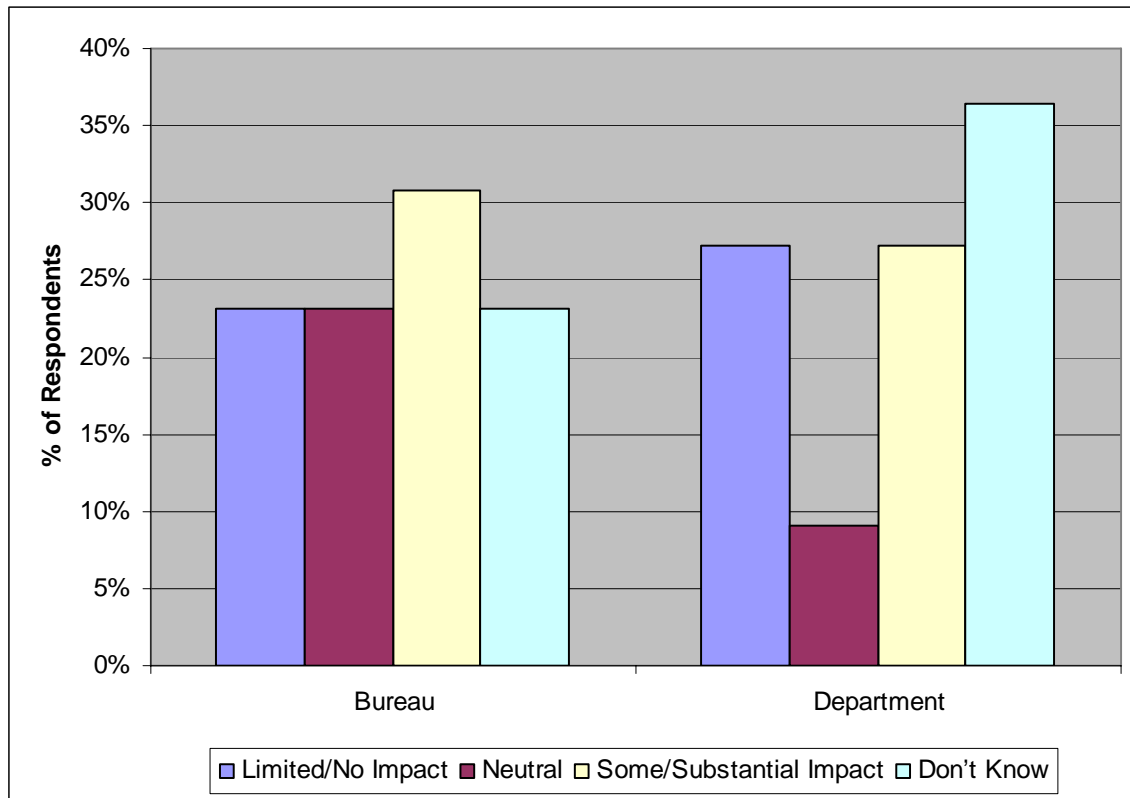
Figure 3-8
Level of Involvement with ONDCP's Development of the
National Drug Control Strategy
FY 2006 – FY 2008
(Bureau N = 13; 2 = Don't Know)
(Department N = 11; 3 = Don't Know)



3) ONDCP has an opportunity to increase the impact of the Strategy on the drug control policies of the agencies.

The survey results indicate that ONDCP has been successful in informing the agencies of their responsibilities under the Strategy. As shown in Figure 3-9, however, less than a third of both bureau and departmental respondents report that the Strategy has *some* or *substantial* impact on their agency's drug control policies. ONDCP may be able to increase the impact of the Strategy on drug control policies at both the departmental and the bureau levels by doing more, as suggested above, to ensure the agencies have an opportunity to provide meaningful input into the development of the Strategy.

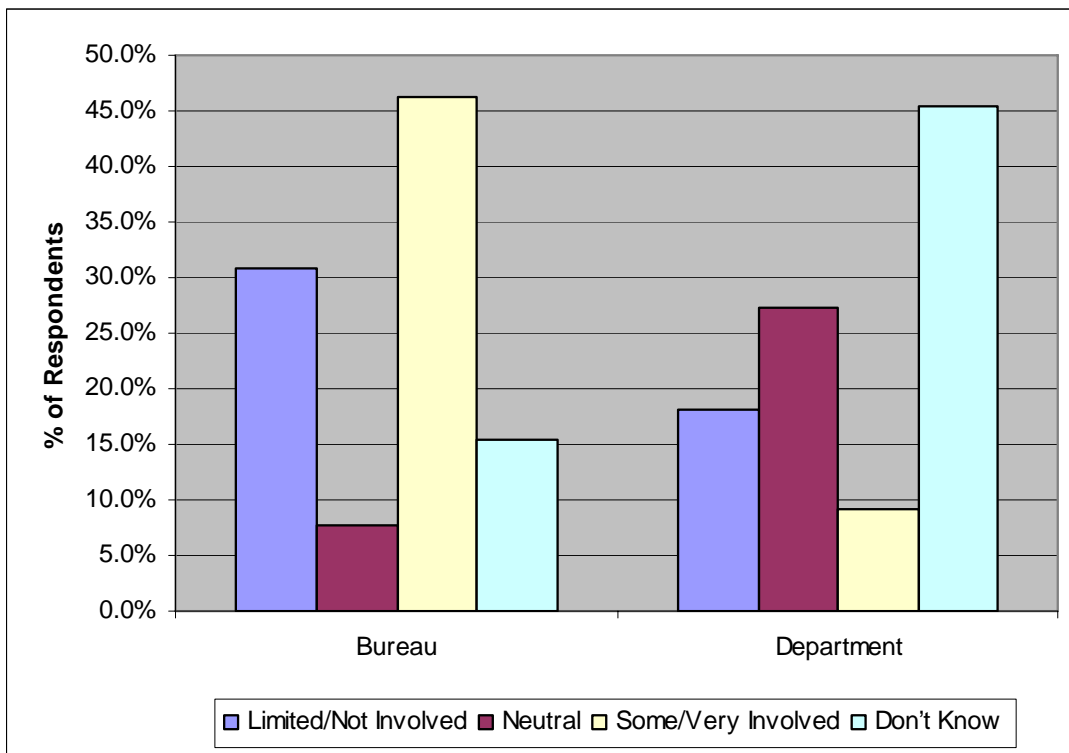
Figure 3-9
Impact of Strategy on Bureau/Departmental Drug Control Policies
FY 2006 – FY 2008
(Bureau N = 13; 3 = Don't Know)
(Department N = 11; 4 = Don't Know)



4) ONDCP has an opportunity to increase its involvement with departmental and bureau drug control policies.

Both bureaus and departments are more satisfied with their interactions on drug control policies than on the Strategy, but the responses indicate that, again, ONDCP may be able to increase its impact in this area. The survey results presented in Figure 3-10 indicate that ONDCP, while more involved with the bureaus, could expand its involvement in this area, especially at the departmental level.

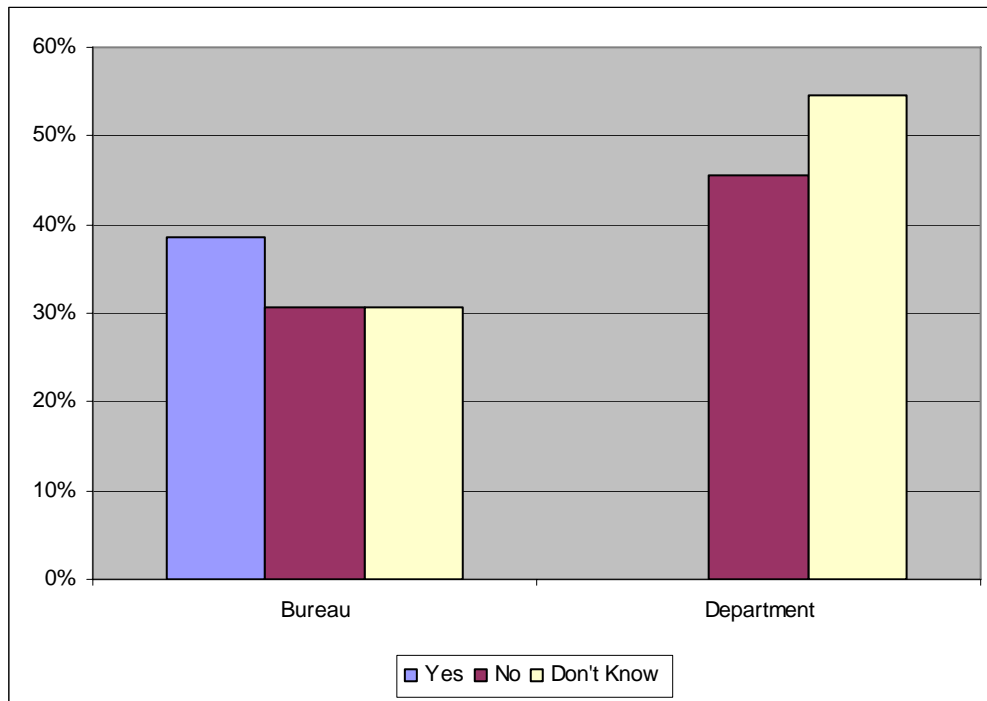
Figure 3-10
ONDCP Involvement with Organization’s Drug Control Policies
FY 2006 – FY 2008
(Bureau N = 13; 2 = Don’t Know)
(Department N = 11; 5 = Don’t Know)



5) ONDCP has an opportunity to collaborate more with partner agencies by increasing its use of working and coordinating committees.

The survey results indicate that ONDCP could expand its outreach to agencies through additions to the membership of existing working committees and, as needed, creating new ones. As Figure 3-11 shows, no departmental respondent reported that their organization was a member of an ONDCP working or coordinating committee. ONDCP may increase its influence by increasing departmental participation in current committees and ensuring that departments are represented in any new committees that are established.

Figure 3-11
Participation in ONDCP Working Committees
FY 2006 – FY 2008
(Bureau N = 13; 4 = Don't Know)
(Department N = 11; 6 = Don't Know)



6) ONDCP has an opportunity to increase its involvement in the development and use of performance data by the national drug program agencies.

The survey results indicate that ONDCP has limited involvement with agency drug control performance data. As shown in Figure 3-12, 20 percent of departmental respondents and 7.7 percent of bureau respondents reported that ONDCP was *somewhat* or *very* involved in this area.

Figure 3-12
ONDCP Involvement on Drug Control Performance Data
FY 2006 – FY 2008
(Bureau N = 13; 2 = Don't Know)
Department N = 10; 1 = Don't Know

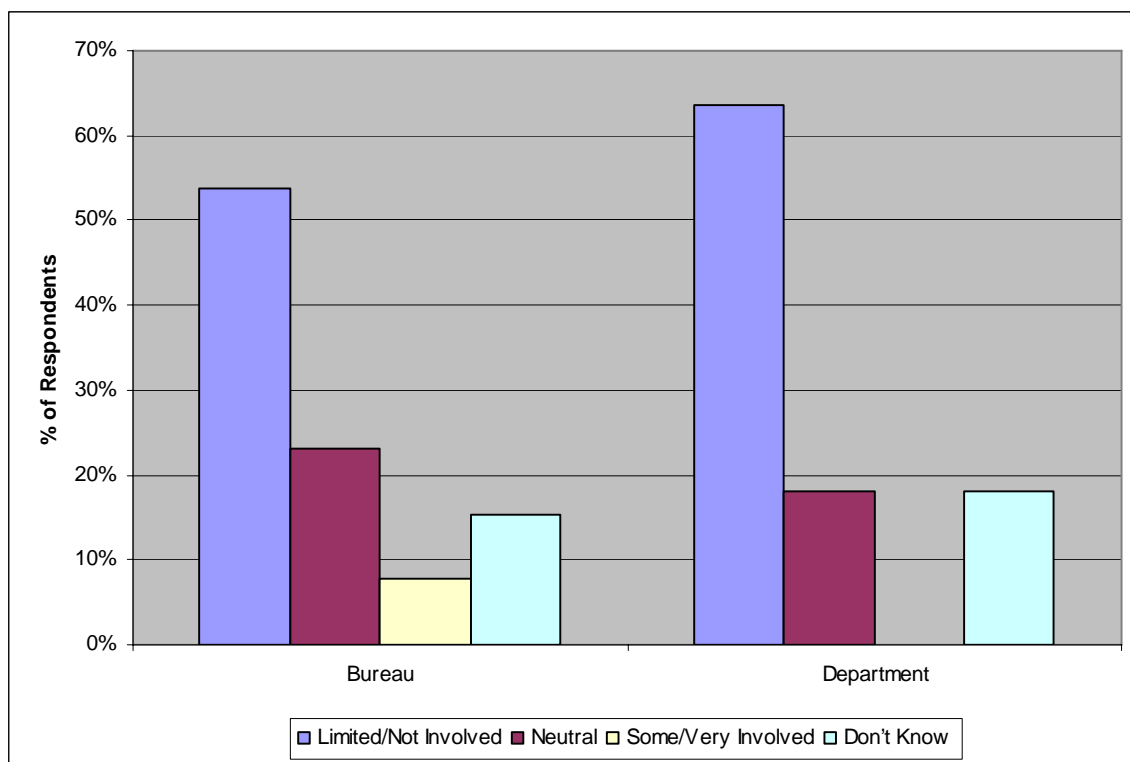
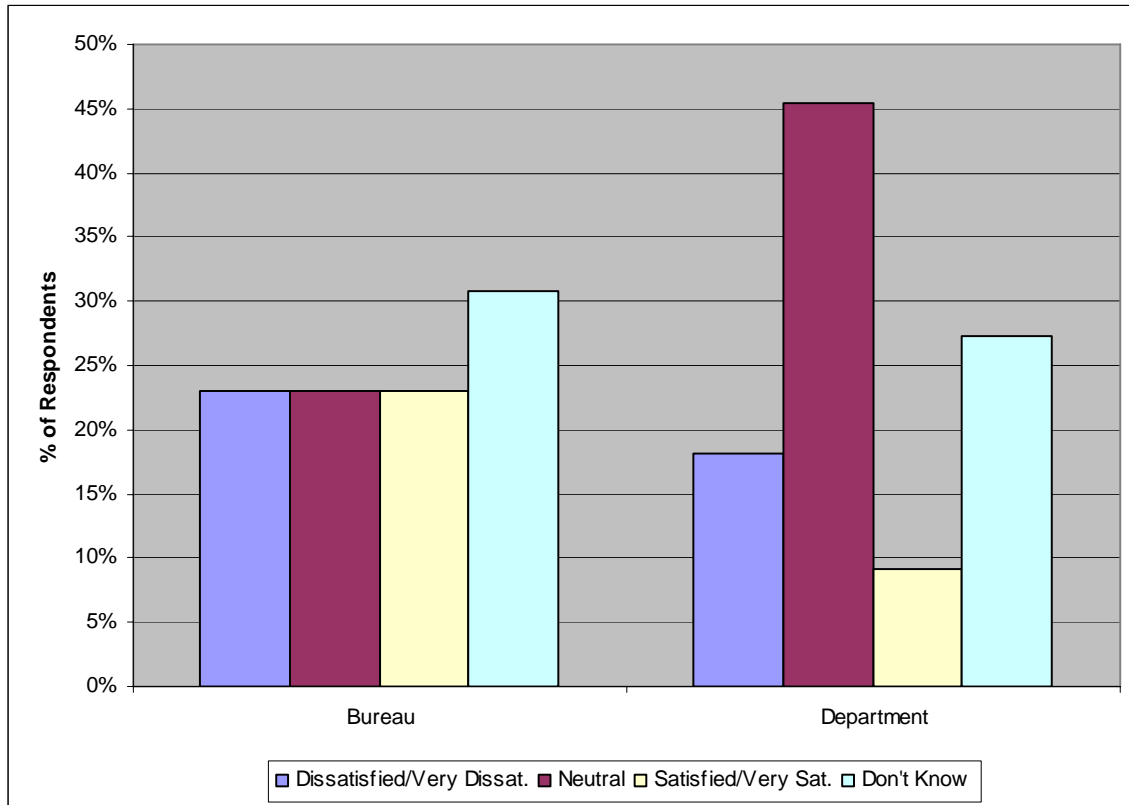


Figure 3-13 shows that just 23.1 percent of bureau respondents and 9.1 percent of departmental respondents said that they were *satisfied* or *very satisfied* with their interactions with ONDCP regarding their organization's drug control performance data. Additional insight is provided by interviews of representatives of the partner agencies. They explain that the current relationship between ONDCP and drug control agencies, with regard to performance measures, focuses almost exclusively on those dictated by the Government Performance and Results Act. So long as ONDCP continues to have responsibility in this area, ONDCP should help each agency develop at least one performance measure specifically tied to the agency's responsibilities under the Strategy.

Figure 3-13
Satisfaction with ONDCP Interactions on Drug Control Performance Data
FY 2006 –FY 2008
(Bureau N = 13; 4 = Don't Know)
Department N = 11; 3 = Don't Know



7) ONDCP has an opportunity to expand its fiscal impact beyond a narrowly defined set of priority programs.

Over three-quarters of the bureau respondents and slightly more than half of the departmental respondents reported that ONDCP’s spring funding guidance was *timely* enough for its priorities to be incorporated into their organization’s budget request and submitted to their department’s senior leadership in the summer. On the other hand, however, the respondents reported that the ONDCP funding guidance had *limited/no* impact on the content of their budget requests. Nearly half (46 percent) of bureau respondents reported it had *little/no* impact, a response echoed by nearly 30 percent of departmental respondents. Only 9 percent of departmental respondents (1 individual) reported that the funding guidance had *some* or *substantial* impact, compared to 23 percent (3 individuals) of bureau respondents. Greater outreach to and involvement of the agencies, as suggested above, may result in increasing the impact of ONDCP’s funding guidance.

Figure 3-14
Timeliness of Funding Guidance
FY 2006 – FY 2008
(Bureau N = 13; 0 = Don't Know)
(Department N = 11; 2 = Don't Know)

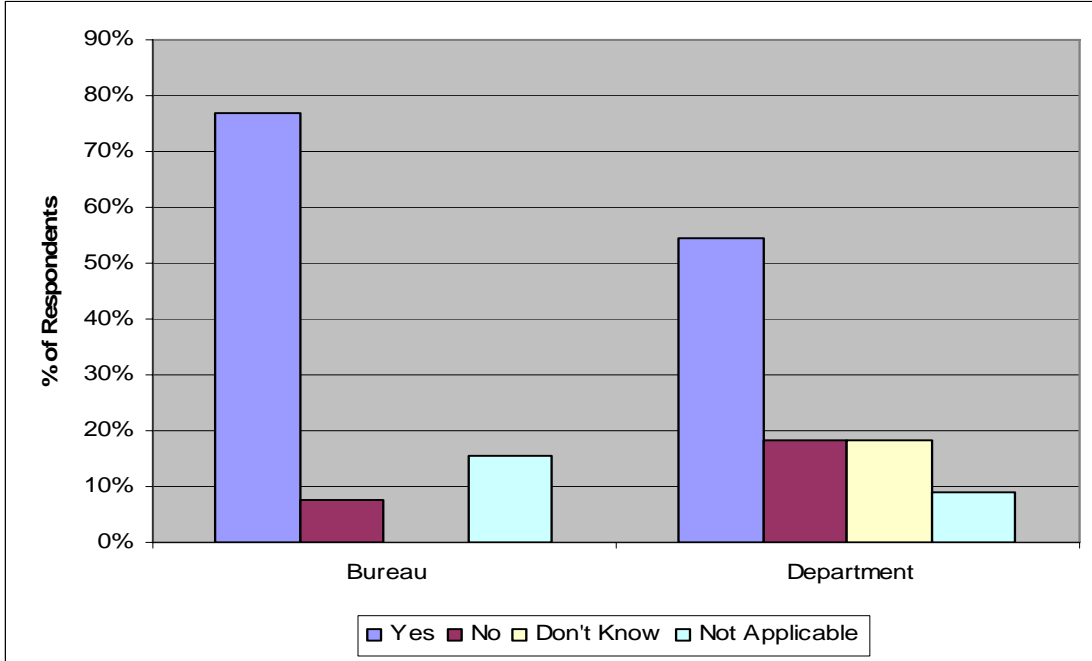
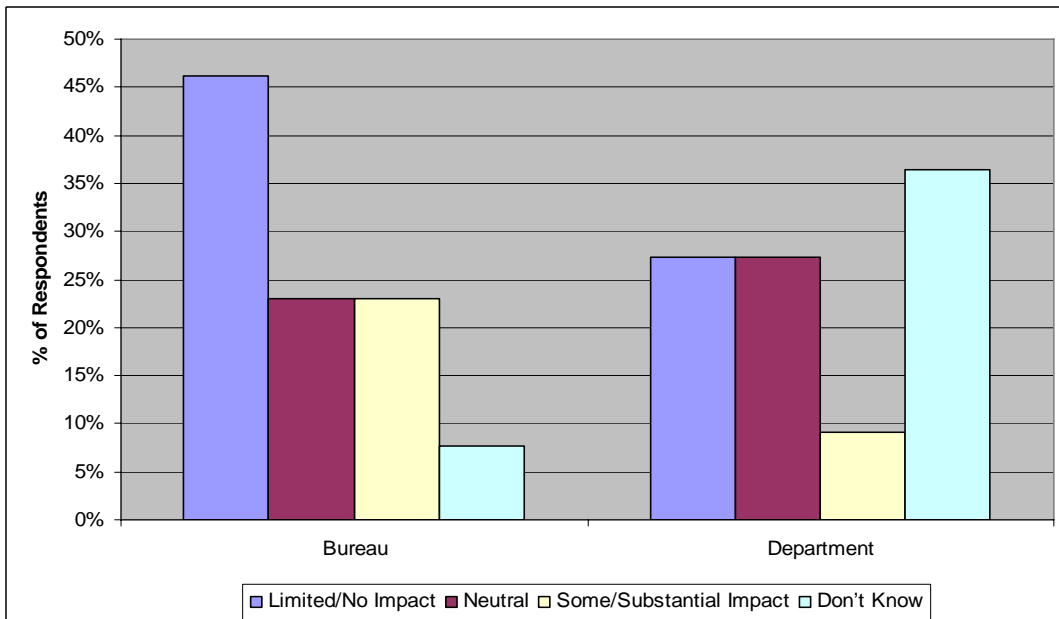


Figure 3-15
Impact of Funding Guidance
FY 2006 – FY 2008
(Bureau N = 13; 1 = Don't Know)
(Department N = 11; 4 = Don't Know)



8) ONDCP has an opportunity to make greater use of its existing statutory authorities regarding the review, certification, and oversight of agency drug control budgets.

ONDCP may not be utilizing its de-certification and notice authorities to maximum advantage. For the period from FY 2006 to August 2008, the survey results show that ONDCP:

- Has not officially de-certified any departmental or bureau national drug program budget;¹⁰²
- Issued one inadequacy determination regarding an agency's drug control budget, and this was a request to an agency to break its dollar figures down into different categories; and
- Issued two informal warnings that an organization's budget might be inadequate.

Bureau respondents reported higher levels of satisfaction (30.8 percent were satisfied/very satisfied) with their interactions with ONDCP on their organization's budget than departmental respondents (8.3 percent), but opportunity remains for ONDCP to increase partner agencies' satisfaction.

INFORMING THE RECOMMENDATIONS

Because policy coordination and oversight are among ONDCP's most fundamental responsibilities, the Panel believes that the effectiveness of ONDCP's external relationships is critical to its accomplishment of its strategic goals. To build better relationships, ONDCP must build understanding of and support for its mission and learn from its partners and stakeholders how federal drug control policy is impacting federal, state, local, tribal, and private entities engaged in these issues and the outcomes of those policies.

Through this two-way dialogue, ONDCP can gain access to important information and insights that will lead to better leveraged resources, shared commitment, and continual program improvement. In the absence of such relationships, ONDCP's policy development and coordination role would be substantially more difficult and its goals less achievable. When all parties work together to forge a strong partnership, roadblocks and frustrations are minimized, and the nation's public health is the beneficiary.

The Panel recommendations, included in Chapter VI, address the issues raised in this chapter and identify positive steps that all parties, including Congress and the partner agencies, can take to develop more productive relationships. These include Recommendation 1 for a comprehensive Strategy; Recommendation 2 to create a more collaborative and consultative environment with

¹⁰² One respondent indicated that ONDCP had de-certified his/her organization's budget, but this individual was confusing de-certification with a letter that ONDCP apparently sends to agencies to suspend certification during continuing resolution periods. The study team believes this respondent is referring to the suspension of the certification process that occurs during a continuing resolution, during which agencies continue to operate at the previous year's enacted level with no new initiatives. In essence, the budget is already certified by virtue of the previous year's certification.

Congress, NDCP agencies, and stakeholders; and Recommendation 3 relating to the need for a comprehensive Budget Summary and to revise the budget review and certification process.

CHAPTER IV THE NATIONAL DRUG CONTROL BUDGET

As the Strategy is the central policy document of the NCDP, the National Drug Control “Budget Summary” is the central financial document that summarizes resources and performance indicators used by the many Executive Branch agencies integral to the Strategy. According to an ONDCP official, the purpose of the Budget Summary is “to communicate to the world the extent of the spending on the drug problem.”

This chapter traces the content of the current Budget Summary for the many agencies it covers, the breakdown of the budget by the categories of Supply Reduction and Demand Reduction, and the evolution of the Budget Summary since the FY 2004 restructuring. See Appendix J for information about the ONDCP budget, including its operational programs, as well as the internal Salaries and Expenses account.

Based on its historical perspective and collective knowledge of the federal budget process as well as of OMB and Congressional requirements, the Panel has the following findings and insights:

- The Drug Control Budget Summary, in its current configuration, omits a number of key drug control programs and agencies, and thus does not reveal the full magnitude of the federal efforts at drug control.
- ONDCP’s budget processes parallel those of OMB, and its review and certification process adds little value.
- National Drug Control Program agencies included in the Budget Summary dedicate resources to preparing annual drug accounting reports with Inspector General Attestation, and it is unclear to the Panel what utility these reports provide.
- The budget oversight process is a source of friction between ONDCP and some NDCP agencies.
- ONDCP’s performance measurement system does not tie agency performance to the Strategy, but rather reiterates OMB’s GPRA¹⁰³ and PART¹⁰⁴ measures.

¹⁰³ The Government Performance and Results Act of 1993 (GPRA) requires agencies to submit strategic plans with a comprehensive mission statement, goals and objectives, a description of how the goals will be achieved, a description of performance goals included in the plan, an identification of external risk factors, and a description of how programs will be evaluated. The strategic plans are to cover a period not less than five years and to be updated every three years, <http://www.whitehouse.gov/omb/mgmt-gpra/gplaw2m.html>, September 2008.

¹⁰⁴ The Program Assessment Rating Tool, (PART) is a questionnaire designed to help assess the management and performance of programs. It is used to evaluate a program’s purpose, design, planning, management, results, and accountability to determine its overall effectiveness. <http://www.whitehouse.gov/omb/expectmore/part.html>, September 2008.

NATIONAL DRUG CONTROL BUDGET SUMMARY

ONDCP officials describe the Budget Summary as displaying drug control funding, to the maximum extent possible, from identifiable line items in the Budget of the President or agency budget justifications. These line items are not requested by ONDCP, but by the various agencies in their own budget submissions and funded in their respective appropriations acts. For FY 2009, the Budget Summary displays \$14.1 billion across approximately 26 departments, agencies, and programs to support the Strategy. Since the budget displays only identifiable line items, drug control costs that are embedded within non-drug line items or result from a part-time dedication of personnel and other resources are omitted. Table 4-1 displays the Budget Summary FY 2007 through the FY 2009 Request, arrayed by agency and component.

Table 4-1
Drug Control Funding by Agency
FY 2007 – FY 2009
(Budget Authority in Millions)

	FY 2007 Final	FY 2008 Enacted	FY 2009 Request
Department of Defense	1,329.8	1,177.4	1,060.5
Department of Education	495.0	431.6	218.1
Department of Health and Human Services			
Centers for Medicare & Medicaid Services	–	45.0	265.0
Indian Health Service	148.2	173.2	162.0
National Institute on Drug Abuse	1,000.0	1,000.7	1,001.7
Substance Abuse and Mental Health Services Administration	2,443.2	2,445.8	2,370.6
Total HHS	3,591.4	3,664.8	3,799.3
Department of Homeland Security			
Office of Counternarcotics Enforcement	2.5	2.7	4.0
Customs and Border Protection	1,968.5	2,130.9	2,191.9
Immigration and Customs Enforcement	422.8	412.3	428.9
U.S. Coast Guard	1,080.9	1,004.3	1,071.0
Total DHS	3,474.8	3,550.1	3,695.8
Department of the Interior			
Bureau of Indian Affairs	2.6	6.3	6.3
Total DOI	2.6	6.3	6.3
Department of Justice			
Bureau of Prisons	65.1	67.2	69.2
Drug Enforcement Administration	1,969.1	2,105.3	2,181.0
Interagency Crime and Drug Enforcement	497.9	497.9	531.6
Office of Justice Programs	245.5	222.8	114.2
Total DOJ	2,777.7	2,893.2	2,896.0
ONDCP			
Counterdrug Technology Assessment Center	20.0	1.0	5.0
High Intensity Drug Trafficking Area Program	224.7	230.0	200.0
Other Federal Drug Control Programs	193.0	164.3	189.7
Drug-Free Communities (non-add)	79.2	90.0	80.0
National Youth Anti-Drug Media Campaign (non-add)	99.0	60.0	100.0
Salaries and Expenses	26.8	26.4	26.8
Total ONDCP	464.4	421.7	421.5
Small Business Administration	1.0	1.0	1.0
Department of State			
Bureau of International Narcotics and Law Enforcement Affairs	1,055.7	640.8	1,173.2
United States Agency International Development	239.0	361.4	315.8
Total State	1,294.7	1,002.2	1,489.0
Department of Transportation			
National Highway Traffic Safety Administration	2.9	2.7	2.7
Department of the Treasury			
Internal Revenue Service	55.6	57.3	59.2
Department of Veterans Affairs			
Veterans Health Administration	354.1	447.2	465.0
Total	\$13,844.0	\$13,655.4	\$14,114.4

NOTE: Detail may not add due to rounding.

In addition to the resources displayed in the table above, the Administration requests \$385.1 million in FY 2008 supplemental funding for counternarcotics support to Mexico and Central America.

The Budget Summary also arrays resources across five functions: 1) Treatment; 2) Prevention; 3) Domestic Law Enforcement; 4) Interdiction; and 5) International. These categories and their corresponding resources are also divided according to a “Supply/Demand Split,” with Treatment and Prevention constituting Demand Reduction and the remaining three categories constituting Supply Reduction. Table 4-2 below displays National Drug Control Funding for FY 2007 through the FY 2009 Request, arrayed by Function and Supply/Demand Split.¹⁰⁵

Table 4-2
Drug Control Funding by Function
FY 2007 – FY 2009
(Budget Authority in Millions)

Function	FY 2007	FY 2008	FY 2009	08 - 09 Change	
	Final	Enacted	Request	Dollars	Percent
Treatment (w/ Research)	3,060.9	3,226.0	3,402.8	176.8	5.5%
<i>Percent</i>	22.1%	23.6%	24.1%		
Prevention (w/ Research)	1,841.8	1,756.8	1,507.1	-249.8	-14.2%
<i>Percent</i>	13.3%	12.9%	10.7%		
Domestic Law Enforcement	3,748.8	3,800.3	3,763.3	-37.0	-1.0%
<i>Percent</i>	27.1%	27.8%	26.7%		
Interdiction	3,175.9	3,214.2	3,830.9	616.7	19.2%
<i>Percent</i>	22.9%	23.5%	27.1%		
International	2,016.6	1,658.1	1,610.4	-47.8	-2.9%
<i>Percent</i>	14.6%	12.2%	11.4%		
Total	\$13,844.0	\$13,655.4	\$14,114.4	\$459.0	3.4%
Supply/Demand Split					
Supply	8,941.4	8,672.6	9,204.6	531.9	6.1%
<i>Percent</i>	64.6%	63.5%	65.2%		
Demand	4,902.7	4,982.8	4,909.8	-73.0	-1.5%
<i>Percent</i>	35.4%	36.5%	34.8%		
Total	\$13,844.0	\$13,655.4	\$14,114.4	\$459.0	3.4%

Note: Detail may not add due to rounding.
In addition to the resources displayed in the table above, the Administration requests \$385.1 million in FY 2008 supplemental funding for counternarcotics support to Mexico and Central America.

¹⁰⁵ Supply reduction includes International, Interdiction, and Domestic Law Enforcement efforts focused on reducing the supply of drugs. Demand reduction efforts include Treatment and Prevention efforts focused on reducing the demand for drugs.

NATIONAL DRUG CONTROL BUDGET RESTRUCTURING

The FY 2002 Budget Summary included 57 drug agencies and programs and totaled \$19.2 billion. The various programs included in the Budget Summary ranged from \$2.6 billion for the Bureau of Prisons to \$300,000 for INTERPOL. As a result of an ONDCP-initiated budget restructuring in FY 2004, the FY 2008 Budget Summary is more limited in scope and includes 23 drug agencies and programs for which a total of \$13.7 billion was appropriated.

The FY 2004 restructuring was based upon a 2000 RAND study. ONDCP was concerned that drug accounting reports submitted by agencies did not account separately for drug control funding and consequently were based on estimates. RAND looked at 10 agencies and examined their drug cost estimating methodology. RAND concluded that problems existed in 7 of the 10 agencies and that corrective actions were needed so that the ONDCP Director could carry out his statutory review and certification responsibilities. As a result of the RAND study, ONDCP worked with a number of agencies to improve their drug budget methodology. The FY 2002 Budget Summary described these initiatives and announced their adoption as well as other ongoing efforts to improve methodology.

In the FY 2003 Budget Summary, ONDCP introduced its plan to restructure the drug control budget based on the “significant workload” involved in reviewing agency budgets and accounting reports and the desire to incorporate “results-oriented management.” The Budget Summary stated: “...coordinating the work of numerous drug control agencies can quickly become overwhelming. To bring results-oriented management to drug control efforts, the Administration proposes significantly restructuring the drug budget.” The restructuring would eliminate from the Budget Summary those agencies and programs with funding based on estimates and display only those accounts with actual funds found in the President’s Budget. Further, the restructuring would exclude agencies with drug control activities that were incidental to their primary mission, agencies that mainly focused on consequences associated with the activities of other primary counterdrug agencies, and Treasury and Justice law enforcement agencies with primary missions that were not closely related to drug control.

The Budget Summary restructuring was implemented in FY 2004 and reduced the number of accounts from 57 to 15 and from \$19.2 billion to \$11.7 billion. Additional details about the RAND study, ONDCP’s rationale for the budget restructuring, and the impact of the restructuring can be found in Appendix K.

Budget Changes Subsequent to the Restructuring

Since the FY 2004 budget restructuring, ONDCP has restored several of the omitted accounts, added some new accounts, and deleted some additional accounts. For FY 2005, ONDCP removed the Byrne Grant program from the Office of Justice Programs because it had discretion to use grant funds for 29 purpose program areas, many of which were not related to drug control. Also, ONDCP added the Drug Impaired Driving Program within the Department of Transportation.

For FY 2006, ONDCP removed the School Emergency Preparedness Initiative within the Department of Education because it was “related to homeland security and had no drug control nexus.” The Justice Interagency Crime and Drug Enforcement account previously included the Department of Homeland Security and Treasury Department shares of this program. For FY 2006, the Department of Homeland Security and Treasury shares were requested from their own appropriations subcommittees and shown under their own respective headings in the Budget Summary. Also within the Department of Justice, the Methamphetamine Enforcement and Cleanup Program and Prescription Drug Monitoring Program were added. For FY 2006, ONDCP proposed moving HIDTA to the Department of Justice and reducing its funding to \$100 million.¹⁰⁶ Also for FY 2006, the Other Related Treatment category was deleted from the Veterans Health Administration account within VA.

For FY 2007, the Veterans Health program was modified to reflect a change in accounting methodology. For FY 2007, VA estimates would be based on FY 2005 costs from the Decision Support System that replaced the previous Cost Distribution Report. Also for FY 2007, ONDCP attempted once again to move the HIDTA program to Justice, with a request of \$207.6 million. However, Congress again retained it within ONDCP. For FY 2008, the Budget Summary added several programs, including the Department of State Economic Support Fund and the Department of Health and Human Services’ Healthcare Common Procedures Coding System within the Centers for Medicare and Medicaid Services (CMS).¹⁰⁷

2006 Reauthorization Requires Additional Budget Changes

Pursuant to the Reauthorization Act of 2006, the required content of drug control budget requests was modified to read:

A drug control budget request submitted by a department, agency, or program under this paragraph shall include all requests for funds for any drug control activity undertaken by that department, agency, or program, including demand reduction, supply reduction, and State, local and tribal affairs, including any drug law enforcement activities. If an activity has both drug control and non-drug control purposes or applications, the department, agency, or program shall estimate by a documented calculation the total funds requested for that activity that would be used for drug control, and shall set forth in its request the basis and method for making the estimate.¹⁰⁸

¹⁰⁶ The Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act of 2006 (Pub. L. No. 109-115) retained the HIDTA program within ONDCP and appropriated \$227 million.

¹⁰⁷ The Healthcare Common Procedure Coding System was established in 1978 to provide a standardized coding system for describing the specific items and services provided in the delivery of health care. Such coding is necessary for Medicare, Medicaid, and other health insurance programs to ensure that insurance claims are processed in an orderly and consistent manner. The new CMS codes allow state programs to pay for Screening and Brief Intervention Services.

¹⁰⁸ Pub. L. No. 109-469 § 105.

The 2006 Reauthorization Act was enacted in the first quarter of FY 2007 after the FY 2008 Budget Summary had already been compiled, reviewed, and certified. In the FY 2008 Budget Summary, ONDCP wrote “The recent enactment of [the] 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.”

For FY 2009, ONDCP incorporated some new measures in response to the 2006 Reauthorization. It restored the Indian Health Service within HHS and the Bureau of Indian Affairs within Interior to reflect the specific emphasis on tribal affairs. Both of these accounts were previously in the budget, but were omitted pursuant to the restructuring. It also added the Office of Counternarcotics Enforcement within the Department of Homeland Security. The FY 2009 Budget Summary also added an additional agency category, included in an appendix to the Budget Summary, titled Other Related Drug Control Funding by Agency. The ONDCP table of Other Related Drug Control Funding by Agency is shown in Table 4-3.

Table 4-3
Other Related Drug Control Funding by Agency
FY 2007 – FY 2009
(Budget Authority in Millions)

	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate
Department of Agriculture			
Agricultural Research Service	4.6	4.6	4.6
U.S. Forest Service	1.4	1.4	1.4
Women, Infants & Children	20.8	24.1	24.4
Total Agriculture	\$26.8	\$30.1	\$30.4
Corporation for National & Community Service	12.1	11.8	11.3
DC Court Services and Offender Supervision	81.5	90.1	94.4
Department of Health and Human Services ¹			
Administration for Children and Families	111.0	116.8	122.9
Centers for Disease Control and Prevention	102.0	104.2	103.7
Health Resources and Services Administration	50.2	50.9	51.7
National Institute on Alcohol Abuse and Alcoholism	36.4	36.4	36.5
Total HHS	\$299.6	\$308.3	\$314.8
Department of Homeland Security			
U.S. Secret Service	13.7	14.4	14.8
Federal Law Enforcement Training Center	42.8	48.3	47.1
Total DHS	\$56.4	\$62.7	\$61.8
Department of the Interior			
Bureau of Land Management	2.1	2.1	2.1
National Park Service	4.0	4.0	4.0
Total Interior	\$6.1	\$6.1	\$6.1
The Federal Judiciary			
Administrative Office of the U.S. Courts	994.5	1,029.4	1,109.6
Department of Justice			
Assets Forfeiture Fund	130.5	112.6	112.6
Alcohol, Tobacco, and Firearms	163.4	163.4	170.7
U.S. Attorneys	284.7	289.0	302.6
Bureau of Prisons	2,934.8	2,923.1	2,981.5
Community Policing	222.8	233.6	-
Criminal Division	34.3	31.7	38.5
Federal Bureau of Investigations	0.3	0.2	0.2
Office of Federal Detention Trustee	446.5	476.9	480.6
INTERPOL	0.2	0.3	0.3
U.S. Marshals Service	210.2	222.6	239.1
Tax Division	0.0	0.0	0.0
Total DOJ	\$4,427.8	\$4,453.5	\$4,326.1
Department of Labor	6.4	6.6	6.7
Department of State			
Emergency Evacuations & Other Activities	0.9	3.3	7.0
International Terrorism, Narcotics & War Crimes Rewards	12.5	5.7	12.0
Total State	\$13.4	\$9.0	\$19.0
Department of Transportation			
Federal Aviation Administration	24.6	25.2	25.8

¹ Estimates computed by ONDCP based upon FY 2003 methodology.

ONDCP did not provide a total at the bottom of the Other Related Drug Control Funding by Agency appendix in the FY 2009 Budget Summary. The appendix includes 29 agencies and programs and totals \$4.758 billion.

According to the FY 2009 Budget Summary, the addition of the Other Related Drug Control Funding agencies aligns with the 2006 Reauthorization Act requirements to account for agencies that receive federal funds for drug control activities not integral to the actions prescribed in the Strategy. Typically, these are agencies whose primary mission does not include drug control and which do not have readily identifiable drug control line items in the Budget of the President. Although these agencies were included in the Other Related Agency appendix, ONDCP did not discuss them within the Budget Summary and they were not subject to ONDCP's review and certification process, the accounting report and IG attestation process, or the performance measures reporting process.

Budget Restructuring Issues

When ONDCP undertook the budget restructuring in the FY 2004 Budget Summary, it used a variety of rationales. First, based on the RAND study, it identified some agencies that were utilizing a weak methodology in estimating the portion of their budgets attributable to drugs. Secondly, it excluded agencies that did not have a primary drug nexus—where drug control was incidental to their primary mission. Lastly, it excluded agencies that mainly focused on the consequences associated with activities of other primary counterdrug agencies. ONDCP's first rationale cited inadequate accounting systems that required agencies to estimate the portion of their budgets attributable to drugs. Thus, ONDCP referred to the legacy drug budget as not representing real dollars.

Such accounting flaws, as described by ONDCP, are not unique to the drug budget. Numerous federal programs cut across multiple departments and agencies, and within agencies, across subcomponents. According to RAND, ONDCP is not the first policy office to try to estimate the resources devoted to a crosscutting program. RAND cited, as prime examples of the types of federal activities that might benefit from a restructured programmatic budget presentation, programs identified in the 1960s, such as antipoverty efforts, health research, and foreign aid and development. Because the ability to gather actual costs was limited, agencies derived program budgets from estimates and analyses. According to RAND, "in a relatively short time, the enthusiasm for program budgeting at the federal level waned. Reviews of the experience concluded that the actual influence on decision-making was limited, and agency budget officials produced reams of unsupported, irrelevant justification and description."

Identifying costs by program remains an issue for the federal government today, and few agencies have financial accounting systems capable of aggregating costs by program. Identifying costs by program often requires the application of workload or other statistics as the basis for estimates. The fact that some costs are not readily identifiable does not mean those costs do not exist. For example, ONDCP, an office wholly dedicated to the drug mission, relies on workload estimates to allocate its S&E funding among the functional areas of treatment, prevention, law enforcement, international, and interdiction. Although it has responsibilities in all these programmatic areas, it only budgets for and receives one S&E appropriation.

An examination of the agencies omitted pursuant to the restructuring reveals that ONDCP may have applied the restructuring rationale inconsistently. For example, RAND found the Bureau of Prisons, one of three agencies with an appropriate methodology, provided a reasonable estimate of the resources being devoted to antidrug efforts, yet ONDCP omitted it as an agency whose work involved only drug consequences. RAND found that the Immigration and Naturalization Service and the U.S. Customs Service had methodologies that were based largely on “educated guesses.” Despite poor methodology, these agencies remained in the drug control budget as components of the Department of Homeland Security. According to ONDCP, they were retained in the budget summary because drug control is an important part of their overall budget. The Substance Abuse and Mental Health Services Administration’s (SAMHSA) methodology was found to be a collection of arbitrary assumptions and rules. Further, RAND found that Education (ED), Department of Veteran’s Affairs (VA) and SAMHSA had methodologies that produced inflated antidrug budgets, the cumulative effect of which was to overstate the overall FY 1998 drug budget of \$16 billion by over \$1 billion. Yet, ONDCP retained these agencies in the drug budget summary. In its response to the Agency Review Draft of this report, ONDCP said it kept these multi-mission agencies in the drug control budget because drug control was an important component of their overall budget.

The budget restructuring omitted Agriculture and Interior as agencies that did not have a primary drug nexus. However, both agencies have had increasing drug involvement centering around the eradication of marijuana on public lands. Although ONDCP restored the Bureau of Indian Affairs under Interior¹⁰⁹ in the FY 2009 request, other Interior components, such as National Park Service and U.S. Fish and Wildlife, are also involved and were not restored. For example, Interior has a Memorandum of Understanding for joint operations with the Tennessee National Guard and the Governor’s Task Force for Marijuana Eradication. The MOU covers things such as procedures and rules of engagement for Interior law enforcement officers riding in National Guard helicopters, yet Interior, except for Bureau of Indian Affairs, is not part of the national drug control budget.

The Forest Service is also heavily involved in eradication. According to a Forest Service official, the agency has 20 law enforcement officers dedicated to drug enforcement in California alone. A September 2007 press release, by the Santa Barbara County California Sheriff’s Office, cited joint operations with the Forest Service and stated that large-scale marijuana cultivation was becoming a serious and increasingly widespread problem on public lands in California. These plantations were often the work of drug cartels, usually armed with automatic weapons and high-powered rifles. Plants seized in Santa Barbara County through September 2007 had an estimated value of over \$306 million, yet the Forest Service was omitted as part of the restructuring.

According to ONDCP, while the revised drug control budget did not include these departments in the budget presentation, they have continued to be drug control agencies. ONDCP reports that it monitors the drug control activities of Agriculture and Interior bureaus and has intervened, as necessary, regarding drug control matters that affect their operations. Thus, the current Budget

¹⁰⁹ Pub. L. No. 109-469 § 101 (b).

Summary does not provide a complete picture of the federal government's drug control activities nor the degree of ONDCP's involvement.

Also pursuant to the restructuring, ONDCP omitted DOD's Operations Tempo account because it was based on estimates, and the DOD IG had not attested to the amounts. However, GAO believed DOD's drug program was already understated. According to a 1998 GAO report on DOD Counterdrug Activities,¹¹⁰ there were significant costs for DOD counterdrug activities that were not reflected in DOD's reported costs and funding requests. ONDCP stated that, according to DOD's drug coordinator at the time, excluding these costs from the specific costs of DOD counterdrug activities is appropriate because these costs would be incurred whether or not the Department was performing counterdrug efforts. However, removing these costs ignores the principle of full costing as well as the opportunity cost incurred by diverting assets from other missions to drug control. Further, the authorizing language contains no instructions that only incremental costs should be recognized as drug costs.

As noted earlier, the RAND study found that the Health Care and Finance Administration, which later became the Center for Medicaid and Medicare Services (CMS), relied on a methodology based on data from an outdated survey from 1983. CMS was deleted pursuant to the restructuring because drug control was not its primary activity, its funding was based on estimates, and it could not easily be verified or reproduced. However, ONDCP restored CMS to the drug budget in FY 2008 on the heels of an ONDCP effort to promote Healthcare Common Procedure Coding System (HCPCS) codes for Screening and Brief Intervention (SBI) for alcohol and drug screening. According to the budget summary, the new codes would provide the opportunity for state Medicaid programs to pay for SBI.

According to HHS officials, intervention services have been covered by Medicare and Medicaid for years. These treatment costs have always been buried within total Medicare and Medicaid costs. The annual cost of intervention services is wholly dependent on the number of visits by Medicare and Medicaid patients requiring intervention during the normal course of medical treatment. Previously, CMS had to task states to audit their records retrospectively to identify these costs. HCPCS is an effort to provide an accounting code that the states may, if they choose, incorporate into their accounting systems to enable them to accrue these costs as they occur.

CMS relies on actuarial estimates to attempt to estimate the requirement for this service. The utilization of codes depends on the number of states that elect to adopt them. CMS actuaries developed estimates for the cost of HCPCS based on an estimate of the number of states projected to adopt the codes over two fiscal years. The estimate of \$75 million, utilized by ONDCP for FY 2008 was actuarially based on four or five states adopting the codes. The estimate of \$265 million, utilized by ONDCP for FY 2009 assumed that 20 states would adopt the codes. As HCPCS costs are paid out of the Medicare and Medicaid entitlement programs, no funds are specifically received by CMS for this program. Although CMS included a resource

¹¹⁰ U.S. General Accounting Office, *DOD's Counterdrug Activities—Reported Costs Do Not Reflect Extent of DOD's Support*, GAO/NSIAD – 98- 231. (Washington, D.C.: August 1988).

summary in its FY 2009 Congressional Budget Justification with a description of HCPCS, the schedule showed zero funds requested.

Workload Implications for ONDCP and Other Agencies

According to a former ONDCP official, the 1998 Reauthorization levied a series of new accounting requirements on ONDCP and the drug agencies that required a new level of review and involvement. In the late 1990s, the Office of Performance and Budget (OPB) had a staff of eight examiners, including the head of the office, to review 57 agency and program budgets twice per year. The 1998 Reauthorization requirement for agencies to submit accounting reports to ONDCP, reviewed and attested to by their respective Inspectors General, laid on another level of workload. The official stated there was no way OPB could have handled the work level for 57 agencies.

ONDCP cited the heavy workload as one of the conditions leading to the initiative to restructure the drug budget and eliminate numerous accounts. According to the FY 2003 Budget Summary, "...coordinating the work of numerous drug control agencies can quickly become overwhelming." Subsequent to the restructuring, ONDCP reduced budget analyst personnel. In March 2008, OPB had only two analysts, including the head of the office. As of August 2008, one additional budget analyst position had been filled and two additional positions were advertised.

The 2006 Reauthorization Act requires that any drug control budget request submitted by a department, agency, or program shall include all requests for funds for any drug control activity. Returning to a drug control budget with 57 or more agencies would require significant effort on the part of agency budget personnel, department Inspector General (IG) personnel, and ONDCP OPB personnel. A drug agency official estimated the agency's annual accounting report requires at least two work-months of effort by the IG's office to attest to the expenditures. Another drug agency had to bring IG auditors from a regional office to Washington D.C. on temporary duty to work on the attestation. A drug budget with 57 or more agencies or accounts would more closely mirror the entirety of U.S. drug control efforts, would result in a significantly higher ONDCP workload, and require additional personnel.

ONDCP BUDGET REQUEST

Within the Budget Summary, the section on ONDCP describes its four appropriation accounts which include funding for its internal operations as well as its operational programs. ONDCP's primary mission is in the policy arena—that is, to advise the President on national and international drug control policies and strategies and to work to ensure the effective coordination of anti-drug programs within the federal government. These functions are funded within its Salaries and Expenses (S&E) account. ONDCP also has operational responsibilities in four areas: 1) Counterdrug Technology Assessment Center (CTAC); 2) National Youth Anti-Drug Media Campaign; 3) Drug-Free Communities program; and 4) High Intensity Drug Trafficking Areas (HIDTA). Details regarding the overall ONDCP budget for its internal operations as well as its operational programs can be found in Appendix J.

ONDCP BUDGET REVIEW AND CERTIFICATION

The Anti-Drug Abuse Act of 1988 not only authorizes ONDCP to prepare and submit an annual consolidated National Drug Control Budget Summary, but also provides the authority for ONDCP to review and certify the budget requests of NDCP agencies.¹¹¹ Certification is the statutory process by which ONDCP is authorized to review and influence drug control budget proposals.

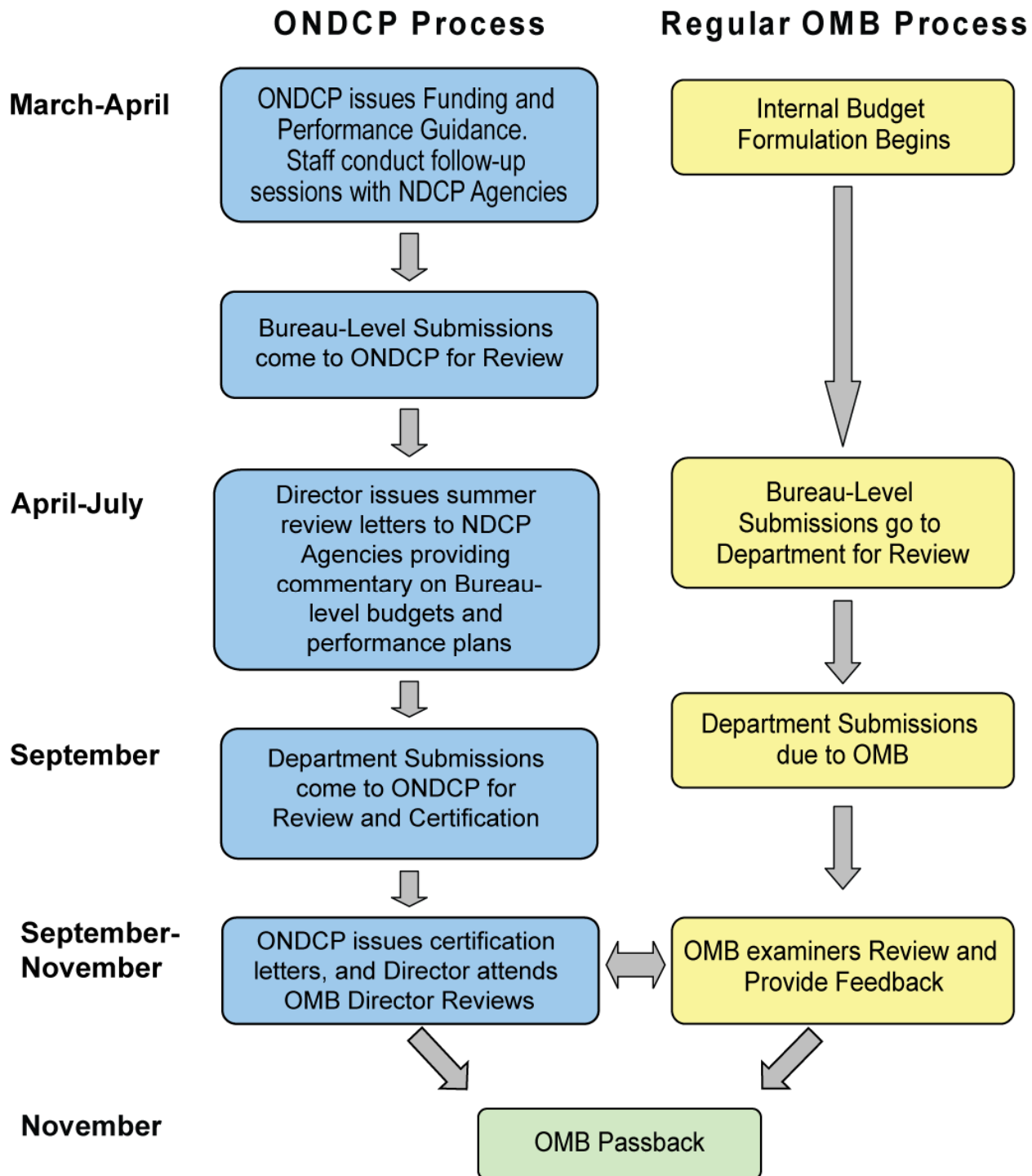
ONDCP is required to determine and certify the adequacy of an agency's proposed budget to implement the objectives of the Strategy. The ONDCP Director provides guidance to NDCP agencies on how best to support these priorities in the form of Funding Guidance Letters. These letters are produced and disseminated in the spring at the beginning of the budget formulation cycle. For example, the Funding Guidance letters for FY 2009 were completed in spring 2007.

The review and certification process is a two-tier process, consisting of a summer review of bureau-level submissions and a fall review/certification of agency submissions. Bureau heads transmit their drug control budget proposals to ONDCP at the same time their budget requests are sent to their respective agency heads. For example, the Centers for Medicare and Medicaid Services submits its budget to ONDCP at the same time that it goes to the Department of Health and Human Services. ONDCP reviews the component budget and can intervene with HHS before reviewing the entire Department-level budget in the fall.

In the fall, the agencies prepare their consolidated drug budget submissions and transmit them to ONDCP before they submit them to the Office of Management and Budget (OMB). ONDCP and OMB officials coordinate their fall reviews and reach agreement before the OMB-approved agency budget that will be incorporated in the President's Budget Request, known as the OMB "Passback," is provided to agencies in December. Figure 4-1 graphically depicts the ONDCP and OMB budget review processes, using FY 2009 as an example, and reflects some parallel activities.

¹¹¹ Pub. L. No. 100-690 § 1003 (c) (3) (A) & (B).

**Figure 4-1
FY 2009 Drug Budget Processes**



DRUG CONTROL ACCOUNTING

OPB is also tasked with reviewing NDCP budget execution by the drug control agencies. Per statute,¹¹² the Director of ONDCP is authorized to require the NDCP agencies to submit, not later than February 1 of each year, a detailed accounting of all funds expended by the agencies for NDCP activities during the previous fiscal year and require such accounting to be authenticated by the Inspector General prior to submission. The Director is required to submit to Congress, not later than April 1 of each year, the information submitted to him by the drug agencies. Further, the Director is authorized to monitor implementation of the NDCP, including: (A) conducting program and performance audits and evaluations; and (B) requesting assistance of the Inspector General of the relevant agency in such audits and evaluations.¹¹³

BUDGET OVERSIGHT CAUSES PARTNER AGENCY TENSIONS

The oversight process itself is also the source of friction between ONDCP and some NDCP agencies. A prime example is the Safe and Drug Free Schools (SDFS) program, a program within the Department of Education (ED) listed in the Budget Summary. One component of SDFS, Student Drug Testing, totaling \$10.6 million in FY 2008, is a high priority of ONDCP. The program consists primarily of grants to law enforcement organizations and schools to fund drug testing programs. According to the ED officials, student drug testing is controversial in a number of school districts, and ED is dependent upon receiving sufficient numbers of grant applications. ED tries to obligate every dollar, but often has a year-end balance in the account. Speaking on behalf of the Secretary, a high-level official stated his belief that ED should be unencumbered in reprogramming these funds without ONDCP approval.

The May 2007 decision to change CMS from an Other Related Drug Control Program agency to a NDCP agency created controversy between ONDCP and CMS. According to CMS officials, the addition of HCPCS codes did not change procedures at CMS. CMS had provided estimates of the services for drug intervention and treatment paid for by Medicare and Medicaid for many years. CMS officials stated that ONDCP seemed unwilling to address CMS concerns that drug control is not part of its bureau's missions; that the reclassification would require that they submit a Resource Summary as part of their Congressional budget submission; and that CMS would be unable to include a related performance goal in its performance plan. CMS's Center for Medicaid and State Operations was concerned about a performance measure dependent on voluntary state decisions to use the codes.

Officials of other partner drug agencies also expressed displeasure with ONDCP's budget oversight process. One official characterized it as a lot of busy work, without a lot of value. Concurring with the lack of value-added, another official stated that the process requires a lot of effort and called it "overkill." A department official stated that some agencies have to modify their accounting systems to capture costs specific to certain programs.

¹¹² 21 U.S.C. § 1704 (d), "Accounting of Funds Expended."

¹¹³ 21 U.S.C. § 1703(d)(7).

The Panel asked partner agency officials how the ONDCP policy oversight role could be enhanced. During interviews, participants suggested the process would be more efficient if ONDCP inserted its policy initiatives into the regular OMB process in the fall timeframe. They stated that spring bureau-level submissions often anticipate departmental emphasis on possible cuts, and there is little, if any, real opportunity for increasing funding for ONDCP initiatives. One official cited the process used by the Office of Science and Technology Policy (OSTP), also within the Executive Office of the President. It communicates its funding priorities each year through a joint letter with OMB to agency and department heads prior to the fall OMB budget review. In considering the OSTP process, the Panel noted that the approval process within OMB can take up to six months and does not identify specific funding levels. Further, the internal delays often result in the OSTP letter arriving too late for agencies to incorporate the priorities into their budget submissions.

SUPPLY REDUCTION VERSUS DEMAND REDUCTION

Historically, there has been tension between Supply Reduction and Demand Reduction proponents over the proper division of resources and efforts. This controversy predates the establishment of ONDCP. The decision as to the supply/demand split, of necessity, reflects Congressional direction and Administration policy prerogatives within the available funding. The nation's first official national drug control strategy, the Federal Strategy for Drug Abuse and Drug Traffic Prevention, included a budget for FY 1974 that was divided among treatment, law enforcement, interdiction, prevention, and research.

Critics of ONDCP have described the agency as having a bias toward Supply Reduction.¹¹⁴ A possible barometer of this proportional preference for supply issues is the amount of personal time invested by Director Walters on Supply Reduction activities versus Demand Reduction activities. According to Office of Supply Reduction officials, the Director meets with OSR officials for intelligence briefings on a daily basis, in addition to a more in-depth weekly briefing. In contrast, the Director meets with the head of the Office of Demand Reduction once per month. In 1995, Director Walters testified before Congress, and provided some insight into his approach to drug policy issues:

An effective drug policy should begin with this assumption: as long as young people and those who receive treatment reside in communities where the supply of dangerous, addictive drugs remains plentiful—i.e. where there is de facto legalization—prevention and particularly treatment efforts will be severely undercut and for purposes of national policy, ineffective.¹¹⁵

¹¹⁴ Carnevale Associates, LLC. *Federal Drug Budget Trend, FY 02-09 Budget Emphasizes Least Effective Ingredients of Drug Policy*, Policy Brief (Gaithersburg, MD, February 2008)

¹¹⁵ *Effectiveness of the National Drug Control Strategy and the Status of the Drug War*, Hearings before the National Security, International Affairs, and Criminal Justice Subcommittee of the House Committee on Government Reform and Oversight, March 9 and April 6, 1995.

ONDCP has countered the critics by pointing out that the division between supply and demand efforts has created an artificial expectation of a 50/50 split and that supply reduction functions are inherently expensive because they involve more capital outlays and are broader in geographic scope. Sophisticated surveillance equipment, crop eradication, and estimation of international drug production cost more and involve extensive coordination with other governments and costly international travel. Also, supply activities are inherently governmental, whereas demand efforts, domestic in scope, may involve more non-governmental organizations, such as hospitals and clinics.

The FY 2004 budget restructuring resulted in an adjustment in the Supply/Demand Split. Although the decrease in the total drug budget as a result of the restructuring was approximately 42 percent, Supply Reduction accounts were reduced by 53 percent, while Demand Reduction accounts were reduced by 17 percent. This action had the effect of resetting the Supply Reduction/Demand Reduction budget percentage split from 67/33 in FY 2003 to 54/46 in FY 2004.

During the period from FY 2002 through the FY 2009 request, Supply Reduction accounts remaining after the restructuring have grown by \$3.3 billion, while the remaining Demand Reduction accounts have decreased by \$6 million. The largest growth was in Interdiction, 100 percent, with International programs second at 48 percent. As a result, the Supply/Demand split has steadily evolved from 54/46, after the budget restructuring, to 65/35 in the FY 2009 Request. If all of the previous drug accounts were restored to the National Drug Control Budget Summary, the current Supply/Demand split would be approximately 73/27.¹¹⁶

The FY 2009 Request divides resources along functional areas and Supply/Demand split as shown in Table 4-4.

¹¹⁶ The drug accounts displayed in the Other Related Drug Control Agency Funding schedule in the FY 2009 Budget Summary were added to the respective FY 2009 Supply and Demand categories. For those "Other" accounts that, prior to the restructuring, had both Supply and Demand components, the Academy used the FY 2003 Supply/Demand proportion to allocate their FY 2009 accounts.

Table 4-4
Federal Drug Control Funding by Function
(\$ in Millions)

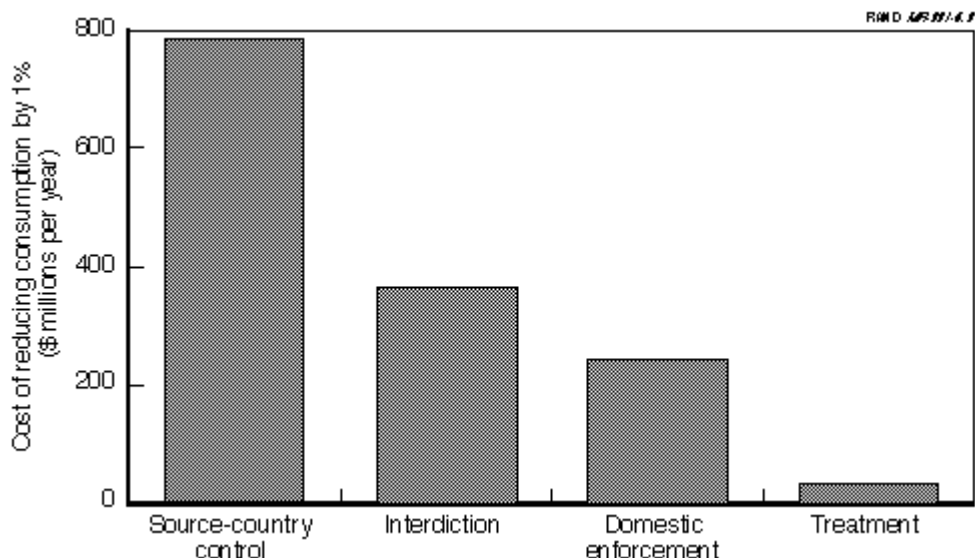
Function	FY 2009 Request	Percent
Supply Reduction		
Domestic Law Enforcement	3,763	27
Interdiction	3,831	27
International	1,610	11
Total Supply Reduction	9,204	65
Demand Reduction		
Treatment (with research)	3,403	24
Prevention (with research)	1,507	11
Total Demand Reduction	4,910	35
Total Funding	14,114	100

According to a drug policy think tank,¹¹⁷ the funding trend toward Supply Reduction programs is counter to research results indicating that treatment and prevention programs are very effective in reducing drug demand, while international programs and interdiction are less effective. This assertion is not new. In a 1994 report,¹¹⁸ RAND Corporation presented a model-based policy analysis of alternative methods of controlling cocaine use in the United States. The report examined the cost of decreasing cocaine consumption by one percent by investing additional funds in cocaine-control alternatives. The RAND study found that the least costly supply-control program (domestic enforcement) costs 7.3 times as much as treatment to achieve the same consumption reduction. Figure 4-2 from the RAND report displays the cost of reducing consumption by one percent across four counterdrug disciplines.

¹¹⁷ Carnevale Associates, LLC, *Federal Drug Budget Trend*, February 2008.

¹¹⁸ Peter C. Rydell and Susan S. Everingham, *Controlling Cocaine: Supply versus Demand* (RAND Corporation, 1994).

Figure 4-2
Cost of Reducing Consumption by One Percent
Across Four Counterdrug Disciplines



According to ONDCP officials, a 1999 review, conducted by the National Research Council and funded by ONDCP, found that the RAND study did not yield usable empirical findings on the relative cost effectiveness of alternative policies in reducing cocaine consumption.¹¹⁹ RAND issued a rebuttal report in June 2000 defending its study and addressing the National Research Council criticisms point by point.¹²⁰ Regardless of one’s position, considerable support exists on each side of the Supply/Demand equation.

Although, according to several ONDCP officials, the Office currently leans toward Supply Reduction programs, it is in agreement that treating heavily dependent users can reduce demand significantly and can help to undermine local drug markets and reduce the profitability of drug dealing. According to the 2007 National Drug Control Strategy, “Changing the behavior of the relatively small number of chronic drug users can have enormously beneficial consequences for society, not the least of which is to deprive illegal drug traffickers of their largest source of revenue—the addicted, frequent, high-volume drug user.” The 2007 Strategy further stated, “Healing drug users through effective treatment programs will lead to long-term reductions in drug profits which can shrink local drug markets to levels that can be more easily managed by local authorities.”

Regardless of ONDCP’s policy emphasis, unilaterally redirecting funds between Supply Reduction and Demand Reduction efforts could not be quickly or easily achieved. Supply and

¹¹⁹ Charles F. Manski, John V. Pepper, and Yonette F. Thomas, *Assessment of Two Cost-Effectiveness Studies on Cocaine Control Policy* (Committee on Data Research for Policy and Illegal Drugs National Research Council, 1999).

¹²⁰ Jonathan P. Caulkins, *Response to NRC Assessment of RAND’s Controlling Cocaine Study* (RAND July 2000).

Demand efforts are usually determined along agency lines based on their inherent mission and purpose. For example, the Department of Justice, Department of Homeland Security, and Department of State efforts are generally Supply Reduction, whereas HHS, Department of Education, Department of the Interior (Bureau of Indian Affairs), and Department of Veterans Affairs are Demand Reduction. These departments are under the jurisdiction of separate Appropriations Subcommittees and different Appropriations Bills. Shifting resources from Supply to Demand Reduction would require substantial OMB support to champion the required transfers of Budget Authority between departments and across lines of Congressional jurisdiction.

One senior official noted that ONDCP should not be held totally accountable for perceived misalignments in the Supply/Demand split. He stated that while ONDCP may attempt to influence policy by steering funds in one direction, Congress will frequently do something different. Another ONDCP official stated that Congress has historically provided more funding for Supply Reduction over Demand Reduction programs. For example, during the period FY 2004 through 2008, Congress increased Supply Reduction accounts by a factor of 2.2 times its increases to Demand Reduction accounts. Table 4-5 shows the difference between the enacted level and the President’s Budget Request by Function and Supply/Demand for FY 2004 through FY 2008.

Table 4-5
Difference Between President’s Budget Request and Enacted Levels
(\$ millions)

	FY 04	FY 05	FY 06	FY 07	FY 08	FY 04-08
Treatment	-160.8	-270.9	-270.9	-71.1	183.3	-590.4
Prevention	77.2	265.1	265.1	381.5	181.7	1,170.60
Domestic Law Enforcement	44.4	170.3	170.3	11.6	148.1	544.7
Interdiction	387.3	27.2	27.2	255.5	-77.9	619.3
International	55	-47.6	-47.6	-105.2	267	121.6
Total	403.1	144.1	144.1	472.3	702.2	1,865.80
Supply	486.7	149.9	149.9	161.9	337.2	1,285.60
Demand	-83.6	-5.8	-5.8	310.4	365	580.2

PERFORMANCE MEASURES

Strategic planning and performance measurement in the federal government are required by the Government Performance and Results Act of 1993 (GPRA). GPRA requires agencies to submit strategic plans with a comprehensive mission statement, goals and objectives, a description of how the goals will be achieved, a description of performance goals included in the plan, an identification of external risk factors, and a description of how programs will be evaluated. The strategic plans are to cover a period not less than five years and to be updated every three years. In compliance with GPRA, each of the drug control agencies, including ONDCP, produces a strategic plan. ONDCP has had multi-year strategic plans, for the period 2001-2007, and most

recently for 2006-2012. This latest version includes strategic goals that mirror the President's three national priorities and two and five-year goals for adults and youth. The strategic plan states that it is deliberately left general in some areas in anticipation of changing drug market conditions, new protocols, new research results, or other issues that require amendments.

ONDCP is also required to develop and monitor performance measures for the partner drug control agencies. The 1998 Reauthorization Act required a Performance Measurement System to determine the progress in achieving specific targets spelled out in the Act. In addition, the 1998 Reauthorization Act required that the Director describe to Congress a national drug control performance measurement system, designed in consultation with affected NDCP agencies, that:

- Develops and revises performance objectives, measures, and targets, to conform with NDCP agency budgets;
- Identifies major programs and activities of the NDCP agencies that support the goals and objectives of the National Drug Control Strategy;
- Evaluates in detail the implementation by each NDCP agency of program activities supporting the National Drug Control Strategy;
- Monitors consistency between the drug-related goals and objectives of the NDCP agencies and ensures that drug control agency goals and budgets support and are fully consistent with the National Drug Control Strategy; and
- Coordinates the development and implementation of national drug control data collection and reporting systems to support policy formulation and performance measurement.

The 1998 Reauthorization Act essentially endorsed ONDCP's Performance Measures of Effectiveness (PME) System, developed in 1997. The purpose was to assess the efficacy of the five goals and 31 objectives of the Strategy. According to the 1999 PME annual report, the development of the PME system reflected the combined efforts of the more than 50 federal drug control agencies, drug control experts, and representatives of major state and local government organizations. The PME System applied a systems approach to the measurement of the impact of the Strategy's goals and objectives in three critical areas: reducing drug use, drug availability, and the consequences of drug use. These measures translated to 97 performance targets.

As noted in Chapter II, a former OMB official stated that the PME system implied a degree of granularity in the drug budget that did not exist and could not be sustained. The five goals and thirty-one supporting objectives, although philosophically valid, could not be tied to line items in individual agency and program budgets.

In 2002, ONDCP replaced PME with the much simpler goals of two-year and five-year reductions in use. However, these broad goals provide no means for measuring individual agency performance.¹²¹ To the extent that individual drug agency efforts tie in to the annual

¹²¹ In its comments on the Agency Review Draft, ONDCP took exception to the notion that the Strategy has only broad goals. The comments stated that ONDCP works on an ongoing basis with drug control agencies in the development of appropriate outcomes measures that are relevant to their drug control mission.

National Drug Control Strategy, it is through their relationship to the three national priorities corresponding to the three chapters in the Strategy: prevention; treatment; and supply reduction. According to Drug Enforcement Administration officials, for example, their programs relate to chapter III—*Disrupting the Market*, because that section describes law enforcement efforts.

Interviews of partner drug agency personnel revealed that they derive their goals from their individual agency and department strategic plans, not the Strategy. Their strategic plans contain specific measures that are reportable to OMB under GPRA. Although these measures are all geared toward drug control, they frequently vary from ONDCP goals. For example, the Drug Enforcement Administration’s overarching goal is to reduce the availability of illicit drugs by 10 percent over five years, whereas ONDCP’s goal is to reduce use among youth by 25 percent over five years.¹²² OMB also periodically reviews agencies, using the Program Assessment Rating Tool (PART), to determine their purpose, design, planning, management, results, accountability, and overall effectiveness.¹²³ ONDCP notes that agencies “often balk at developing drug-related performance measures when the drug mission is not a central one,” but that ONDCP makes a focused effort “to work with an agency to add or improve drug control measure(s)” when the Office assesses that “an agency’s measures are not supporting the Strategy.”

Congressional Push for Improved Performance Measures

In the years since 2002, Congressional language has urged ONDCP to develop a system of meaningful performance measures, not only for the NDCP agencies, but also for its own internal management. The 2006 Reauthorization tasks the Director to submit to Congress, as part of the National Drug Control Strategy, a description of a national drug control performance measurement system, that:

- (1) develops two-year and five-year performance measures and targets for each National Drug Control Strategy goal and objective;
- (2) describes the sources of information and data that will be used for each performance measure;
- (3) identifies major programs and activities of the NDCP agencies that support the goals and annual objectives of the National Drug Control Strategy;
- (4) evaluates the contribution of demand reduction and supply reduction activities, as defined in the Act, and implemented by each NDCP agency in support of the National Drug Control Strategy;

¹²² ONDCP responded that these are not different since reducing availability is a critical factor in reducing drug use.

¹²³ GPRA and PART are among a number of general management laws and tools the President can use to provide effective management leadership. Whether management and budget should remain together under OMB, or whether a separate office of federal management should be established, is subject to debate with proponents on both sides. The National Academy’s Standing Panel on Executive Organization and Management has issued a series of issue papers on Presidential Management Capacity to Respond to 21st Century Challenges that, among other things, address this issue. These are available at <http://www.napawash.org/pmc/index.html>, September 2008.

- (5) monitors consistency between the drug-related goals and objectives of the NDCP agencies and ensures that each agency's goals and budgets support and are fully consistent with the National Drug Control Strategy; and
- (6) coordinates the development and implementation of national drug control data collection and reporting systems to support policy formulation and performance measurement.

The Appropriations Committees have also expressed a desire for improved performance measures in general. The House Report on the FY 2008 Financial Services and General Government Appropriations Bill expressed general concern over the “quality of budget documents.” The Committee strongly encourages the Administration to use a meaningful system of evaluation to justify proposed program funding levels.”

According to the FY 2009 National Drug Control Budget Summary, ONDCP’s 2006 Reauthorization Act sets forth a series of new reporting requirements focusing on performance measurement for national drug control agencies. Further, the Congress has called for a yearly report describing the national drug control performance measurement system. The partner drug agencies with greater than \$50 million in annual funding will submit performance summary reports to ONDCP annually, and ONDCP will incorporate this information in the Director’s submission to Congress. According to the FY 2009 Budget Summary, the enhanced performance measurement system is designed to monitor key activities that support the following Strategy goals and objectives:

- an additional 10 percent reduction in drug use;
- the continuation of random student drug testing as a prevention tool;
- greater access to screening and brief intervention services;
- the reduced diversion of prescription drugs and Methamphetamine precursors;
- declines in Andean cocaine production and Afghan poppy cultivation;
- a reduction in the flow of illegal drugs across the Southwest Border; and
- declines in the domestic production and use of marijuana.¹²⁴

The Performance Section of the National Drug Control Budget Summary includes the various measures used to measure drug agency performance, including the PART reviews, if any, and an agency’s most recent achievements against performance targets. As an example, Table 4-6 from the FY 2009 budget summary shows the performance measures for Access to Recovery, a SAMHSA-administered grant program:

¹²⁴ See the Conclusion section (p. 57) of the 2008 Strategy for the itemization of these goals and objectives.

**Table 4-6
Performance Measures for Access to Recovery**

Access to Recovery				
PART Review				
Year of Last Review: 2007		Rating Received: Moderately Effective		
Evaluation Area	Score	Review Highlights		
Purpose	100	The PART review found that the program has a clearly defined purpose with specific goals and objectives; that the program has set ambitious targets; and performance data show considerable success in meeting program goals and objectives.		
Planning	88			
Management	70			
Results	67			
Selected Measures of Performance			FY 2007 Target	FY 2007 Achieved
»	Percentage of individuals receiving services, who had no past month substance use		81%	85%
»	Number of clients gaining access to treatment		50,000	79,150
»	Percentage of individuals receiving services, who had improved family and living conditions		52%	60%
»	Percentage of individuals receiving services who had no involvement with the criminal justice system.		97%	98%
»	Percentage of adults receiving services who had improved social support		90%	75%
»	Percentage of individuals receiving services who are currently employed or engaged in productive activities		50%	62%
»	Average cost per client served through ATR		Establish baseline	1,605

Each table contained in the Strategy results from PART reviews and GPRA measures and is a reiteration of data otherwise reported to, or collected by, OMB. Although ONDCP makes reference to its Performance Measurement System, it does not have agency-focused measures tied directly to the Strategy. Since there are no agency-unique goals in the annual Strategy, there is nothing against which ONDCP can measure agency performance in support of the Strategy.¹²⁵

ONDCP has updated its Drug Control Accounting Circular with the requirement for agencies to provide assertions regarding the appropriateness and soundness of their performance measurement systems and the data upon which they are based. Under this updated circular, each drug control agency is required to provide a performance summary report to the ONDCP Director and agency Inspectors General are required to conduct attestation reviews to evaluate agency assertions. The IG reports are to be transmitted to Congress in conjunction with the National Drug Control Accounting Reports. The first such report covering FY 2007 was published in July 2008.

During the period FY 2003 through the FY 2009 request, ONDCP has requested and received funds within the Other Federal Drug Control Programs appropriation for the development and

¹²⁵ ONDCP takes the position that the use of GPRA data is inherently sound and efficient and that the development of another performance measurement system would be burdensome and potentially duplicative. In many instances ONDCP has helped develop performance measures that are now part of agency GPRA measures. The fact that GPRA and OMB have also urged for outcome measures does not detract from the success of ONDCP's efforts.

improvement of performance measures. ONDCP performance measures funding by fiscal year is shown in Table 4-7.

Table 4-7
ONDCP Performance Measures Funding
By Fiscal Year
(\$ thousands)

2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Enacted	2009 Requested	Total
1,987	1,988	992	1,485	1,485	250	500	8,687

According to ONDCP officials, ONDCP has typically used these funds to develop, or encourage other agencies to develop, data or data systems that could be used in performance measures. Specific initiatives have focused on an array of topics including:

- Price and purity of illicit drugs;
- Marijuana yield assessment;
- National Treatment Outcome Monitoring System;
- Improvements to the heroin signature and domestic monitoring programs;
- Expansion of the Drug Use Forecasting program into the Arrestee Drug Abuse Monitoring Program;
- Drug availability;
- The economic costs to society of illicit drugs;
- Operation Breakthrough (estimation of poppy and coca plant yield and laboratory processing efficiency);
- Determination of law enforcement impact on cocaine availability; and
- Domestic marijuana cultivation survey via remote sensing.

For FY 2007, the individual projects, funding, and ONDCP descriptions of these data projects are as follows:

- Drug Availability—\$350,000 “The project integrates various independent drug supply and demand data sets to develop a consistent set of drug availability estimates that are used by policymakers as context for performance measures such as seizures and drug prevalence.”
- Analyses of Price/Purity and Workplace Drug Testing Data—\$400,000. “The project obtains drug forensic data to measure drug price and purity trends in retail drug markets. On the demand-side, workplace drug testing data is purchased and analyzed to inform policymakers on near real-time drug use trends.”

- Investigation into the Presence of Drug Metabolites in Wastewater—\$750,000. “The project seeks to further study the potential for using the presence of drug metabolites in wastewater as a means for measuring the magnitude of drug use in a region. Current scientific studies indicate that this may be a promising approach to the difficult task of measuring the magnitude of an illegal activity, such as drug use. Such measures usually depend on conducting surveys, which are susceptible to people’s lack of candor. Confirmatory urine tests have been used for some drug surveys, such as in the sampling of arrestees, but still have the problem of a small time window of detection. Analyses of wastewater have been prototyped and EPA has expressed interest in collaboration.”

These efforts are geared toward determining the level and characteristics of the supply of illicit drugs and the volume of use as a potential base against which ONDCP can measure aggregate progress in demand and supply reduction. Whether these efforts will result in performance that will tie other drug agency efforts directly to the Strategy remains to be seen.

INFORMING THE RECOMMENDATIONS

To have a comprehensive National Drug Control Program, the Panel believes there first must be a comprehensive National Drug Control Strategy. Likewise the Panel believes the Budget Summary should be comprehensive and include all programs and means to address the drug problem. Recommendation 3, detailed in Chapter VI, is designed to address these issues.

Policy-makers and the public must have a complete window into the totality of our nation’s drug efforts to inform decision-making. Yet, since a budget restructuring and downsizing occurred in FY 2004, a number of drug control agencies and programs have been omitted from the annual Budget Summary. This has obscured the complete picture of federal drug control involvement and understated the total resources dedicated to drug control. Inclusion of the omitted agencies will provide Congress and the American public with increased visibility into the many diverse programs involved in countering the drug problem and will provide a clearer picture of the total resources dedicated to drug control.

In addition to preparing a drug control Budget Summary, ONDCP is statutorily mandated to perform a number of OMB-like functions relative to the drug control agencies, including issuing funding policy guidance and requiring and reviewing accounting and performance measures reports. ONDCP has issued policy circulars to communicate these requirements to the drug control agencies. During the budget formulation process, ONDCP issues funding policy guidance to agencies setting out programmatic priorities. The Panel believes these budget activities parallel OMB functions and that the budget review and certification process, as defined by statute and implemented by ONDCP, adds little value. In its history, ONDCP has only de-certified one budget, and the partner agency survey results show that, from FY 2006 to the present, ONDCP’s involvement with and impact on partner agencies’ budgets has been limited to

the Administration's several key priorities.¹²⁶ The Panel does not dispute that ONDCP should have some impact on the budgets for high-priority Administration programs, but believes that, if empowered to work directly with OMB, ONDCP could establish a more effective process to achieve this result.

The Panel also found that national drug program agencies dedicate resources to preparing annual drug accounting reports and to Inspector General report attestation. These reports place additional burdens on the agencies, and it is unclear to the Panel what utility these reports provide. ONDCP's performance measurement system does not tie agency performance to the Strategy, but rather reiterates OMB's GPRA and PART measures that tie to individual agency strategic plans. Since the FY 2004 budget restructuring, ONDCP has been performing these complex management functions on approximately a third of the agencies with drug responsibilities, with no evidence that the remaining two-thirds are in any way misusing drug control funds or neglecting their responsibilities in this area. Returning to a comprehensive drug control Budget Summary would require a substantial increase in personnel dedicated to performing these current statutorily mandated functions. If Congress eased or rescinded these requirements, ONDCP would be in a position to dedicate more resources to its core functions of interagency policy formulation and coordination and the compilation of a comprehensive, research-based Strategy.

¹²⁶ ONDCP stated in its October 24, 2008 response to the Panel's Agency Review Draft that it believes the survey results may be biased given ONDCP's oversight responsibilities, which sometimes place ONDCP at odds with agencies over changes in policy and program direction. As an example, ONDCP cites CMS' resistance to developing performance measures and collecting data for those measures.

CHAPTER V

ONDCP'S HUMAN CAPITAL GOVERNANCE STRUCTURE AND WORKFORCE

The Panel's overarching focus in this management study is to assess ONDCP's mission effectiveness, organizational health, and agility and to make recommendations to help ONDCP optimize its abilities to implement its long-term strategic plan. This chapter begins with what the Panel learned from examining ONDCP's human capital governance structure, leadership, policies, and procedures. Following is an analysis of ONDCP workforce utilization and workforce management data, along with comparisons to comparable federal organizations. This section of the chapter reflects the impacts of ONDCP policies and practices on the workforce.

Among the questions the Panel sought to answer are the following:

- What is ONDCP's human capital governance structure and is it consistent with applicable federal laws and regulations?
- Are all policies and procedures documented and communicated to employees/applicants?
- Does ONDCP's management structure facilitate effective human capital management and continuity of operations?
- What delegations of authority for human capital decisions have been made?
- What procedures are in place to ensure the integrity of human capital-related decision-making?
- What accountability systems exist to ensure effective human capital governance?
- Does the organization have sufficient employee feedback mechanisms?

The Panel's major findings are the following:

- ONDCP relies on centralized human capital decision-making, with most authority concentrated in the Director and Chief of Staff;
- Other ONDCP PAS officials and the 14 career SES officers have little delegated management authority and narrow spans of control;
- Some ONDCP career human capital practices, such as those related to cash awards and the composition of selection panels, lack full transparency and reflect the considerable involvement of political employees in processes and decision-making;
- Significant leadership gaps may develop in light of the fact that almost 25 percent of the work force serves in untenured political positions; and
- ONDCP has not adopted such effective HR management practices as a disciplined competency assessment or the solicitation of broad employee feedback to help identify emerging issues.

APPLICABLE FEDERAL LAWS AND REGULATIONS

As with all federal organizations, ONDCP's human capital governance structure must comply with the basic legal and regulatory requirements regarding management and employment practices. The Civil Service Reform Act (CSRA) defines 12 prohibited personnel practices and prohibits federal government organizations from discriminating in hiring for career positions based on political affiliation.¹²⁷ It states that federal agencies must adopt hiring practices for career employees in which "selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity," and sets forth a series of merit system principles by which federal agencies are to manage personnel decisions.

With regard to employment discrimination, CSRA call for "fair and equitable treatment in all aspects of personnel management without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition, and with proper regard for their privacy and constitutional rights." The Act also prohibits the consideration of political affiliation in personnel matters involving career employees and makes it unlawful to "take or fail to take any other personnel action if the taking or failure to take such action violates any law, rule, or regulation implementing, or directly concerning, the merit system principles contained in this title."

The Office of Special Counsel has jurisdiction over such prohibited practices, if committed against an employee or applicant for employment in the Executive Branch. It is authorized by law to investigate and seek appropriate corrective and disciplinary action in this regard.¹²⁸

LEADERSHIP AND MANAGEMENT STRUCTURE

The federal government's civilian workforce is divided into two types of employees: career civil service employees—who are hired based on a competitive merit-based system—and political appointees—hired at the discretion of the President and agency heads. The merit-based civil service, created in 1883 by the Pendleton Act, was designed to end the political spoils system and ensure continuity and expertise in governmental operations across presidential

¹²⁷ 5 U.S.C. 2301(b). See also U.S. Department of Justice, *An Investigation of Allegations of Politicized Hiring in the Department of Justice Honors Program and Summer Law Intern Program*, June 24, 2008, pp. 7-9.

¹²⁸ The Office of Special Counsel has authority over (1) activities prohibited by civil service law, rule, or regulation, including any activity relating to political intrusion in personnel decision-making; (2) arbitrary or capricious withholding of information under the Freedom of Information Act, and (3) involvement by any employee in any prohibited discrimination found by a court or administrative authority to have occurred in the course of any personnel action.

administrations.¹²⁹ The vast majority of federal workers, including high-level managers, are civil servants. A 2004 OPM estimate put the number of civil servants at roughly 1.8 million.¹³⁰

Political appointees form the other major segment of the civilian employee system. The total number of political employees¹³¹ ranges from roughly 2,500 to under 3,000, depending on the timing of nominations and delays in the confirmation process.

There are four major types of political appointees:

- **Confirmed Presidential appointees**, who hold senior positions specified by law and requiring Senate confirmation. They are known as Presidential Appointees with Senate confirmation, or PAS. ONDCP has five such positions.
- **Non-confirmed Presidential appointees**, who also hold positions specified by law, but whose appointments do not require Senate confirmation. ONDCP has no positions in this category.
- **Political Senior Executive Service (SES) appointees**, who are selected non-competitively to fill positions reserved for SES members. These individuals are referred to as non-career SES, and their numbers by law cannot exceed 10 percent of SES members government-wide and 25 percent of an agency's SES allocation. As of March 2008, ONDCP has two non-career SES employees on-board out of a total of 16 SES positions (12.5 percent of filled SES positions, 1.9 percent of the total on-board workforce).
- **Schedule C appointees**, who hold policy-related positions established at the discretion of the President and agency heads. They may also serve in a confidential relationship to a key official. Since 2005, filled Schedule C positions have accounted for more than half of all political appointees in the federal government. The Director of OPM has the authority to approve agency requests to increase the number of Schedule C positions. The ranks of Schedule C appointees, therefore, expand and contract during an Administration. As of April 2008, almost 19 percent (20 employees) of ONDCP's on-board workforce were Schedule C employees. ONDCP's Schedule C employees represent 1.2 percent of the 1,641 Schedule Cs in the Executive Branch as of December 2007.¹³²

¹²⁹ U.S. House of Representatives, Committee on Government Reform, Minority Staff, Special Investigations Division, "The Growth of Political Appointees in the Bush Administration," (Washington, D.C.: U.S. House of Representatives, May 3, 2006).

¹³⁰ Office of Personnel Management, *The Fact Book, Federal Civilian Workforce Statistics* (Washington, D.C.: Office of Personnel Management, 2004).

¹³¹ The total number of political appointees includes Presidential appointees, non-career SES, as well as Schedule C employees.

¹³² As of December 2007, there were 616 Senate-confirmed Presidential appointees, 151 Presidential appointees not requiring Senate confirmation, 670 Non-Career SES, and 1,641 Schedule C appointees. Source: *The Washington Post*, May 28, 2008, p. 11.

As of March 15, 2008, ONDCP had 106 employees plus a number of detailees from the military and other federal agencies and Intergovernmental Personnel Act assignees.¹³³ Of these 106 employees, almost 24 percent (25 incumbents) are political, non-competitive appointments.¹³⁴

ONDCP Leadership

The leadership of ONDCP is vested in the five PAS positions noted above. Currently, only three of these five positions are filled:

- **Director**, at Executive Level I (EX-I);
- **Deputy Director**, EX-II;¹³⁵ and
- **Deputy Director for Demand Reduction**,¹³⁶ EX-III.

The two vacant PAS positions are:

- **Deputy Director for Supply Reduction**, EX-III. A career SES employee has been acting in this capacity since December 10, 2007. From January 2007 until December 2007, this position was filled by the recess appointment of an individual whose nomination was returned by the Senate Judiciary Committee. Concurrent with the recess appointment, the Administration resubmitted the nomination of the recess appointee, who remains on ONDCP's rolls as a GS-15 Schedule C Special Assistant to the Director. This 2007 nomination is still pending before the Senate.¹³⁷
- **Director, State, Local, and Tribal Affairs**, EX-III. Until late March 2008, this PAS position was filled in an acting capacity by a career SES employee. After that individual's departure, ONDCP named a GS-15 career employee as Acting Director. In mid-May 2008, the President named a current U.S. Marshal and Presidential appointee to serve as Acting Assistant Deputy Director.¹³⁸ On July 18, 2008, that individual was formally nominated for the PAS position. He remains in an acting capacity, pending Senate confirmation.

¹³³ The Intergovernmental Personnel Act (IPA) provides for the exchange of talent between the federal government and non-federal sectors (state, local, non-profits, and universities). Terms are typically two years, with a maximum renewal time of an additional two years.

¹³⁴ In the FY 1993 Treasury, Postal Service, and General Government Appropriations Act, H.R. 5488, ONDCP was required to reduce "by no less than 20 per centum, the number of non-career Senior Executive Service positions and Schedule C positions from the number of such positions on board as of September 30, 1992, by no later than September 30, 1993." The bill also provided that none of the positions eliminated could be converted to career civil service or career SES positions.

¹³⁵ As of April 2008, the Deputy Director is not classified as a supervisor. In the FY 2006 organizational structure, the Deputy Director's Office was larger and had at least five subordinate employees.

¹³⁶ In September 2008, as this report was being finalized, the Deputy Director for Demand Reduction resigned.

¹³⁷ Of the 184 civilian nominations pending before the Senate as of August 20, 2008, the nomination for this ONDCP PAS position is tied with three others as the oldest nomination. See http://www.senate.gov/paygelayout/legislative/a_three_sections_with_teasers/nominations.h.

¹³⁸ In his initial appointment as Acting Assistant Deputy Director, the individual continued to perform as a U.S. Marshal as well.

Other Political Positions

In addition to these five PAS positions, ONDCP has two non-career SES employees, who serve as the Chief of Staff and the Director of the Office of Public Affairs.

ONDCP also has 20 Schedule C appointees, 12 of whom are GS-13 or higher, including 7 at the GS-15 level. Schedule C appointees are organizationally assigned as shown in Table 5-1.

**Table 5-1: Organizational Distribution of ONDCP Schedule Cs
April 2008**

Office	Number
Office of the Director	7
Office of Public Affairs	4*
Office of Legislative Affairs	3
Office of Demand Reduction	2
Office of Local, State, and Tribal Affairs	3
Office of Supply Reduction	1

*1 temporarily assigned to Media Campaign

According to OPM, Schedule C employees are intended to provide confidential assistance to high-ranking Administration officials. However, ONDCP's high-graded special assistants, particularly in the Office of the Director,¹³⁹ have been placed in positions where they exercise management authority, at variance with the governance structure and organizational hierarchy. Functioning as programmatic extensions of the Director and COS, these special assistants form part of a shadow governance structure. This situation serves to limit the authority of others, who, by virtue of their organizational rank, would otherwise have delegated authority, particularly for management decisions. For example, Schedule C employees chair the ONDCP Quality Step Increase Review Board¹⁴⁰ and participate in rating and interviewing panels for career

¹³⁹ In its October 24, 2008 comments on the Agency Review Draft of this report, ONDCP stated that this use of Schedule Cs is "not completely different from the previous Administration whereby military detailees served in a similar capacity of providing the Director subject-matter information on various topics." The Panel notes that, from a tenure and merit system perspective, this is not an apt comparison. Military detailees, either career civilians or members of the Uniformed Services, are officially detailed to work throughout ONDCP and provide subject matter expertise and liaison with their DOD employer on mission-specific areas. This section of Chapter V questions the exercise of management authority at variance with the governance structure by Schedule C political appointees and does not question the provision of subject matter expertise by staff.

¹⁴⁰ See September 12, 2007, memorandum from Director Walters appointing Schedule C employee to chair the board.

recruitments and merit promotions.¹⁴¹ There is no explicit law, rule, or regulation which defines or limits Schedule C eligibility for membership on such panels.¹⁴²

The Code of Federal Regulations specifies that these excepted service employees are to have a “close and confidential working relationship with the head of an agency or other key appointed officials.”¹⁴³ OPM requires that Schedule C employees report only to other political appointees and therefore should not report officially or unofficially to career employees. OPM’s instructions to agencies requesting new Schedule C positions note: “The PD [position description] must clearly show a confidential relationship with the immediate supervisor or state a required policy determining aspect of the position.”¹⁴⁴ Based on ONDCP organizational charts, interviews with ONDCP program officials, and a review of recruitment documentation for FY 2007 and FY 2008, it appears that at least some ONDCP Schedule C appointees have dual reporting relationships. For these appointees, the political supervisor of record approves their annual performance plan and performance appraisal and would be responsible if, for example, disciplinary action were indicated. However, day-to-day, ONDCP has assigned these individuals to work in program offices, report to career managers for operational purposes, and be physically interspersed with career employees.¹⁴⁵

In an organization in which political appointees constitute nearly 25 percent of the workforce, the pervasive involvement of Schedule Cs in career personnel decisions and rewards can be perceived as leading to politically biased actions.¹⁴⁶ The prevalence of Schedule Cs in the workforce has resulted in their use as management surrogates in human capital decision processes. This use of Schedule Cs is a negative consequence of an unbalanced workforce composition and has led to ineffective management practices at ONDCP, such as political leadership of the Quality Step Increase Review Board and management direction that political appointees participate on General Schedule career rating and interviewing panels.

Career Executives

The top merit-based civil service positions, designed to ensure sufficient expertise, leadership, and continuity, are the over 6,300 career Senior Executive Service (SES) positions across the

¹⁴¹ Source: ONDCP documentation of rating and interviewing panels as well EOP Office of Administration official case files.

¹⁴² In the absence of explicit law or regulation on this subject, the Academy sought the expert opinions of a former Acting Director of OPM, a former Deputy Assistant Secretary of Defense for Civilian Personnel Policy, and an employment lawyer, all of whom concurred that the ONDCP pattern of political involvement in career personnel decisions appeared to be inconsistent with merit principles and effective management practices.

¹⁴³ 5 CFR 213.3301.

¹⁴⁴ See OPM Form 1019, “Request for Schedule C Appointment Authority.”

¹⁴⁵ For example, as documented in EOP case files, in 2008, ONDCP cancelled a career recruitment, for which it had over 200 applicants, and filled the position as a Schedule C. The supervisor, while previously political, was an SES career employee at the time of the recruitment and was therefore not an appropriate supervisor for a Schedule C employee.

¹⁴⁶ As stated in a March 18, 2004 memorandum from U. S. Office of Personnel Management Director to Heads of Departments and Agencies: “...I want to remind all agency heads of the need to ensure that agency personnel actions remain free of political influence or other improprieties and meet all relevant civil service laws, rules, and regulations.” See http://www.opm.gov/Strategic_Management_of_Human_capital/Guidance/CHCO0001.asp

federal government. ONDCP has 14 authorized career SES positions, representing 12 percent of its authorized Full-Time-Equivalent (FTE) ceiling.

OPM, in consultation with OMB, gives each agency an SES allocation every two years. OPM's guidance to agencies desiring to establish such positions lays out criteria. According to OPM, the primary knowledge and abilities of employees occupying SES positions should relate to supervisory and managerial responsibilities. OPM classification guides say that the scope and range of supervisory responsibilities are primary in determining pay. Positions must meet both the SES functional criteria and grade level criteria prescribed in statute. SES officers occupy managerial, supervisory, and policy positions above GS-15 that are not filled by PAS officials.¹⁴⁷

A position meets the SES functional criteria if its incumbent engages in any of the activities described in Table 5-2.

Table 5-2: SES Functional Criteria

Directs work of organizational unit
Accountable for success of one or more specific programs/projects
Monitors progress toward organizational goals and periodically evaluates and makes appropriate adjustments
Supervises the work of employees (other than personal assistants)
Executive functions , such as important policy-making or policy-determination

The SES was intended to be a corps of senior managers, not technical experts. In determining whether a position meets the criteria for placement in the SES, the agency must evaluate the position and determine whether it functions as a part of the management team, as an independent advisor, or as a technical expert. This evaluation should consider the position's duties, responsibilities, and qualifications requirements, as well as organizational placement and scope of responsibility. ONDCP's placement in the EOP and its national coordination and policy-making role are grade-enhancing factors when making these determinations.

Because of ONDCP's limited size, there are several instances where a PAS has subordinate career SES employees or where a career SES has subordinate SES employees, thereby further limiting the breadth and scope of these positions and the supervisory requirements placed upon the incumbent. A review of ONDCP SES position descriptions and performance standards for the past two fiscal years indicates that some SES positions do not evidence the level of complexity or scope of responsibility described by OPM as warranting an SES position. For example, one SES position was administratively-focused, with narrow management authority, limited responsibility beyond ONDCP, and few important policy-making or policy-determining duties.¹⁴⁸ Other positions, while having interagency coordination responsibilities and the

¹⁴⁷ From 1998 through 2004, the number of supervisors and managers in the federal government has been relatively stable at 11 percent of the workforce. Source: *OPM's Fact Book, 2005 Edition*, p. 13. See the full publication at <http://www.opm.gov/FedData/factbook/index.asp>

¹⁴⁸ The incumbent of this position is currently detailed from ONDCP to another federal agency.

potential for significant policy impact, do not have traditional human capital or financial management responsibilities and may be more appropriate as Senior Technical or Senior Level employees.¹⁴⁹

Thirteen (93 percent) of ONDCP's executive position descriptions do not differentiate among categories of major duties, such as programmatic, executive, and managerial responsibilities, and many do not reflect the utilization of what OPM terms the five Executive Core Qualifications, used in statute¹⁵⁰ to describe the qualifications that must be certified by the Qualifications Review Board for all initial career appointments to the SES.¹⁵¹ Regardless of whether or not an SES employee has such managerial responsibility, ONDCP appraises all of its career SES employees on their contributions to achievement of the President's Management Agenda and ONDCP's Strategic Plan.

SES Governance Structure

ONDCP has a three-tiered governance structure to deal with issues relating to SES officers. The Director designates one of ONDCP's executives, historically a career SES, to serve as ONDCP's Senior Performance Official (SPO) and charges that person with evaluating ONDCP's performance management system for the SES, monitoring agency performance in implementing the system, and certifying that the appraisal process makes meaningful distinctions based on relative performance. Since 2000, there have been four different SPOs at ONDCP.¹⁵² In addition, ONDCP uses Executive Resources Boards (ERBs) to facilitate recruitment and Performance Review Boards to make recommendations for pay and awards.

ERBs manage the merit staffing process for initial SES career appointments, make recommendations, and ensure that rating, ranking, and qualification documentation procedures are properly followed. For each recruitment action, the ERB reviews the qualifications of referred candidates, conducts interviews, identifies the best qualified, and prepares a written recommendation, with a certification of the candidate's executive and technical qualifications.¹⁵³ Because of anticipated high turnover among career SES employees eligible to retire (71 percent in 2006), ONDCP established a second functioning ERB in 2003. From 2002 through 2004, each ERB was composed of three to four career SES. Since 2005, the newer of the two boards has remained all career, initially with three members, then two members in 2007, and back to three

¹⁴⁹ These Senior Technical and Senior Level positions, established by the Federal Pay Comparability Act of 1990, typically require that less than 25 percent of the incumbent's time be dedicated to supervisory/managerial duties. Pay for these positions, which number over 920 government-wide, is between 120 percent of the GS-15/1 and Executive Schedule IV. These positions require the allocation of a slot from OPM.

¹⁵⁰ 5 U.S.C. 3393.

¹⁵¹ These five Executive Core Qualifications are: Leading Change, Leading People, Results Driven, Business Acumen, and Building Coalitions.

¹⁵² The June 2007 ONDCP SES Performance Management System says only that the Director shall designate an SPO and does not link the duty to a particular position. A new position description, developed in connection with the late 2007 recruitment of a new SES-level Associate Director for the Office of Performance and Budget, lists the SPO role as an assigned duty of that position.

¹⁵³ The ERB referred multiple qualified candidates to the Director for his selection in three of four SES recruitment cases that were reviewed.

members in 2008.¹⁵⁴ Since 2005, the original ERB has had three to four members, of which one has consistently been non-career. Under this revised and expanded ERB structure, ONDCP has made four career SES selections since late 2006. Two of the four individuals selected previously served in Schedule C or non-career SES jobs in the government.¹⁵⁵

Like all other Federal organizations with SES employees, ONDCP has a Performance Review Board (PRB) to make recommendations to the appointing official (e.g., ONDCP Director) concerning executive performance, including recommendations on performance ratings and bonuses. A PRB helps to assure consistency and objectivity in appraising executive performance. The input of the PRB is advisory in nature. According to OPM, each PRB is to have three or more members appointed by the agency head. PRBs can include all types of federal executives (e.g., non-career appointees, military officers, and career appointees) from within and outside the agency, preferably at the SES or equivalent level. Non-federal employees may also serve (e.g., retirees or university personnel). However, when appraising career appointees or recommending performance awards for career appointees, more than one-half of the membership of a PRB must be SES career appointees.¹⁵⁶

The ONDCP PRB currently has four members, including three career SES employees and one non-career SES employee, appointed by the Director. The terms of the PRB members are not time specific, and the Director names new boards or members at his discretion. Since 2003, the Director has exercised this discretion on four occasions and changed the board composition from what had been, in 2002, an all-career PRB to include one non-career SES member.¹⁵⁷ The Chair of the PRB, a career SES who also serves as the Associate Director of Management and Administration, has been consistent since 2004.¹⁵⁸ This history is summarized in Table 5-3.

¹⁵⁴ Director Walters appointed three new career ERB members on July 14, 2008, adding two members to ERB I and one member to ERB II. Prior to July 2008, ERB I and II each had two members.

¹⁵⁵ Over the past few years, OPM's Qualifications Review Board has initially disapproved the Core Executive Qualifications of one of ONDCP's initial selectees, but, upon resubmission, subsequently approved the hire.

¹⁵⁶ 5 CFR § 430.310 (a)(3).

¹⁵⁷ In 2001 and 2002, the PRB had three to four members, all of whom were career SES. In 2003, the Director named a board composed of one non-career and three career SES members. In 2004, the Director replaced the three career members with three others and retained the one non-career member. That board remained in place in 2005. In 2006, the non-career member left the agency, and the Director replaced that person with a career member. In 2007, the ONDCP Director replaced the fourth career member, who had also recently left the agency, with a non-career SES, who also served on the ERB.

¹⁵⁸ Guidance provided in the Code of Federal Regulations, Section 43.310 states that "Agency heads are encouraged to include women, minorities, and people with disabilities on PRBs." The current ONDCP PRB chair is a female.

**Table 5-3
ONDCP History of SES Governance Structure**

Year	Executive Resources Board I	Executive Resources Board II	Performance Review Board	Senior Performance Official
2008	3-C	3C	3C	New SPO Named-C
	1-NC		1-NC*	
2007	1-C	2C	3C	New SPO Named-C
	1-NC		1-NC	
2006	2-C	3C	4C	
	1-NC			
2005	2-C	3C	3C**	
	1-NC		1-NC	
2004	4C	3C	3C	New SPO Named-C
			1-NC	
2003	4C	3C	3C	
			1-NC	
2002	3C	N/A	4C	
2001			3C	Previously named SPO-C

C = Career

NC = Non-Career

* Same membership as 2007

** Same membership as 2004

SPAN OF CONTROL

As compared to other Executive Branch agencies, ONDCP has a high percentage of employees serving in supervisory capacities.¹⁵⁹ As of March 15, 2008, there were 35 managers or supervisors—33 percent of the workforce and a ratio of one supervisor to every two employees—for the 106 employees on-board, including:

¹⁵⁹ The 1993 National Performance Review called for federal agencies to go from a ratio of one supervisor for every seven employees to one supervisor for every 15 employees. OMB Bulletin No. 01-07, issued in 2001, applied to agencies with 100 or more FTE, including ONDCP, and called for these agencies to reduce and redistribute higher level positions to front-line service delivery positions that interact with citizens.

- 3 PAS positions;
- 16 SES positions,¹⁶⁰ including 2 non-career SES;
- 13 GS-15 supervisory employees;
- 3 GS-14 supervisors; and
- 1 GS-13 supervisor.

At ONDCP, 13 career SES employees lead organizational units that vary in size, but none has more than 10 direct reports. This narrow span of control is consistent with the 19 sub-unit organizational structure noted in Chapter I. Some who lead programs that have limited or no funding appear to have few, if any, permanently assigned subordinates (e.g., CTAC Research and Media Campaign). The non-career Chief of Staff has a total of 61 ONDCP employees who are either under his direct supervision or for whom he is the second-level supervisor.¹⁶¹

ACCOUNTABILITY

Over the last several years, ONDCP has worked with OPM to ensure a more rigorous performance appraisal process. While some organizations historically develop performance plans incorporating activities described in an employee's position description in an appraisal form, more results-oriented organizations avoid measuring activities and instead measure accomplishments. According to OPM, incumbents of SES positions are "accountable for success of one or more specific programs/projects."¹⁶² To gain OPM certification of an SES pay system and have access to the highest levels of federal executive pay, OPM requires that agencies take several key actions relevant to accountability.¹⁶³ On October 3, 2008, OPM certified ONDCP's SES performance appraisal system.

Consistent with these OPM requirements, 60 percent of the appraisal of the performance of ONDCP senior executives is attributable to the results for specific programs/projects. They also have leadership competency and workload management requirements. Of 258 performance standard comments in the FY 2007 Performance Plans of ONDCP career SES employees that

¹⁶⁰ The 16 SES positions include one position whose incumbent is detailed outside of ONDCP.

¹⁶¹ According to information provided by ONDCP's Office of Management and Administration, while the span of control for most SES managers/supervisors is under 10, the non-career Chief of Staff has 17 direct reports, including the General Counsel, and 44 employees for whom he is the second line supervisor. He also has seven employees within the Director's Office under his direct supervision.

¹⁶² Office of Personnel Management, Chief Human Capital Officers' *Guidance on Identifying SES, SL, and ST Positions* available at <https://www.opm.gov/oca/compmemo/2004/2004-13-ATT1.asp> (Washington, D.C.: Office of Personnel Management, 2005).

¹⁶³ Office of Personnel Management, *Submission Requirements for Final Certification of Performance Appraisal Systems* available at <https://www.opm.gov/oca/compmemo/2004/2004-13-ATT1.asp> (Washington, D.C.: Office of Personnel Management, 2004).

were reviewed, 60 percent (153) were supported by measurable, observable, or verifiable results.¹⁶⁴

Based on this review, the Panel also found that ONDCP has structured its performance plans to align with its organizational goals.¹⁶⁵ ONDCP has made some differentiation between those executives who have cascaded goals throughout the organization and given credit to those who have been successful supervisors. For those who have not successfully cascaded standards, however, ONDCP's assignment of Fully Successful ratings for this requirement may not appropriately reflect the extent to which the executive met or did not meet the cascading requirement.

Three of the ONDCP SES career position descriptions include, as knowledge required, "extensive knowledge of the ONDCP Director's policies, views, and special interests"; "understanding of the views and philosophy of the Director and Chief of Staff"; "demonstrated versatility of mind"; and "the highest level of loyalty." These requirements are not abilities required to perform the ongoing work of the organization, but rather constitute personal attributes.

Performance Rewards

At ONDCP, career SES employees who have received a rating of at least Fully Successful (FS) at the end of the performance cycle (August 31) may receive performance bonuses. No ONDCP executive has been rated below FS since at least 2001.

Some federal agencies rank their career SES personnel for purposes of assigning bonuses and other rewards and ensuring alignment of ratings and rewards. They have historically also required a one-page, focused, written justification for such additional compensation and, more recently, require each SES employee to provide a detailed narrative of their personal accomplishments, evidence of business acumen, and EEO and diversity contributions. Agencies then retain these narratives as part of the employee's personnel file and as documentation for overall agency allocation of bonuses and other compensation decisions.

ONDCP does not rank its career SES employees and relies solely on the performance appraisal documentation and performance rating. The comments provided in support of the rating vary in level of detail and length according to the individual supervisor.¹⁶⁶

¹⁶⁴ An additional 31 percent were judged to be unclear, 4 percent may have been supported by evidence, but none was provided, and 5 percent were amorphous statements, rated by the study team as not supported by available evidence.

¹⁶⁵ Section I B of the plans is focused on achieving the goals of the ONDCP Strategic Plan, while Section II tasks each executive with achieving specific strategic outcomes, milestones, projects, or major activities. Section III A of the Workload Management section of the plans tasks each executive with cascading the individual's performance plan to his/her subordinates and weights the standard at 10 percent of performance.

¹⁶⁶ There were no employee-provided highlights/self-appraisals in the ONDCP PRB files provided to the study team. According to the Office of Management and Administration, SES employees provide their employee self-appraisals and highlights to their supervisors.

Excluding the two ONDCP non-career SES employees, who are, by law, not eligible for SES bonuses, the FY 2007 rating distribution for the remaining 12 career SES employees was:

- Outstanding: 42 percent (5);
- Exceeds Fully Successful: 50 percent (6); and
- Fully Successful: 8 percent (1).

The percent of ONDCP career SES receiving the highest level rating has been as high as 82 percent in 2001, declined to the mid-50 percent range in 2002 and 2003, bottomed out between 30 and 31 percent for the next two years, and then rose successively in 2006 to 40 percent and to 42 percent in 2007, which is lower than the 46.7 percent of career SES officials who received the highest rating across the federal government.

See Table 5-4 for a history of ONDCP SES performance ratings, bonuses, and rank awards.

**Table 5-4
ONDCP SES Performance Appraisal History¹⁶⁷**

FY	Total SES ¹⁶⁸	Career (C) Rated	Non-Career (NC) Rated	Outstanding		Excellent/Exceeds Fully Successful		Fully Successful		% Career Receiving Bonuses ¹⁶⁹	# Receiving Pay Adjustments or Promotions ¹⁷⁰	# Presidential Rank Award
				C	NC	C	NC	C	NC			
2007	17	12	2	42% (5)	100% (2)	50% (6)	0% (0)	8% (1)	0% (0)	83%	8	0
2006	16	10	2	40% (4)	100% (2)	60% (6)	0% (0)	0% (0)	0% (0)	100%	13	0
2005	16	10	2	30% (3)	50% (1)	70% (7)	50% (1)	0% (0)	0% (0)	100%	13	0
2004	15	13	1	31% (4)	100% (1)	62% (8)	0% (0)	8% (1)	0% (0)	92%	13	0
2003	19	7	2	57% (4)	50% (1)	29% (2)	50% (1)	14% (1)	0% (0)	43%	5 Promotions	0
2002	14 ¹⁷¹	9	0	56% (5)	0% (0)	44% (4)	0% (0)	0% (0)	0% (0)	67%	3 Promotions	0
2001	11	11	0	82% (9)	0% (0)	18% (2)	0% (0)	0% (0)	0% (0)	36%	5 Promotions	0

An analysis of FY 2007 SES awards at ONDCP showed 83 percent of the career SES officials (10 employees) received bonuses (compared to 74.5 percent government-wide).¹⁷² This

¹⁶⁷ Percents may not add to 100 due to rounding. Percentage listed for each category is percent of career employees receiving each rating and percent of non-career employees receiving the rating.

¹⁶⁸ Total number of SES includes SES employees separated during the performance year and those newly appointed to the SES during the performance year and therefore ineligible to be rated.

¹⁶⁹ Only those career SES employees who receive ratings are eligible in that performance year for bonus consideration. The percent receiving bonuses is therefore a percent of career rated employees. Non-career SES employees are not eligible for bonuses.

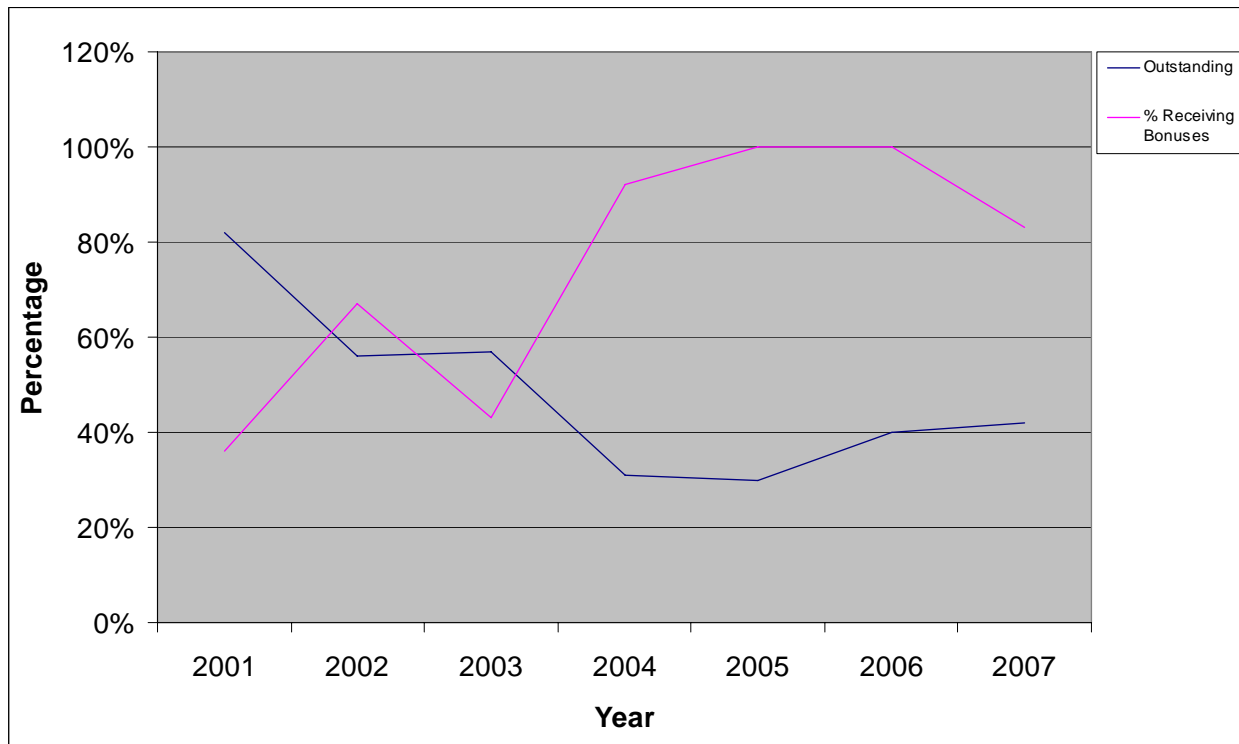
¹⁷⁰ With the redesign of the SES pay system, beginning in FY 2004, SES employees were no longer categorized in six pay levels, and therefore no longer eligible for pay level adjustments or promotions based upon elevation to one of those six steps. Instead, SES members received varying pay adjustments to their base salary.

¹⁷¹ In FY 2003, five SES employees separated from the agency and five new SES members were appointed. These ten individuals did not receive ratings due to these circumstances.

represented a decline from FY 2006 and FY 2005, when 100 percent of ONDCP career SES employees received bonuses, and FY 2004, when 92 percent received bonuses.

Figure 5-1 depicts these patterns and the fact that, while performance ratings have generally declined, the percent of ONDCP SES employees receiving bonuses has not declined proportionally.

Figure 5-1
ONDCP Bonus Recipients versus Outstanding Career SES



In addition, the PRB recommended that the basic pay for four SES officials who were rated as Outstanding be increased to \$168,000, the highest SES pay level at agencies with certified SES pay plans in FY 2007. These raises were the equivalent of a two percent increase. Among the four who were recommended for the pay adjustment to \$168,000 was one non-career SES,¹⁷³ for whom this raise represented a 12 percent increase. Three other SES officials rated as Outstanding received pay adjustments to pay levels below the \$168,000 cap, but representing a

¹⁷² In FY 2007, the SES performance award pool was \$148,379, with actual spending at \$116,487.¹⁷² The PRB recommended that those receiving the highest rating of Outstanding receive a seven to ten percent bonus, based upon relative contribution to ONDCP, and those with the second highest rating of Exceeds Fully Successful receive a six percent bonus. According to ONDCP records, three Outstanding career SES employees received ten percent bonuses and three received seven percent bonuses. Four Exceeds Fully Successful employees received six percent bonuses. The fifth employee rated as Exceeds Fully Successful received no bonus.

¹⁷³ Approval of such a pay adjustment for a non-career SES employee at ONDCP requires the additional approval of the Presidential Personnel Office and of the U.S. Office of Personnel Management. ONDCP received such approval.

seven percent increase in basic pay for each. The one Exceeds Fully Successful SES official who did not receive a bonus received a pay adjustment of 13 percent.

SES adjustments, including bonuses and pay adjustments, at ONDCP totaled \$189,439 in FY 2007. The highest total adjustment (including pay and bonuses) was \$21,129 to a new career SES employee, who was rated as Outstanding.

POLICIES, PROCEDURES, AND PRACTICES

ONDCP's human capital policies and procedures are in general compliance with law and regulation. There are several important human capital policies, however, where the Panel has identified areas for improvement by ONDCP.

Workforce Planning and Competency Assessment

At ONDCP, the Chief of Staff decides which vacant positions to fill. As positions across the organization become vacant, the slots are returned to a central pool to be allocated based on the Director's and COS' analysis of organizational needs. The advantage of this process is that it allows a relatively small organization to make continual adjustments to workforce utilization based on changing mission requirements and needs. ONDCP officials report that managers rigorously review the knowledge, skills, and abilities required in each job announcement before it is posted and revise position descriptions based on their assessment of what they believe is needed in the position. However, ONDCP does not incorporate a formal competency management process into its workforce planning, as recommended by GAO.¹⁷⁴ See Appendix L for a summary of the Panel's efforts to help ONDCP understand how its workforce aligns with its mission and programmatic goals.

Panel Process Evaluation for Non-Executive Hiring and Promotions

The Director of EOP's Human Resources Management Division states that the September 2003 EOP-provided "umbrella-type plan and policy" for merit promotion, which applies to all EOP General Schedule, competitive service positions at grades GS-15 and below, provides as much flexibility and management discretion as possible, while still complying with the letter and spirit of OPM guidelines and requirements. In October 2005, ONDCP instituted a new panel process to supplement this EOP umbrella policy for all General Schedule competitive, merit-based hiring procedures.

The new process was part of an effort to improve and bring more diversity to the selection process. There is no written policy for this ONDCP-specific practice, as required by relevant

¹⁷⁴ U.S. Government Accountability Office, *Human Capital: Key Principles for Effective Strategic Workforce Planning* GAO-04-39. (Washington, D.C.: December 2004).

federal regulations.¹⁷⁵ Instead, ONDCP has relied upon briefings for all members of the senior leadership team and hiring supervisors.

The basic requirements of this process, as provided by ONDCP’s Office of Management and Administration, are in Table 5-5.

Table 5-5. ONDCP Panel Process

Panel Establishment	Via their special assistants, component heads recommend to the Chief of Staff at least three individuals to serve on personnel panels, both for the purpose of reviewing and rating resumes to select the most qualified candidates for interviews and to conduct the interviews.
Panel Approval	The Chief of Staff approves all panels prior to commencement.
Panel Membership	The panels, which typically have three to four members: <ul style="list-style-type: none"> a. must be a diverse group; b. should include at least one subject matter expert;¹⁷⁶ c. should include a political appointee; and d. should include other staff from outside the component, if possible.
Training	The recommended panel members must have completed ONDCP’s personnel selection training.
Selecting Official	The Chief of Staff receives the recommendation of the interviewing Panel and approves the final decision for all recruitment and promotion actions. In most instances, the supervisor signs the official documentation as selecting official, but ONDCP’s BlueCast system, which documents the decision-making processes, shows that all such decisions are routed to the COS for final approval. Criteria for instances when the supervisor is not designated as the selecting official are unclear.

According to the ONDCP Associate Director for Management and Administration, the logic behind using this panel process is that:

- It increases the likelihood that the agency will have a diverse set of evaluators with whom the candidates meet, thereby increasing the likelihood that diverse candidates will feel

¹⁷⁵ CFR Title 5 Part 335, Section 335.103 (b) specifies merit promotion plan requirements. Requirement 1 is that “Each agency must establish procedures for promoting employees which are based on merit and available in writing to candidates.” While EOP has an umbrella policy for all EOP merit promotion cases, ONDCP’s additional requirement for a panel review of applicants is not in writing.

¹⁷⁶ Most federal merit promotion plans place primary emphasis on subject matter expertise when defining panel membership qualifications.

comfortable with the panel and, by extension, increasing the likelihood that diverse candidates will accept an ONDCP offer of employment.

- It broadens the selection criteria from those specified by the supervisor to those of the organization as a whole. ONDCP has said that it seeks to hire individuals whose skills might be transferable across ONDCP functions. The Associate Director asserts that selection by a panel increases the likelihood of hiring individuals with transferable skills.
- It minimizes hiring that meets only the needs of the current Administration and political staff.¹⁷⁷

The supervisor of the vacant position has input into the job description, but is not necessarily permitted to serve on the interviewing panel, regardless of that supervisor's tenure, pay plan, or rank in the organization. According to ONDCP officials, supervisors who are not included as panel members are consulted about panel make-up. The decision as to whether or not the supervisor is included as a panel member is made by the Director or delegated to the COS. If the supervisors are not included in the interviewing panel, they do not see the resumes of candidates, do not participate in the panel process beyond member nomination, and do not have a role in the selection process.

The following information regarding ONDCP hiring and recruitment processes is based upon a review of the 24 most recent career recruitment and merit promotion cases:

- ONDCP received 882 applications for 15 advertised positions in FY 2007, and 341 applications as of mid-August 2008 for an additional 9 advertised positions.
- A political employee served on the interviewing/rating panel in all but two instances.
- ONDCP hired 21 individuals¹⁷⁸ into ONDCP career positions as of August 1, 2008.
- ONDCP cancelled two career recruitment actions, for which it had received 249 and 116 applications, respectively, and subsequently filled the positions with Schedule C employees.
- ONDCP filled 5 positions with an internal candidate (i.e., a current employee, IPA, or agency liaison to ONDCP). It filled an additional 9 positions with individuals who had some previous experience with ONDCP (past employee or agency liaison, IPA, or partner agency connection). Nearly 60 percent of the positions (14 of 24) were filled with people who were current employees or had previous experience with ONDCP.
- Of the eight non-ONDCP career hires, two listed references or prior working relationships with current/former ONDCP political employees.
- One of three SES hires previously served in a Schedule C or non-career SES job in the government.

¹⁷⁷ The logic is somewhat undermined when panels have non-career political appointees as members.

¹⁷⁸ In addition, ONDCP hired one Presidential Management Fellow, but was not required to advertise this vacancy.

- In two instances, the interview panel agreed on the candidates with highest qualifications, but recommended a larger group of candidates to be interviewed by the selecting official.
- In one instance a former supervisor of a candidate participated as a member of the interviewing panel evaluating the candidates.

ONDCP Acceptance of Volunteer Services

According to the EOP, ONDCP is not authorized to accept voluntary services. However, under section 3111 of Title 5, OPM provides an exception and general guidelines that allow agencies to accept volunteer service from students. OPM's Guide to Processing Personnel Actions provides that agencies are responsible for determining how to document this type of volunteer service. ONDCP has elected to establish individual case files for each student intern at the time when ONDCP background checks are initiated. ONDCP does not formally appoint these student intern volunteers to a position, nor does EOP currently include them in its employee data base.¹⁷⁹

According to ONDCP officials, the agency had an unpaid student intern program prior to 2001. In 2001, because there were numerous administrative tasks associated with a Presidential transition, ONDCP hired and paid Schedule B student employees to perform these tasks. It continues to use these Schedule B student employees, but in more limited numbers. In 2002, ONDCP reexamined its approach to the use of interns and elected to utilize the "White House Intern Program" to vet all intern applicants. Program documents, however, while bearing the seal of the President, are labeled with ONDCP-specific information and do not relate beyond ONDCP to any other EOP elements. Hiring varies from year to year, with participation from roughly six to ten interns per year.

To be eligible for the ONDCP Intern Program, applicants must be 18 years or older, a U.S. citizen, have a GPA of 3.0 or higher, and submit a complete application. Published material on the intern program states that the minimum commitment is two months, working at least two days a week, and not to exceed 90 days.¹⁸⁰ The duration of employment is typically four months. Final approval for all student positions rests with the ONDCP Chief of Staff.

The application, which is to be returned to the Personnel Team within ONDCP's Office of Management and Administration, includes the following questions:

- Political experience?
- Are you a registered voter? In what city, county, and state?
- Did you vote in the 2000, 2002, and 2004 Congressional elections?

¹⁷⁹ ONDCP differentiates between its volunteer interns, who are typically students at the undergraduate and graduate levels, and students it hires, primarily on a part-time or seasonal basis, and pays under the Schedule B authority. The agency assigns paid Schedule B employees administrative tasks, including work that is inherently governmental. It assigns to volunteer interns higher level and more analytical work that is not inherently governmental. The EOP employee data system includes Schedule B employees.

¹⁸⁰ The ONDCP Associate Director for Management and Administration noted, however, that some students stay for periods up to one year. Some students seek academic credit for their internship experience.

- Please expound on your participation in the past few elections.
- Why would you be a good representative of President George W. Bush and the White House Office of National Drug Control Policy?

Associated documentation states that providing the information requested in the application is voluntary, but that failure to provide complete answers to all questions contained in the application may affect its consideration.

ONDCP Awards

The Director of ONDCP, or his Chief of Staff, approves all awards. At the beginning of each fiscal year, ONDCP develops an awards operating plan, which sets aside funding for both performance-rating based cash awards and Special Act or Service awards. The Chief of Staff approves the plan. At the end of the annual rating cycle, the Director, or Chief of Staff as his designee, determines the availability of money set aside in the FY operating plan and allocates funds for annual performance awards for each component, based on the performance of that component over the past year. This linkage of organizational performance to individual achievement and recognition is an indicator of a results-driven orientation.

The Associate Director of the Office of Management and Administration (OMA) informs each component head of the awards allocation and asks that the component head divide the amount among the General Schedule staff, including Schedule C appointees, who are rated Exceeds Fully Successful, or Outstanding. The component head submits a proposed allocation of these funds to the Chief of Staff for his approval. The component head is responsible for providing the Associate Director of OMA with a copy of the final approval, which serves as the authorization for OMA to request timely payment of the award.

ONDCP policy¹⁸¹ states: “Maximum discretion is left to the Director as long as job-related evaluation criteria are the basis for an award determination and carefully documented on the performance appraisal form.” It goes on to say that there is no prescribed method for determining award amounts and that there is no requirement that there be similar amounts for similar ratings within the same grade level or between components.¹⁸²

Unlike many other federal agencies, ONDCP does not use a standard form to nominate employees for most awards. Award nominations are transmitted electronically (through a system known as BlueCast), with electronic routing of nominations for concurrence and approval. The system captures the dates each party acts on the nomination. The justifications vary in length

¹⁸¹ See “Amended Office of National Drug Control Policy (ONDCP) Employee Performance and Incentive Awards Program,” July 5, 2007.

¹⁸² In FY 2007, the total ONDCP allocation for GS lump sum performance awards was \$214,222, with \$190,000 allocated by the Director to the component offices as follows: Office of Legal Counsel: \$15,000; Office of Public Affairs: \$17,000; Office of Management and Administration: \$30,000; CTAC: \$27,000; Office of Supply Reduction: \$32,000; Office of State, Local, and Tribal Affairs: \$25,000; Media Campaign: \$15,000; Office of Performance and Budget: \$12,000; Office of Demand Reduction: \$4,500; and Office of Legislative Affairs: \$12,600.

and degree of detail and do not require such basic information about the employee as type of appointment, tenure, and grade.

Most agencies rely on an approved recognition scale for intangible contributions. This scale defines dollar ranges for the value of the special contribution's benefit (moderate, substantial, high, and exceptional) and extent of application (limited, extended, broad, and general) and provides appropriate dollar ranges. Nominators are required to explain how the nominee's contribution fits into this scale, and subsequent reviewers and approving officials can amend the amount (either raising or lowering it) based on their assessment of how the specific contribution fits into the organizationally-approved scale. ONDCP does not have such a recognition scale and only requires that the award not go above \$9,999, the level above which it must, by regulation, go to OPM for approval. Use of such a guide facilitates organizational consistency in the recognition of like contributions.

In addition to lump-sum performance-rating based awards, federal agencies can also recognize employees rated Outstanding for their exceptional performance with Quality Step Increases. These increases consist of an additional within-grade salary increment of about three percent of basic pay. They are among the costliest of awards because they are a permanent increase to base pay, are received as part of the employee's regular pay check, are considered in determining the dollar value or step of subsequent promotions, add to the retirement computation, and increase Thrift Savings Plan government expenses.

ONDCP policy requires that its three-member Quality Step Increase Review Board review all proposed nominations to evaluate how critical element standards were met, the supervisor's narrative of performance, and organizational priority in the case of multiple nominations from a unit. The board makes recommendations in rank order to be considered by the Chief of Staff. In 2007, ONDCP's Board was chaired by a GS-13 Schedule C appointee. As stated earlier, there is no explicit law, rule, or regulation which prohibits a Schedule C employee from chairing such a board. However, when seen as part of a pattern, this direct involvement of political appointees in career personnel decisions has the potential to create the appearance of inappropriate political influence and the possible violation of merit principles.

In FY 2007, ONDCP awarded four Quality Step Increases out of eight nominees, or 5.2 percent of its total rated GS workforce. This compares to the FY 2005 government-wide average of just under 4 percent.

ONDCP WORKFORCE DEMOGRAPHICS AND ANALYSIS

To gain insights into possible workforce impacts of ONDCP human capital policies and practices, the study team conducted an analysis of ONDCP's workforce from FY 2000 to FY 2008 and conducted a comparative analysis of two EOP units (the Office of Science and Technology Policy and the Office of the U.S. Trade Representative) and two Executive Branch organizations (the Federal Transit Administration, FTA, and the National Drug Intelligence Center, NDIC). This analysis was useful to the Panel in understanding the current ONDCP workforce and how it has changed over time. Major lessons learned from the review include:

- The ONDCP workforce has declined over the past nine years from 123 in FY 2000 to 106 in FY 2008.
- ONDCP’s racial/ethnic diversity and female representation have declined over time. As a proportion of the workforce, total ethnic minority representation has declined by 14 percent between FY 2000 and FY 2009, while female representation has declined by 12 percent.
- Political appointments (PAS, Non-Career SES, and Schedule C) constitute 23.6 percent of the current workforce, compared to 13 percent in FY 2000.¹⁸³
- Annual turnover across all appointment types, excluding non-tenured consultants/advisory board members, has ranged from a low of 13 percent in FY 2005 to a high of 24 percent in FY 2001. Career GS attrition has ranged from 10 percent in FY 2006 to 25 percent in FY 2003. Career SES attrition has varied significantly—from none in FY 2001 and FY 2002 to a high of 55 percent the following year in FY 2003.
- While not directly comparable to the 2000 PwC study, which included detailees, Panel analysis of more recent attrition reflects a continuing level of attrition—particularly the cyclical turnover of career SES employees—that may hamper the continuity of ONDCP operations. Similarly, GS attrition of around 20 percent was found in several years.
- In percentage terms, the distribution of employees across major programmatic and administrative functional areas has not changed significantly, with the exception of CTAC-related programs (7 percent increase between FY 2000 and FY 2008) and the Media Campaign (it did not exist in FY 2000 and now constitutes 3.77 percent of the workforce).
- ONDCP has implemented a more rigorous performance appraisal process over the past nine years. Of employees with a recorded rating in the EOP-provided data, the percent rated “Outstanding” fell from 92 percent in FY 2001 to 25 percent in FY 2005. In FY 2007, the most recent period for which performance appraisal ratings are available, the percent with this highest rating was 42 percent.
- Political staff received higher ratings, on average, than career staff in FY 2007. Approximately twice as many career staff (20 percent) received a Fully Successful rating (the lowest rating given at ONDCP) as political staff (11 percent).

Major insights of the comparative workforce review include:

- Compared to the other EOP offices, the proportion of ONDCP’s workforce that is political is approximately half the size of OSTP’s, but approximately twice the size of USTR’s.
- As a proportion of the workforce, ONDCP has the largest cadre of SES of any of the organizations. SES constitute 15 percent of the ONDCP workforce, compared to 10 percent of USTR’s, 8 percent of OSTP’s, 3 percent of FTA’s, and 1 percent of NDIC’s.

¹⁸³ The FY 2000 number excludes consultant and advisory board members to make it comparable to FY 2008.

- Of the five organizations, USTR is the only one with a larger proportion of its FY 2008 workforce at the GS-15 and SES levels (64.49 percent of USTR; 44.66 percent of ONDCP).
- Racial/ethnic minorities constitute a larger proportion of the FY 2008 workforce at FTA and USTR (53 percent and 31 percent) than at ONDCP (22 percent). OSTP and NDIC have lower rates (21 percent and 4 percent).
- ONDCP has the lowest level of female representation (42 percent) of the five organizations. FTA has the highest level (59 percent).

The analysis also indicates that ONDCP may need to expand the occupations represented in its staff beyond those generalists, classified in miscellaneous program and administrative occupations, into other important categories of subject-matter expertise. While the Panel recognizes that the partner agencies are expected to be the subject matter experts, it appears that policy formulation and coordination would be enhanced with employees with expertise in some additional areas.¹⁸⁴

Although ONDCP has as one of its goals the disruption of the drug market, it has not had an economist with helpful market expertise on staff since 2002.

Within the Social Science, Psychology, and Welfare Group, ONDCP has no employees in the following potentially useful series:

- International Relations (0131)
- International Cooperation (0136)
- Psychology (0180)
- Sociology (0184)
- Social Work (0185)
- Social Services (0187)

Within the Natural Resources and Biological Science Group, ONDCP has no employees in the following potentially useful series:

¹⁸⁴ OPM mandates that the Miscellaneous Administration and Program Series, as well as the Miscellaneous Clerk and Assistant Series, only be used for work “for which no other series is appropriate.” Some ONDCP employees in the 301 series do have some of this subject-matter expertise, but are classified as Miscellaneous Administration and Program due to their management responsibilities. Within the rank-and-file workforce, however, the occupational profile analyzed here leads the Panel to posit that ONDCP has too many generalists and not enough core subject-matter expertise. Consistent with this observation, the PAS head of the Office of Demand Reduction said her unit needed employees with a professional and academic background in prevention, intervention/treatment, and drug courts to enable policy development.

- Pharmacology (0405)
- Physiology (0413)
- Toxicology (0415)

Within the Medical, Hospital, Dental, and Public Health Group, ONDCP has no employees in the following potentially useful series:

- General Health Series (0601)
- Pathology (0646)
- Public Health Program Specialist (0685)

(See Appendix M for a more detailed analysis of ONDCP and comparator organization data and methodological issues related to data analysis.)

ONDCP EMPLOYEE FEEDBACK

Organizations rely on feedback from their employees and customers to determine how well they are performing and communicating. Feedback can also help to identify emerging issues and problem areas. Customer satisfaction is also a key barometer of organizational success in achieving a unit's mission. OPM recommends that agencies: provide easy access for employee and customer feedback; use surveys extensively; and act on the information collected.¹⁸⁵ Organizations which do not solicit and encourage feedback disadvantage themselves in several ways: (1) setting an organizational tone that does not promote the constructive discussion of differences; (2) limiting employee engagement in the health of the organization; (3) depriving management of access to quantitative and qualitative information about employee perceptions and the chance to correct any misperceptions; and (4) missing an opportunity to promote employee retention. Organizations that place a value on open debate and successfully engage their employees may also be in a stronger position to collaborate externally.

Employee Feedback

ONDCP does not use human capital surveys as part of normal management practice. The 2000 PwC study recommended that ONDCP use formal exit interviews to improve its human capital management. According to ONDCP, it has not adopted this practice.

Although its SES Performance Management Plan calls for consideration of employee perspectives in the assessment of its executive performance, ONDCP, like all components of the EOP except for OMB, has elected not to participate in the human capital surveys conducted

¹⁸⁵ Office of Personnel Management, *Section IV: Results Oriented Performance Culture System* available at http://www.opm.gov/hcaaf_resource_center/assets/HCAAF_4_PerfCult.pdf (Washington, D.C.: Office of Personnel Management, September 2005).

annually by the Office of Personnel Management. Its own employee surveys are limited in scope to customer service surveys and deal primarily with employees providing internal support.¹⁸⁶

ONDCP uses the customer service survey results to provide feedback to the support segment of its workforce. Data from the customer service surveys does not provide employee perspectives on executive performance in the mission-direct areas or information on broad issues typically covered in human capital surveys, such as morale, career development, diversity, job satisfaction, etc.

INFORMING THE RECOMMENDATIONS

Based on its review of the ONDCP human capital governance structure, the Panel believes that ONDCP's human capital policies and procedures are generally in compliance with law and regulation, but not as transparent, dispersed, or free of political influence as would be healthful. Therefore, the Panel has identified specific areas with potential for improvement.

As was the case in 2000, according to the PwC report, ONDCP management authority for most human capital decisions, including approval of awards, selection of rating and interviewing panels for General Schedule career positions, approval of all hires and promotions, selection of volunteer interns, and appointment and replacement of SES PRB and ERB members, resides with the Director or non-career Chief of Staff. Also, consistent with the findings in the 2000 report, the Chief of Staff bears the preponderant burden of staff supervision, with 61 direct and second-level reports. The Panel believes that this concentration of human capital authority leaves the organization unbalanced and threatens the continuity of effective operations when the Director and Chief of Staff depart, as during the coming Presidential transition. It also minimizes the leadership role of other ONDCP Presidential appointees and of the career SES, empowered elsewhere in the government with a critical role in the management of the workforce.

The Panel's analysis of ONDCP workforce demographics provides further insight into the challenges ONDCP faces in terms of attracting and retaining the competencies and expertise required to accomplish its strategic goals. The Panel therefore offers recommendations, accompanied by action items related to such human capital elements as staffing, tenure, merit principles, awards, and employee engagement. These recommendations are detailed in Chapter VI.

¹⁸⁶ According to ONDCP officials, the 2008 customer service survey, the results of which were not available as of September 2008, added in questions asking respondents to assess ODR, OSLTA, and OSR communication and coordination.

CHAPTER VI RECOMMENDATIONS

The Panel has conducted this independent organizational and management review of ONDCP, as specified in the FY 2008 Consolidated Appropriations Act, in consultation with ONDCP. In authorizing this study, Congress stated its expectation that the Panel would provide “insights into changes and improvements that could make ONDCP more effective in the future.”

Throughout the study, the Panel has focused on whether or not current ONDCP management practices are maximizing efforts to combat the nation’s drug problems and whether ONDCP is pursuing its mission to the fullest from a public health and law enforcement perspective. The Panel also considered whether the coordinating mechanisms for generating national drug policy are robust, how the responsibility for managing operational programs affects ONDCP’s ability to coordinate effectively, and the appropriate balance between Congressional requests for information and ONDCP’s ability to accomplish its mission. With regard to the National Drug Control Strategy, the Panel has analyzed how it has evolved over the past nine years, the extent to which partner agencies have input into its development and implementation, and whether it is a framework that conveys the magnitude of drug policy challenges and appropriate national responses.

As the Panel sought to answer these questions and provide practical advice to ONDCP, it has looked beyond process and structure to analyze how each of these areas impacts ONDCP’s ability to perform its mission to reduce drug abuse and its consequences. The Panel believes that effective organizations share common approaches that breed success and mission accomplishment, almost regardless of mission. Specifically, the Panel believes that transparency, credibility, and organizational effectiveness are maximized by long-term strategic planning informed by data-driven identification of issues and quantification of results; relationships built on collaboration and consultation; simplified, value-added processes; and a logical, balanced, and streamlined structure. ONDCP and the nation’s drug programs can benefit from enhancements in each of these areas.

The Panel therefore offers five recommendations in four major areas:

- I. Strategy;
- II. Relationships;
- III. Budget; and
- IV. Organization and Human Capital.

These recommendations, along with accompanying implementation actions, are designed to help ONDCP build management capacity in these important areas.

I. STRATEGY

Because the Panel believes that effective organizations use long-term strategic planning to drive mission accomplishment, it recommends that ONDCP develop a multi-year, comprehensive Strategy based on a diverse set of the best available data. Progress in reducing drug abuse depends on a variety of timely social, economic, and environmental data largely collected outside of ONDCP. ONDCP must make appropriate use of this information to be seen by other drug agencies as an honest broker, with a full understanding of the nature of the problem and the substantive knowledge of what works to reduce it. ONDCP must be able to evaluate, compare, and contrast this data; continually seek new data within existing budget constraints; and have systems in place to revise the Strategy based on changing conditions. This will allow ONDCP to inspire the confidence of other drug organizations at the federal, state, and local levels, the American public, and other stakeholders; and engage law enforcement in defining the problem so that they can address it in the most effective ways. Without a clear understanding of the issues and the successes and shortcomings of current efforts, ONDCP's credibility is undermined, thus diminishing its effectiveness in the interagency policy formulation and coordination processes.

DEVELOP A COMPREHENSIVE, MULTI-YEAR NATIONAL DRUG CONTROL STRATEGY INFORMED BY A VARIETY OF DATA.

RECOMMENDATION 1: The Panel recommends that ONDCP develop a comprehensive multi-year National Drug Control Strategy, informed by high-quality and diverse datasets, covering all age groups, illicit drugs, and regions of the nation.

In implementing this recommendation, ONDCP should:

- **Bring to bear the full range of the nation's drug control expertise to increase the nation's efficiency and effectiveness in identifying and solving the critical problems associated with drug abuse and its consequences;**
- **Build an internal culture that values critical inquiry, open debate, and pragmatic decision-making;**
- **Engage academia and the workforce in developing a more creative and robust understanding of the nation's drug problem and drug threats;**
- **Establish a working group of subject matter experts to advise ONDCP senior leadership on international, national, and regional/local drug issues;**
- **Reinforce staffing for statistical analysis to compare and contrast relevant data sources and become the federal focal point for examination of the full range of drug-related data;**
- **Consider holding an annual conference to address issues raised by disparate data and perspectives;**

- **Ensure systems are in place at all levels (ONDCP, partner drug agencies, other levels of government, non-profit organizations, and private entities) to revise priorities based on changing conditions;**
- **Include in the Strategy the roles and responsibilities of ONDCP and each of the National Drug Control Program agencies and programs; and**
- **Establish and articulate realistic, time-defined goals and objectives within each aspect of Prevention, Treatment, and Market Disruption for ONDCP, federal partner agencies, and non-federal entities.**

The Panel recognizes and respects the President's authority to establish priorities, but nevertheless believes that the Strategy should array those priorities within the context of the full range of threats. The Panel's analysis indicates that many of the Strategies prior to the 2006 Reauthorization Act were narrowly focused, concentrating primarily on youth and marijuana, without addressing the depth and breadth of the entire illicit drug problem and its consequences. Since the 2006 Reauthorization Act, ONDCP has begun to respond to Congressional requirements by moving toward the development of a more comprehensive Strategy. By continuing in that fashion, re-establishing advisory boards, and adhering to these principles, the Panel believes that ONDCP will enhance its credibility with stakeholders, increasing its effectiveness in formulating and coordinating national drug control efforts.

II. EXTERNAL RELATIONSHIPS

Before the creation of ONDCP, policymakers were concerned about the fragmentation of the nation's complex drug control responsibilities among many multiple federal agencies. The Anti-Drug Abuse Act of 1988 established ONDCP as an organization to oversee and coordinate implementation of a National Drug Control Strategy as well as other policies, priorities, and objectives for the nation's drug control program. Throughout its nearly twenty year history, the area of policy coordination, oversight, and communication has been ONDCP's most fundamental responsibility.

As noted in Chapter III, the Office of National Drug Control Policy Reauthorization Act of 2006 requires ONDCP to consult with Congress and NDCP agencies, as well as state, local, and tribal officials; private citizens and organizations, including community and faith-based organizations with experience and expertise in demand and supply reduction; and appropriate representatives of foreign governments in developing the National Drug Control Strategy. ONDCP is also statutorily required to coordinate and oversee the implementation of the national drug control policy by the NDCP agencies and consult with such agencies to develop a National Drug Control Budget Summary.

The current leadership clearly recognizes the importance of this work, as more ONDCP employees currently work in this area (71 employees, approximately 67 percent of the workforce) than in any of the other mission responsibility areas. Nevertheless, ONDCP's relationships with outside entities have sometimes been challenging. The Panel believes that

improving relationships between Congress and ONDCP, as well as with the partner agencies and stakeholders, will improve the nation's capacity to address its drug problems.

BUILD A COLLABORATIVE AND CONSULTATIVE CULTURE.

RECOMMENDATION 2: The Panel recommends that ONDCP work to create a more collaborative and consultative environment to increase its effectiveness in its relationships with Congress, the National Drug Control Program agencies, and stakeholders throughout the nation.

Actions to Improve Relationships with Congress

The relationship between ONDCP and Congress, in particular, has deteriorated steadily over the last seven years. The “us vs. them” environment, exacerbated by Congress’ increasing demands and scrutiny and combined with ONDCP’s refusal or inability to comply with certain statutory requirements¹⁸⁷ is not helping ONDCP’s drug-control efforts. As discussed in Chapter III, ONDCP is expected to fulfill a large number of statutory requirements, while still achieving its primary mission to reduce illicit drug use and its consequences. This burden appears more significant in proportion to ONDCP’s workforce of 118 authorized FTE (with 106 current employees).

ONDCP officials state that many of the Congressional requirements are fair requests and are valuable both for Congress and for ONDCP. However, they also expressed concern regarding some reports, which they believe have limited utility and value, and thus are a misuse of staff time and funds. As discussed in Chapter III, ONDCP was unable to provide quantifiable evidence of the impact of these reporting requirements. The Panel is, therefore, unable to make an assessment as to whether Congressional reporting requirements overburden staff resources, but believes that increased use of hearings on budget issues and decreased reliance on written reports would have the potential to improve two-way communications between ONDCP and the various Congressional committees, increase transparency of the issues, and create more timely interactions and resolution of differences.

At the same time, the Panel also recognizes Congress’ increasing frustration with ONDCP’s refusal to comply with certain statutory language, failure to respond to Congressional inquiries, and apparent disregard for Congressional intent. ONDCP’s position not to comply with statutory language requiring consultation with Congress prior to decisions regarding HIDTA funding and the CTAC reorganization damages the relationship between ONDCP and the Appropriations Committees. In the process, ONDCP opens itself up to potentially tighter statutory language and additional requirements.

It is not within the Panel’s purview to determine whether certain statutory requirements are unconstitutional. From the Panel’s standpoint, the underlying issue is a disagreement about how

¹⁸⁷ ONDCP views some of these requirements as unconstitutional. In the case of one mandated National Institute of Medicine (IOM) study, estimated to cost between \$500,000 and \$1 million, ONDCP said it could not comply due to lack of resources. Congress appropriated no funds for this study; ONDCP said it could not fund the work.

ONDCP should be organized and its resources allocated, both internally and to grantees. If Congress and ONDCP collaborate to proactively and pragmatically address the underlying issues, they may be able to develop a compromise position advancing each party's interests while focusing maximum attention on the need to reduce drug use and its harmful effects.

The Panel recognizes that ONDCP cannot build a productive relationship on its own. Congress and the partner agencies also have significant responsibilities in this regard. While ONDCP has a responsibility to lay the initial groundwork for a productive relationship, Congress and the agencies must work with ONDCP in a spirit of mutual cooperation.

In implementing Recommendation 2, ONDCP should take the following actions with respect to Congress:

- **Comply with statutory requirements, or work with the Congressional committees to discuss and resolve disagreements regarding the impact and appropriateness of such requirements.**
- **Consider Congressional intent in responding to report requirements by providing responsive, comprehensive data, and materials.**
- **Provide information to Congress in a timely manner, both in response to its reporting requirements and in any requested follow-up to specific reports; if ONDCP cannot respond, it should let Congress know and explain why.**
- **Schedule regular meetings between the Office of Legislative Affairs and staff members of the Appropriations and Authorizing Committees to improve communication and establish a more cooperative relationship.**

The Panel also urges Congress to establish fewer and less burdensome requirements and to hold hearings on ONDCP budget issues and critical policy topics to foster dialogue and improve public access to timely information concerning ONDCP's policies, programs, and priorities.

If implemented, the Panel believes these actions would help diffuse the current legislative-executive controversies and transition to a more productive, collaborative environment that will be sustainable over the long-term.

Actions to Build Partner Agency Relationships

As detailed in Chapter III, the Panel believes that ONDCP's relationship with NDCP agencies and other stakeholders, although weak in many cases, is healthier than its relationship with Congress. The survey of partner agencies and in-person interviews indicate, nonetheless, that opportunities remain to improve collaboration and coordination, particularly at the departmental level. For example, just 22 percent of bureau respondents and approximately 9 percent of departmental respondents reported that ONDCP was somewhat or very involved with them in the developing the National Drug Control Strategy. In terms of ONDCP's overall impact, less than 10 percent of departmental respondents and less than 40 percent of bureau respondents said that ONDCP had some impact or substantial impact on their own drug control programs. Against

this backdrop, the Panel offers the following specific actions to promote collaboration and consultation with NDCP agencies.

In implementing this portion of Recommendation 2, ONDCP should take the following actions with regard to the NDCP agencies:

- **Increase the NDCP agencies' ability to have meaningful input into the substance of the Strategy by establishing a more formal collaborative process that allows both departmental and bureau officials to be involved at all stages of the development process—such actions would increase the impact of the Strategy on the agencies' drug control policies and programs;**
- **More actively engage with NDCP bureaus and, particularly, departments as they develop their drug control policies and collect appropriate data tied to their Strategy responsibilities;**
- **Use Working/Coordinating Committees to expand its outreach capabilities by, increasing membership in existing committees and/or creating a limited number of needed additional committees in specific areas; and**
- **Institute a regular feedback mechanism (for example, a survey and/or a series of focus groups) with NDCP agencies and stakeholders to receive their input on how to enhance existing collaborative efforts, improve the current level of communication, and maximize impact.**

As an agency tasked with oversight and coordination functions, ONDCP has an opportunity to affect and inform national drug-control policy, both through its interaction with NDCP agencies and with other entities. The Reauthorization Act of 2006 requires broad consultation in the development and implementation of the Strategy.

In these interactions, the Panel sees an opportunity for ONDCP to expand its outreach efforts and build capacity to address the nation's drug challenges. These entities have the potential to provide important data and early warning of drug threats that could inform national policy-making. This expanded outreach has particular resonance given Director Walter's vision of ONDCP and the Strategy as national, not federal, in scope. As discussed in Recommendation 1, ONDCP's commitment to an internal culture that values critical inquiry and open debate will be essential to making use of these national resources and expertise.

III. BUDGET

The Anti-Drug Abuse Act of 1988 requires ONDCP to develop a consolidated National Drug Control Program Budget Summary to implement the Strategy. The ONDCP Director must review each drug control budget request, certifying in writing its adequacy or inadequacy in implementing the Strategy's objectives. Additionally, ONDCP must review accounting reports from each of the drug control agencies that have been examined and attested to by their respective Inspectors General. More recent requirements mandate that ONDCP monitor program

performance by requiring agency performance summary reports and submitting these annually to the Congress.

According to an ONDCP official, the NDCP Budget Summary provides an aggregate number to communicate to the world the extent of spending on the drug problem. Early National Drug Control Budget Summaries included all the drug control programs of all of the federal departments, agencies, and components with any anti-drug responsibilities. As a result, all drug agencies and programs received the same level of fiscal oversight from ONDCP. However, an FY 2004 ONDCP-initiated budget restructuring eliminated over 30 national drug control agencies and programs from the Budget Summary. Agencies such as Forest Service, National Park Service, Food and Drug Administration, and Bureau of Prisons—programs totaling approximately \$7 billion in FY 2004—are no longer included because their drug funding is deemed to be based on estimates; drug control is not their primary mission; or they are involved with consequences of drug abuse rather than drug control. As a result, the current Budget Summary provides Congress and the public with an incomplete view of the National Drug Control Program.

The agencies that remain in the National Drug Control Budget Summary are those such as the Coast Guard, Drug Enforcement Administration and National Institute on Drug Abuse that have clear cut drug missions that flow from their own statutory requirements and strategic plans. Recent Strategies, however, do not establish separate goals and objectives for the included agencies, and they derive virtually all of their direction not from the Strategy, but from their own organization's strategic plans.

Without specific agency goals in the Strategy, ONDCP has no independent mechanism for assessing individual agency performance. Instead, ONDCP simply reports the GPRA and PART performance measures utilized by OMB to measure agency performance against their strategic plans. In July 2008, ONDCP produced its first Performance Summary Report in response to the 2006 Reauthorization. It compiled the performance reports of eight departments and one agency, but contains no performance measures other than GPRA and PART.

The 2006 Reauthorization Act requires that all agencies requesting funding for drug control programs be included in the National Drug Control Budget Summary. Compliance with this statute would involve a return to the pre-FY 2004 drug budget presentation detailing the drug funding of approximately 57 agencies and programs. In the FY 2009 budget summary, ONDCP did not provide detailed budgets for the omitted drug agencies, but did include a table of "Other Related Drug Control Funding" that shows the individual totals for these agencies for informational purposes.

DEVELOP A COMPREHENSIVE NATIONAL DRUG CONTROL BUDGET SUMMARY AND MODIFY BUDGET OVERSIGHT PROCESSES.

RECOMMENDATION 3: The Panel recommends that ONDCP develop a comprehensive National Drug Budget Summary, informed by a multi-year Strategy, that incorporates the total estimated federal expenditures for all supply reduction; demand reduction; state, local, and tribal affairs activities; and other federal activities related to drug control. The

Panel further recommends that Congress modify ONDCP's oversight responsibilities relative to individual agency drug budgets.

In implementing this recommendation, ONDCP should:

- **No longer review and certify departmental/bureau budgets—a process that involves ONDCP in internal budget deliberations over which it has limited influence and through which it adds little value.**
- **Submit funding guidance through OMB for all NDCP programs. OMB would then transmit this funding guidance to the affected departments in time for it to be incorporated into their budget formulation.**
- **Continue to coordinate with OMB during the budget review process to ensure that its funding priorities are being considered.**
- **Participate in the OMB Director's Review that occurs before a revised budget pass-back is submitted to the agencies.**
- **No longer require annual accounting reports and corresponding Inspectors General attestations from drug control agencies.**
- **No longer require performance reports and corresponding Inspectors General attestations from drug control agencies.**

In Recommendation 1, the Panel urged ONDCP to produce a comprehensive Strategy addressing all aspects of the drug problem. Likewise, the NDCP Budget Summary should be comprehensive by including all programs and means to address the drug problem. Although drug control activities within a number of agencies do not have dedicated line items in the President's Budget but are fractions of line items, the agencies' best accounting estimates of their drug activity should be included in the drug budget summary. A comprehensive Budget Summary that displays all drug control efforts is an important tool for policymakers as they deliberate on drug control program decisions. Moreover, inclusion of the omitted agencies will provide Congress and the public with increased visibility into the many diverse programs involved in countering the drug problem and will provide a clearer picture of the total resources dedicated to drug control. Further, complying with the intent of Congress has the potential to improve Congressional relations and create a more constructive atmosphere.

As discussed in Chapter II, ONDCP is statutorily mandated to perform a number of OMB-like functions relative to the drug control agencies. ONDCP has issued policy circulars to communicate these requirements to the drug control agencies. During the budget formulation process, ONDCP issues funding policy guidance to agencies setting out programmatic priorities. The Panel believes the budget review and certification process, as defined by statute and implemented by ONDCP, adds little value. In its entire history, ONDCP has only de-certified one budget. From FY 2006 to the present, the partner agency survey results show that ONDCP's involvement with and impact on their budgets have been limited to the Administration's several key priorities. The Panel does not dispute that ONDCP should have some impact on the budgets for high-priority Administration programs, but believes that a more effective mechanism could be established that would achieve this result.

The Panel believes a simpler and more efficient process would result if Congress established a new budget role for ONDCP, based on adherence to the key principles of multi-year planning and early engagement with OMB and agencies. Under this new process, ONDCP would not issue funding guidance to agencies in the spring, but would work with OMB within the context of the regular Executive Branch budget formulation process. ONDCP would issue detailed joint funding guidance with OMB prior to department budget submissions in September of each year. The Panel believes this process would be a more efficient way for ONDCP to get the requisite funding included to support high-priority ONDCP/Presidential initiatives.

The Panel also found that national drug program agencies dedicate resources to preparing annual drug accounting reports and performance measures reports and to Inspector General report attestation. These reports place additional burdens on the agencies, and it is unclear to the Panel what utility these reports provide. ONDCP's performance measurement system does not tie agency performance to the Strategy, but rather reiterates OMB's GPRA and PART measures. Since the FY 2004 budget restructuring, ONDCP has been performing these complex management functions on less than a third of the agencies and programs with drug responsibilities, yet no evidence exists to indicate that the remaining two-thirds are misusing drug control funds or neglecting their responsibilities in this area.

Reviewing and certifying a comprehensive drug control Budget Summary, in compliance with the 2006 Reauthorization Act, would require a substantial increase in budget analyst personnel. The overwhelming workload of reviewing and certifying budgets was one of the rationales used in support of the budget restructuring. If Congress eased or rescinded these requirements, ONDCP would be in a position to dedicate more resources to its core functions of interagency policy formulation and coordination and the compilation of a comprehensive, national research-based Strategy.

IV. ORGANIZATION AND HUMAN CAPITAL

ONDCP's human capital resources and the way in which they are organized and managed determine its ability to accomplish the mission. To optimize strategic plan implementation, high-performing organizations align their structure with their goals and work to foster an accountable leadership and governance framework that will endure and add value. These organizations also rigorously analyze needed workforce competencies, occupational balance, and levels of expertise and work to recruit and retain a workforce within these ideal parameters. Having analyzed ONDCP's organizational structure, human capital policies, and workforce, the Panel has identified specific areas with potential for improvement and offers two recommendations, each with multiple parts and related action items.

STREAMLINE THE ORGANIZATION AND REBALANCE THE WORKFORCE.

RECOMMENDATION 4: The Panel recommends that ONDCP streamline its organizational structure by consolidating and aligning sub-units under their corresponding mission program, as well as rebalance its workforce.

Streamline the Organization

Congress created ONDCP in the Anti-Drug Abuse Act of 1988, in part, to oversee and coordinate implementation of a National Drug Control Strategy by federal agencies. With successive reauthorizations, Congress added management and oversight of several operational/grant-making programs to ONDCP's responsibilities. These operationally-oriented responsibilities require different competencies from policy-making, budget review and certification, and policy coordination. Indeed, no other EOP components have such operational programs within their mandate. Nevertheless, each new program had its proponents in Congress and other stakeholders who believed being in the White House would increase not only the program's stature and visibility, but also the President's likelihood of using the "bully-pulpit" to address the issue and promote the program.

While these disparate functions all fell loosely under the umbrella of ONDCP's mission, the organizational structure evolved into a disjointed structure with many small branches. The Panel considered, but ultimately decided not to recommend, that these operational programs be moved to Executive Branch agencies with related missions. The Panel based its decision on a number of factors, not the least of which was the ardent advocacy of numerous stakeholders for continued placement of these programs in close proximity to the President. Most importantly, the Panel sees in these operational programs untapped potential—a ready source of insights into current trends, a keen understanding of what solutions are working, and rich data to inform policy-makers. The Panel, therefore, offers a recommendation that ONDCP consolidate some of the disparate parts into more rational and effective segments. If, over time, ONDCP cannot successfully integrate these operational/grant-making programs into its larger mission, Congress and the Administration should take the necessary steps to move their management and oversight to the most appropriate Executive Branch agencies.

The Panel, however, believes that the fragmentation of functions in the current structure weakens the organization's focus and limits the accountability of senior leadership. The current structure leaves potentially more productive linkages unexplored, internal and external data sources underutilized, and the cross-fertilization of ideas burdened by organizational structure constraints. It also promotes the centralization of authority in the Director and Chief of Staff, with corresponding limitations on the role of other PAS and career SES officials. Even in a small office, organizational structure matters and can hinder communications and impede performance. This is particularly true at ONDCP, where the mission scope is not limited to the ONDCP structure, but includes all of the NDCP agencies and outreach to state, local, and tribal drug policy efforts.

The Panel believes that ONDCP should create a more effective and efficient structure based on rigorous analysis of how best to carry out its mission. The current compartmentalization of functions and programs has isolated program elements from their related policy elements, limited ONDCP's effectiveness, and is generally inconsistent with accepted practices of good organizational management. The current structure lacks clear lines of responsibility, accountability, and logical pairings of functions.

For example:

- The Media Campaign, inextricably linked to reduction of demand for drugs, is not organizationally linked to the Office of Demand Reduction or under the direction of the Presidential appointee who works most closely with hospitals, treatment centers, and prevention professionals.
- The Drug-Free Communities program, which has a demand component, also shares commonalities with the locally-based HIDTA program, currently housed within OSLTA. Yet management and policy direction of the DFC coalition of activities currently resides as a free-standing unit within the Office of the Director.
- OSLTA is isolated from the domestic intelligence work currently housed in the Office of Supply Reduction. With a more significant domestic intelligence presence, OSLTA could leverage programmatic responsibilities for HIDTA and potentially DFC to become a more effective and powerful force in conquering drug problems on the local front.

The Panel believes that reorganizing these and other sub-units to merge related functions within their related mission program, under one of the organization's five Presidential appointees, would improve organizational focus and resource utilization. It would also more appropriately disperse authority, increasing the span of control of PAS and career SES officials commensurate with their rank and management responsibilities.

Because structural changes alone will not ensure that ONDCP has the needed capacity to accomplish its mission, the Panel also offers additional human capital recommendations which address the composition, expertise, and deployment of the workforce.

Rebalance the Workforce

ONDCP should take the following steps in implementing this portion of the recommendation:

- **Rebalance the workforce, primarily by reducing the representation of Schedule C political employees and the number of supervisors;**
- **Develop a succession management plan to ensure sufficiency of career expertise required for continuity of effective operations, particularly during periods of political transition, including appropriate delegations of authority to the five Presidential appointees as well as to career executives;**

- **Not fill vacated supervisory positions, except with the reassignment of existing supervisors or on an acting basis;**
- **Explore the possibility of converting some non-supervisory SES slots to Senior Technical or Senior Level positions to reflect more accurately their limited responsibility for internal management;**
- **Establish a more balanced allocation of internal management responsibilities consistent with the structural recommendation above;**
- **Benchmark ONDCP staffing levels and patterns against comparable EOP aggregate data;**
- **Review the workforce allocation across the five mission areas, especially that portion allocated to the administrative infrastructure function;**
- **Work with EOP's Office of Administration to ensure that maximum use is being made of its support services and that no duplicative administrative work is being done by ONDCP; and**
- **Use a more formal competency analysis to determine workforce gaps and excesses and use that analysis to inform recruitment, attrition, and succession planning.**

As discussed in Chapter V, ONDCP relies on centralized human capital decision-making, with most authority concentrated in the Director and Chief of Staff. Further, the Chief of Staff bears the preponderant burden of staff supervision, with 61 direct and second-level reports. The Panel believes that this concentration of human capital authority leaves the organization unbalanced and jeopardizes the continuity of effective operations when the Director and Chief of Staff depart, as during the coming Presidential transition. It also minimizes the role of ONDCP's other Presidential appointees, who should share more fully in the leadership of ONDCP, and the role of the career SES, intended to play a critical part in the management of the government workforce.

The Panel notes that ONDCP is heavily invested in the employment of untenured Schedule C employees, to whom are delegated critical decision-making functions. The prevalence of Schedule Cs in the workforce has resulted in their use as management surrogates in human capital decision processes—a negative consequence of an unbalanced workforce composition, which has led to ineffective management practices. The degree of use of Schedule C appointees has the potential to muddy accountability for results, create organizational “camps” and distrust within the organization, and will likely leave the organization with significant leadership gaps in periods of Presidential transition.

Similarly, the Panel believes that, for an organization of 118 authorized FTE, ONDCP has over-invested in supervisory/managerial personnel. As of March 15, 2008, it included 35 managers, comprising 33 percent of the ONDCP workforce, or a ratio of one supervisor to every two subordinates. In addition, the Panel notes that more than 50 percent of the ONDCP workforce has administrative infrastructure responsibilities, with 25 employees solely dedicated to these supporting functions. Given the support provided to ONDCP by the EOP, the Panel believes this administrative infrastructure to be evidence of further imbalance.

As with most ONDCP human capital decisions, the current workforce planning and competency assessment process gives maximum flexibility to the Director and Chief of Staff. It relies upon an informal needs assessment to shift slots to needed priorities and to assess needed knowledge, skills, and abilities for each position authorized to be filled. The Panel believes that ONDCP would benefit from a more formal analysis, comparing EOP aggregate human capital data to its own workforce profile, and comparing EOP Office of Administration human capital patterns to comparable ONDCP functional units.

IMPLEMENT EFFECTIVE HUMAN CAPITAL POLICIES AND PRACTICES.

RECOMMENDATION 5: The Panel recommends that ONDCP leadership establish less centralized and more transparent human capital management policies and practices. In addition, ONDCP should examine its policies and practices to avoid even the appearance of unfairness, undue political influence, or bias.

ONDCP should take the following steps in implementing this recommendation:

- **Brief all new political appointees on merit system principles and prohibited personnel practices as part of the official orientation process;**
- **Develop written administrative policies and procedures regarding the recruitment and promotion processes and distribute them broadly within ONDCP;**
- **Ensure that only merit-based criteria are used in the selection and advancement of career employees;**
- **Exclude political staff from General Schedule rating and interviewing panels;**
- **Ensure no political affiliation questions are included in the ONDCP student intern application;**
- **Create terms of office for Executive Resource Board members, Performance Review Board members, and Senior Performance Officials, who currently serve in these positions at the will of the Director;**
- **Utilize Schedule C employees only in their positions of record and only as direct reports to other political appointees;**
- **Delegate to career SES managers elements of the decision-making authority currently exercised by the Chief of Staff and Director for human resource issues, such as hiring, awards, and promotions; and**
- **Use senior career managers to chair advisory/review boards, such as the Quality Step Increase Review Board.**

The Panel believes that transparency and compliance with merit system principles are critical to organizational health, encouraging employee loyalty and productivity and decreasing attrition. In its review of ONDCP's human capital governance structure, detailed in Chapter V, the Panel

reviewed internal ONDCP policies, the structure within which management decision processes operate, and documentation of specific ONDCP human capital actions.

As noted earlier, the non-career Chief of Staff (COS) approves all hires, promotions, appraisals, and training—either directly or indirectly. This contrasts with the limited authorities granted to the Deputy Director, the other three PAS employees, and the career SES cadre.

The Panel also found several examples of apparent inconsistency with merit principles. Among these is the considerable involvement of Schedule C employees in career personnel decision-making, the absence of a written policy for rating and reviewing panels for career General Schedule hiring and promotion, and the inclusion of questions regarding political affiliation in job applications for ONDCP intern candidates. In all but two of the 24 career recruitment actions reviewed, a political appointee served on the interviewing/rating panel. Two of the last four ONDCP career SES hires previously served as non-career SES or Schedule C appointees either at ONDCP or elsewhere in the government. These selections occurred concurrently with frequent changes in the membership of the two Executive Resources Boards, whose members serve at the discretion of the Director and without specific terms of office. A GS-13 Schedule C direct-report to the Director chaired the 2007 Quality Step Increase Review Board. These examples and comments provided by interview participants on this topic of workplace politicization point to the need for ONDCP to make its practices more transparent and consistent with merit principles. The Panel believes the actions it has recommended would improve ONDCP's ability to attract and retain the highly skilled workforce it needs.

In addition, the Panel has identified two other areas—awards and employee engagement—where ONDCP should strengthen its human capital governance and management structure to improve organizational health and optimize its ability to achieve its strategic goals.

Make Structural Improvements to Awards Program.

With regard to awards, including those linked to the performance appraisal process, the Panel recommends that ONDCP make structural improvements to increase transparency and encourage employee perceptions of equity, fairness, and integrity.

In implementing this portion of the recommendation, ONDCP should:

- **Develop and use standard ONDCP award nomination forms, including standardized formats for Quality Step Increase, Special Act, and SES bonus nominations;**
- **Develop and use a recognition guide with appropriate dollar ranges for Special Act employee contributions;**
- **Provide additional guidance to rating officials as to appropriate dollar ranges or percentage increases for the various performance ratings, and establish boundaries for each level of performance to enhance ONDCP consistency and employee perceptions of process equity and fairness; and**

- **Make additional use of career-led advisory/review boards to ensure broader input into decision-making, increase buy-in, transparency, and cross-organizational consistency.**

The ONDCP incentive awards program provides a very flexible framework, but does not promote transparency or consistency of outcome. While ONDCP appears to have been successful in cascading Administration and National Drug Control Strategy priorities in its executive performance plans, and 60 percent of executive accomplishments were supported by measurable, observable, or verifiable results, the linkages are not as obvious with regard to the General Schedule personnel. With a heavy reliance on performance rating-based awards, structural improvements to the ONDCP awards program would encourage employee perceptions of equity, fairness, and integrity while increasing the quality of multi-level reviews by advisory bodies and decision-makers.

Increase Employee Engagement to Improve Retention and Organizational Health.

The Panel recommends that ONDCP increase employee engagement to improve retention and organization health.

In implementing this portion of the recommendation, ONDCP should:

- **Regularly conduct its own human capital survey, or participate in the one conducted annually by OPM;**
- **Establish a formal exit interview process, and mine the data to better understand and reduce attrition; and**
- **Revise SES performance plans to emphasize and reward contributions to workforce diversity.**

ONDCP has no employee survey and does not participate in OPM's annual human capital survey. Attrition among ONDCP General Schedule career employees has varied from a high of 25 percent in FY 2003, when SES career attrition peaked at 55 percent, to a low of 10 percent in FY 2005. With the upcoming Presidential transition and subsequent departure of political employees who comprise almost another quarter of the workforce, ONDCP should have a risk-management plan for reducing turnover.

CONCLUDING PANEL REMARKS

As ONDCP celebrates its twentieth year of existence, the Panel believes the organization has the opportunity to enhance its credibility and effectiveness, increase transparency, streamline its organization, simplify its work processes, bolster its workforce management, and improve and leverage relationships. Seizing this opportunity can translate into increased organizational capacity to address the nation's drug challenges, with positive implications for the nation's public health. When Congress enacted legislation in 1988 to create ONDCP, it envisioned policy and coordinating potential that could harness the significant resources dedicated to address this

multi-dimensional public health and law enforcement issue. The Panel believes that, as a mature organization, ONDCP must demonstrate its readiness, ability, and willingness to adapt to changing threats and realize its full potential.

Toward this end, the Panel has offered its findings and recommendations, rooted in the Panel's abiding commitment to good government and to helping the nation combat drug abuse and its consequences. The Panel has worked assiduously to balance competing interests and to tailor its recommendations to ONDCP's particular mission challenges, especially the challenges it faces in coordinating across the federal spectrum. The Panel believes that ONDCP's timely implementation of its recommendations and associated action items will help ONDCP increase organizational and mission effectiveness. In the process, ONDCP will enhance its capacity to marshal the nation's resources to accomplish its important mission.

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DATA FROM THE NATIONAL SURVEY ON DRUG USE AND HEALTH AND MONITORING THE FUTURE

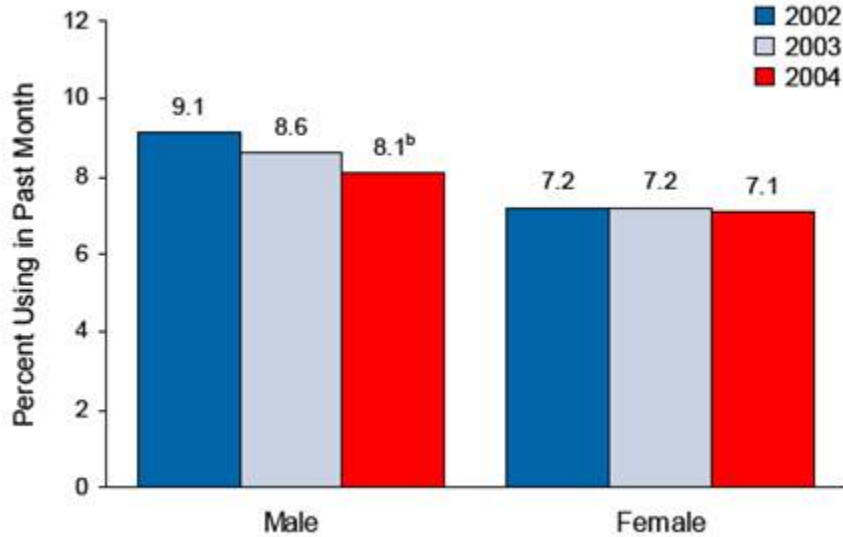
Chapter II provided an overview of ONDCP's Strategy, goals and the statistics used to assess progress. This appendix provides more detail on how the data from Monitoring the Future (MTF) compares to that from NSDUH. In the 2002 National Drug Control Strategy, ONDCP established the goals of reducing drug use among youth (narrowed to 8th, 10th and 12th graders in 2003) by 10 percent over two years and 25 percent over five years. The Strategies during the period 2003 through 2008 reported meeting or exceeding these goals based on data from the Monitoring the Future study. However, the NSDUH leads to somewhat different conclusions.

A review of the 2004 NSDUH-reported data indicates:

- The rate of illicit drug use among persons age 12 years or older in 2004 (7.9 percent of the population) was similar to the rates in 2002 (8.3 percent of the population) and 2003 (8.2 percent of the population), but equated to a 4.8 percent decrease over two years.
- The rate of illicit drug use among persons age 18 to 25 decreased from 20.2 percent of the population in 2002 to 19.4 percent of the population in 2004, and equated to a 4 percent decrease over two years.
- The rate of illicit drug use among persons 26 years old and older decreased from 5.8 percent of the population in 2002 to 5.5 percent of the population in 2004, and equated to a 5.2 percent decrease over two years.
- Among 12 to 13 year olds, the drug of most prevalent abuse was not marijuana, but prescription drugs used non-medically.
- Among youths aged 12 to 17, the rate of current illicit drug use decreased from 11.6 percent in 2002, to 11.2 percent in 2003, to 10.6 percent in 2004. This equated to an 8.6 percent decrease over two years.
- Among youths aged 12 to 17, the rate of current illicit drug use was similar for boys and girls (10.6 percent for both). While boys aged 12 to 17 had a higher rate of marijuana use than girls (8.1 percent versus 7.1 percent), the rate of non-medical use of prescription-type psychotherapeutics was higher for girls (4.1 percent versus 3.2 percent).

The 2004 NSDUH data also reflected two major findings of relevance to ONDCP's counter-drug efforts. First, it reported gender differences in past month marijuana use within the 12 to 17 age category. Among boys, marijuana use decreased 11 percent over the period 2002 to 2004—in line with data from MTF and ONDCP's two year goal. However, among girls, there was virtually no change in past month use. Figure 1 depicts the gender differences over the two-year period, based on NSDUH data:

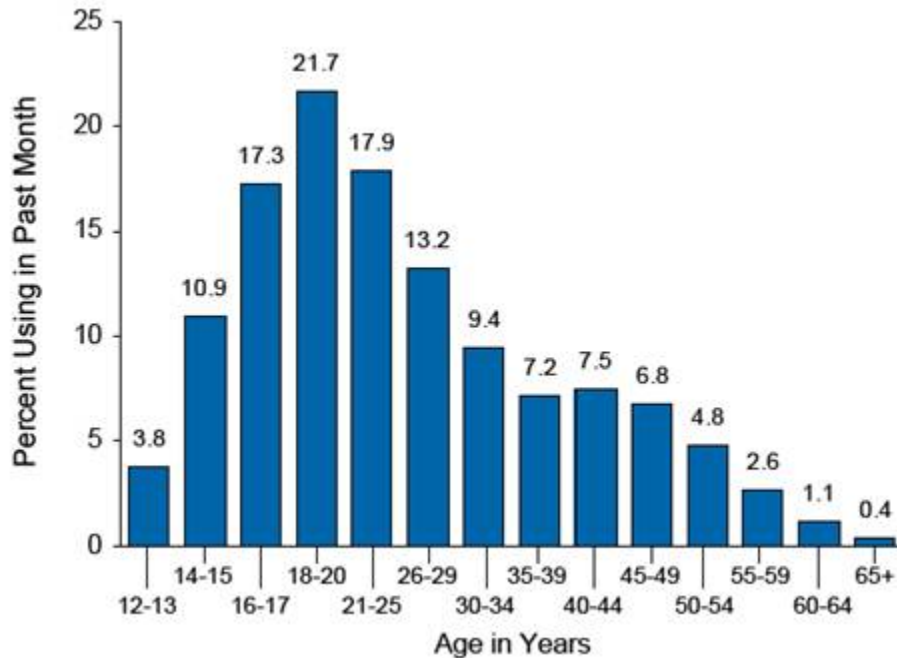
Figure 1
Past Month Marijuana Use Among Youths
Aged 12 to 17, by Gender 2002-2004



Source: NSDUH 2004 data

Second, the 2004 NSDUH data showed that the period of highest drug use was within the 18 to 25 age group, years characterized by increased independence and risk-taking, not the 13, 15, and 17 age groups reported by MTF and used exclusively by ONDCP. Some ONDCP officials and others outside ONDCP expressed concern that ONDCP's focus did not sufficiently address this highest prevalence age group. Figure 2 from the 2004 NSDUH shows past month drug use among various age groups.

Figure 2
Past Month Illicit Drug Use Among Persons
Aged 12 or Older, by Age: 2004



Source: NSDUH 2004 data

The data from MTF during the same timeframe differs significantly from the NSDUH data, generally reflecting higher prevalence of use. For example, MTF reported in 2004 that 16.1 percent of youth (measuring 8th, 10th, and 12th graders) used any illicit drug in the past month, while NSDUH reported that 10.6 percent of youth (measuring the 12 to 17 age group) used any illicit drug in the past month. Even though the percentages differ greatly between MTF and NSDUH, the trend lines are similar in some instances. For example, NSDUH and MTF both report decreases in youth use of any illicit drug over the period 2002 to 2004, albeit at different rates. MTF reports an 11 percent decrease, exceeding the Strategy's two-year goal of 10 percent, whereas NSDUH reports an 8.6 percent decrease, short of the Strategy's two-year goal.

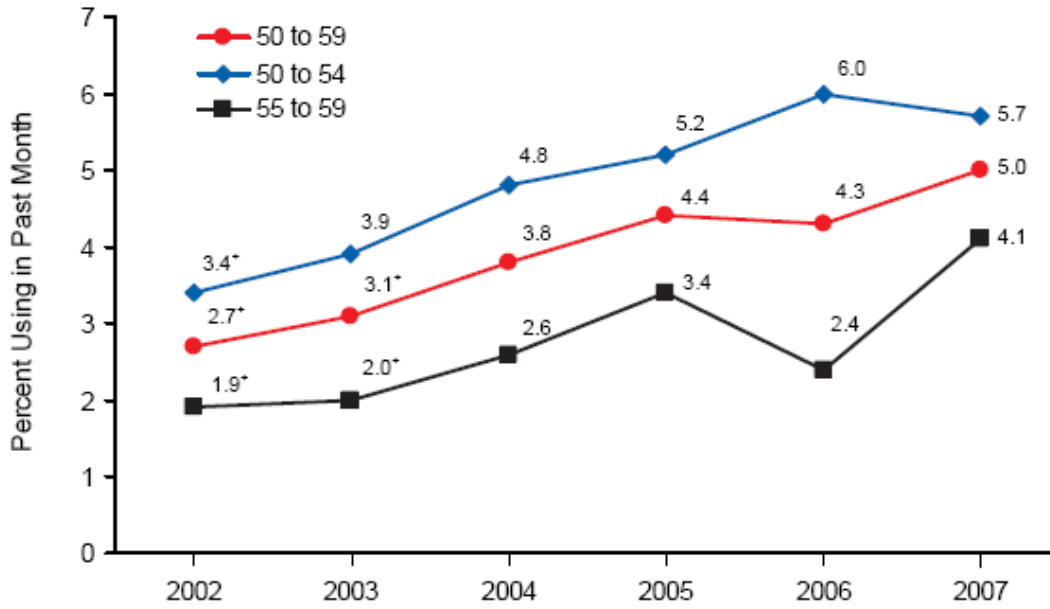
Data from the 2006 NSDUH for 12 to 17-year olds continues to paint a mixed picture of drug use achievements when compared to MTF. Data from the 2006 MTF, as reported in the 2007 Strategy, revealed that 14.9 percent of 8th, 10th and 12th graders had used any illicit drug in the past month, a 23 percent decrease or 4.6 percent per year from 19.4 percent in 2001, whereas data from the 2006 NSDUH indicated that 9.8 percent of youth aged 12 to 17 used any illicit drug in the past month, an average decrease of 3.9 percent per year since 2002 (11.6 percent). Both the MTF and NSDUH decreases failed to meet ONDCP's goal of 5 percent per year although the MTF data came closer. The 2006 NSDUH also reported:

- The overall rate of past month illicit drug use among persons age 12 years or older in 2006 (8.3 percent) was similar to the rate in 2005 (8.1 percent) and had remained stable since 2002 (8.3 percent).
- The overall rate of past month marijuana use in 2006 (6.0 percent) was the same as in 2005 and was similar to the rates in earlier years going back to 2002 (6.2 percent).
- The rate of past month illicit use among persons aged 18 to 25 decreased slightly in 2006 (19.8 percent) from 20.1 percent in 2005. However, the 2006 rate was only two percent below the rate for 2002 (20.2 percent).
- The rate of illicit drug use among persons 26 years old and older increased in 2006 (6.1 percent) from 5.8 percent in 2005. The 2005 rate was equal to the rate for 2002 (5.8 percent).
- Among 12 to 13 year olds, the drug of most prevalent abuse was not marijuana (.9 percent), or inhalants (1.2 percent) but prescription drugs used non-medically (2.0 percent).
- Among youths aged 12 to 17, the NSDUH rate of current illicit drug use was similar for boys (9.8 percent) and girls (9.7 percent). Male and female adolescents had similar rates of current marijuana use (6.8 percent and 6.4 percent) and non-medical use of prescription-type psychotherapeutics (3.1 and 3.5 respectively).

The 2007 NSDUH data was released in September 2008. For persons age 12 years and older, the rates of current use for any illicit drug, marijuana, cocaine, hallucinogens, psychotherapeutic drugs used non-medically, and Methamphetamine were all similar or not significantly different from 2006 rates. Likewise, current of any illicit drug by youth age 12 to 17 remained stable from 2006 rates.

However, drug use rates for persons aged 50 to 59 increased significantly in 2007, continuing a trend since 2002. During the five year period, illicit drug use increased from 3.4 percent of the population to 5.7 percent of the population, an increase of 68 percent or 13.5 percent per year. Data on this age group and other adult age categories have not been the focus of recent Strategies.

Figure 3
Past Month Illicit Drug Use Among Adults
Age 50 – 59: 2002 to 2007



Source: NSDUH 2007 data

**STATUTORY REPORTING REQUIREMENTS UNDER ANTI-DRUG ABUSE ACT OF 1988
AND SUBSEQUENT REAUTHORIZATIONS¹⁸⁸**

Subject of Report	Date Due	Recipient Committees	Date First Required/Legal Cite	Compliance/Date
National Drug Control Strategy , a comprehensive plan for the year, with statutorily required contents, to reduce drug use and its consequences	Annually by Feb. 1	Report to Congress; committees unspecified	Anti-Drug Abuse Act of 1988 as amended by Reauthorizations of 1994, 1998 and 2006 Sec. 706(a)(1) 21 U.S.C. § 1705(a)(1)	February 2007 02/29/08
Consolidated National Drug Control Program budget proposal to implement the Strategy	Annually for each fiscal year	To inform Congress; committees unspecified	Anti-Drug Abuse Act of 1988 as amended by Reauthorizations of 1998 and 2006 Sec. 704(c)(2) 21 U.S.C. § 1703(c)(2)	February 2007 02/29/08
Performance Measurement System with statutorily required data elements as part of the annual Strategy	Annually by Feb. 1	Report to Congress; committees unspecified	Reauthorization of 1998 as amended by Reauthorization of 2006 Sec. 706(c) 21 U.S.C. § 1705(c)	February 2007 02/29/08 ¹⁸⁹ (incomplete; PMS to be delivered in “summer”)

¹⁸⁸ Source: Congressional Research Service and Academy research. Blank spaces within columns indicate where the study team has not been able to verify whether a report has been submitted and/or the date a report was submitted to Congress. Legal cites within this document are to Title VII Office of National Drug Control Policy Reauthorization Act of 1988 as it was presented in the Congressional Record H11225 and Office of National Drug Control Policy Reauthorization Act of 2006 both as it appeared in H.R. 6344 (109th Congress) and its corresponding United States Code cite.

¹⁸⁹ ONDCP states this was addressed in the National Drug Control Strategy, FY 2009 Budget Summary.

APPENDIX D

Subject of Report	Date Due	Recipient Committees	Date First Required/Legal Cite	Compliance/Date
Summary of the agency evaluations of progress toward achieving program goals using the Performance Measurement System	Annually, not later than 60 days after the close of the evaluation period	Appropriate congressional committees ¹⁹⁰	Reauthorization of 1994 as amended by Reauthorizations of 1998 and 2006 Sec. 704(b)(14) 21 U.S.C. § 1703(b)(14)	February 2007 2/29/08
Interagency reprogramming or transfer requests	In advance of any transfer	Congress, including the appropriations and authorizing committees and any other applicable committees of jurisdiction	Reauthorization of 1998 as amended by Reauthorization of 2006 Sec. 704(d)(8)(E)(i) 21 U.S.C. § 1703(d)(8)(E)(i)	11/06/07
Effects of all interagency transfers of funds during the 12-month period preceding submission of report	Annually	Report to Congress; committees unspecified	Reauthorization of 1998 as amended by Reauthorization of 2006 Sec. 704(d)(8)(E)(ii) 21 U.S.C. § 1703(d)(8)(E)(ii)	
Accounting of funds expended by agencies for National Drug Control Programs activities during the previous fiscal year authenticated by the Inspector General of respective agencies.	Annually by Apr. 1	Report to Congress; committees unspecified	Reauthorization of 1998 as amended by Reauthorization of 2006 Sec. 705(d)(B) 21 U.S.C. § 1704(d)(B)	09/26/07

¹⁹⁰ Appropriate congressional committees are defined in the 2006 Reauthorization as “the Committee on the Judiciary, the Committee on Appropriations, and the Caucus on International Narcotics Control of the Senate and the Committee on Government Reform, the Committee on the Judiciary, and the Committee on Appropriations of the House of Representatives.”

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Subject of Report	Date Due	Recipient Committees	Date First Required/Legal Cite	Compliance/Date
Details of how ONDCP consulted with and assisted state, local, and tribal governments in formulating and implementing the Strategy	Annually	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 704(b)(19) 21 U.S.C. § 1703(b)(19)	Appendix A to 2008 Strategy Current draft report in clearance.
The impact of each federal drug reduction strategy on the availability, addiction rate, use rate, and other harms of illegal drugs	Dec. 29, 2007	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 704(b)(20) 21 U.S.C. § 1703(b)(20)	ONDCP states: “Addressed in National Drug Control Strategy, March 2008”
Fund control notices issued to drug control program agencies	Upon issuance of notice	Appropriate congressional committees	Reauthorization of 1994 as amended by Reauthorization of 2006 Sec. 704(f)(4) 21 U.S.C. § 1703(f)(4)	
High Intensity Drug Trafficking Area (HIDTA) Program Budget Submission — budget justification with amounts proposed for each HIDTA, detailed justifications and amount of funds including for Meth in previous calendar year	Annually, as part of ONDCP’s budget justification to Congress	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 707(i) 21 U.S.C. § 1706(i)	
HIDTA program’s purposes, goals, objectives, and performance measurements	Initial report due within 90 days of Dec. 29, 2006; subsequent reports to be included in annual Strategy 03/29/07 initial report due	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 707(k) 21 U.S.C. § 1706(k)	04/16/07 Brief discussion in '09 Budget Summary Performance measures to be delivered in “summer”
Assessment of drug enforcement task forces in HIDTAs, with statutorily required contents	Initial report due within 1 year of Dec. 29, 2006; subsequent reports to be included in annual Strategy 12/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 707(l) 21 U.S.C. § 1706(l)	03/05/08 (not in Strategy)

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Subject of Report	Date Due	Recipient Committees	Date First Required/Legal Cite	Compliance/Date
Assessment of law enforcement intelligence sharing in HIDTAs, with statutorily required contents	Initial report due within 180 days of Dec. 29, 2006; subsequent reports to be included in annual Strategy 06/25/07 02/01/08	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 707(m) 21 U.S.C. § 1706(m)	09/17/07 02/29/08 (with Strategy)
Use of HIDTA funds to combat Methamphetamine trafficking , with statutorily required contents, including <u>report</u> describing use of HIDTA funds to investigate and prosecute organizations and individuals trafficking in Methamphetamine in the prior calendar year and <u>certification</u> that the law enforcement entities participating in that HIDTA are providing laboratory seizure data to the national database.	Annually, as part of ONDCP's budget justification to Congress	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 707(o) 21 U.S.C. § 1706(o)	07/31/07 03/11/08 ¹⁹¹ (Not in '08 or '09 Budget)
Request for approval prior to obligation of funds in excess of fiscal year 2007 HIDTA budget request	Prior to obligation of funds	Committees on Appropriations	Consolidated Appropriations Act of 2008 ¹⁹² Division D	
Recommendations for HIDTA allocation funding and discretionary HIDTA funding (discretionary funding use subject to committee approval)	90 days after enactment of Act for allocation funding and 120 days after enactment of Act for discretionary funding 03/25/08 allocation funding 04/24/08 discretionary funding	Committees on Appropriations	Consolidated Appropriations Act of 2008 Division D	03/04/08-allocation funding 04/23/08-discretionary funding

¹⁹¹ Date inconsistent with ONDCP's statement that draft is in clearance.

¹⁹² Although the Committees on Appropriations has included multiple requirements in each Appropriations Act, only the most recent Appropriation Act's requirements have been included in this table since they are not consistent from year to year.

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Subject of Report	Date Due	Recipient Committees	Date First Required/Legal Cite	Compliance/Date
Technology transfer operations of the Counterdrug Technology Assessment Center (CTAC), with statutorily required contents	Annually, by July 1	Appropriate congressional committees	Reauthorization of 2006 Sec. 708(f)(5) 21 U.S.C. § 1707(f)(5))	03/12/07 06/27/08
Spending plan for use of appropriated funds for CTAC	90 days after enactment of Act 03/25/08	Committees on Appropriations for House and Senate	Consolidated Appropriations Act of 2008 Division D	04/08/08
Evaluation of the effectiveness of the national media campaign , based on available survey data, to be conducted by an independent entity designated by the Director	Annually, by April 20	Not specifically for Congress	Reauthorization of 2006 Sec. 709(b)(2)(C) 21 U.S.C. § 1708(b)(2)(C)	04//20/07 05/06/08 (no designated independent entity for either evaluation)
Annual Report on the national media campaign strategy, policies, practices, accomplishments, and evaluation, with statutorily required contents	Annually by Feb. 1	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 709(h) 21 U.S.C. § 1708(h)	05/21/07 05/06/08
The current year's National Interdiction Command and Control Plan (NICCP) plus specified data on drug seizures and air and maritime patrol hours over past 10 years, prepared by US Interdiction Coordinator (USIC) on behalf of Director	Annually by March 1	Appropriate congressional committees plus the Armed Services and Homeland Security Committees of both chambers	Reauthorization of 2006 Sec. 711(a)(4) 21 U.S.C. § 1710(a)(4)(D)	03/16/07 ¹⁹³ 03/11/08
Results of meetings of the Interdiction Committee and any significant findings during previous 12 months, prepared by USIC	Annually by Sept. 30	Appropriate congressional committees	Reauthorization of 2006 Sec. 711(b)(4) 21 U.S.C. § 1710(b)(4)	02/15/07 Anticipate meeting 09/30/08 deadline
Best practices in reducing the use of illicit drugs by chronic hard-drug users as identified in the demonstration programs to coerce abstinence through drug testing and sanctions	Interim report due by June 1, 2009; final report by June 1, 2010	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1119 21 U.S.C. § 1714(d)	Not yet due

¹⁹³ Date inconsistent with ONDCP's transmittal date of 02/27/07.

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Subject of Report	Date Due	Recipient Committees	Date First Required/Legal Cite	Compliance/Date
Details of the new appeals process for suspended or terminated grantees under the Drug-Free Communities Act of 1997 , as amended	Within 60 days of Dec. 29, 2006 02/27/07	Report to Congress; committees unspecified	Relating to amendment of Drug-Free Communities Act of 1997 (21 U.S.C. § 1532(b) as required in Reauthorization of 2006 Sec. 1032	02/20/07
Evaluation of existing and planned law enforcement intelligence systems used by federal, state, local, and tribal law enforcement agencies responsible for drug trafficking and drug production enforcement, with statutorily required contents	Within 180 days of Dec. 29, 2006 06/25/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1103	09/17/07
Comprehensive strategy to address the threat of heroin from South America , with statutorily required contents	Within 90 days of Dec. 29, 2006 03/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1104	05/31/07
Status report on the Institute of Medicine study, to be requested by the Director, of addiction caused by doctor-prescribed opioid analgesics	Within 1 year of Dec. 29, 2006 12/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1106	ONDCP determined cost of study to be prohibitive (no funds allocated by Congress)
Strategy to stop Internet advertising of prescription drugs without a prescription	Within 120 days of Dec. 29, 2006 04/28/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1107	04/16/07
Plan to conduct a study on the illegal diversion and inappropriate uses of prescription drugs , with statutorily required contents	Within 90 days of Dec. 29, 2006 03/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1108	04/16/07
Comprehensive strategy to address the threat of Afghan heroin , with statutorily required contents	Within 90 days of Dec. 29, 2006 03/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1109	03/27/07
Southwest Border Counternarcotics Strategy , including a strategy to end the use of tunnels under the U.S.-Mexico border	Within 120 days of Dec. 29, 2006 04/28/07	Appropriate congressional committees plus the Armed Services and Homeland Security Committees of both chambers	Reauthorization of 2006 Sec. 1110	10/02/07

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Subject of Report	Date Due	Recipient Committees	Date First Required/Legal Cite	Compliance/Date
Plan to conduct a scientific study of the use of mycoherbicide to eliminate illicit drug crops	Within 90 days of Dec. 29, 2006 03/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1111	03/30/07
Comparison of state laws to control precursor chemicals and a study of their effectiveness and best practices	Within 6 months of Dec. 29, 2006 06/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1112	09/25/07
Analysis of methamphetamine-related activities conducted by state-administered Drug Endangered Children programs and recommendations for a national policy	Within 6 months of Dec. 29, 2006 06/29/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1113	02/04/08 ¹⁹⁴
Evaluation of drug court programs that conduct hearings in nontraditional public places , such as schools, as a means of demand reduction	02/01/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1114	06/01/07
Participation of tribal governments in the HIDTA Program	Within 1 year of Dec. 29, 2006	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1115	12/07
Drug testing in schools , including a list of secondary schools that initiated testing after attending an ONDCP-sponsored conference on the subject	Within 120 days of Dec. 29, 2006 04/28/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1116	ONDCP states: “Draft under clearance. Delayed awaiting sufficient data”
List of ONDCP employees receiving performance bonuses from Oct. 1, 2004 , to the date of the submission of the report, and the amounts of such bonuses	Within 120 days of Dec. 29, 2006 04/28/07	Report to Congress; committees unspecified	Reauthorization of 2006 Sec. 1117	04/12/07 ¹⁹⁵

¹⁹⁴ Date inconsistent with ONDCP’s transmittal date of 11/13/07.

¹⁹⁵ Date inconsistent with ONDCP’s transmittal date of 04/17/07.

**STATUTORY NON-REPORTING REQUIREMENTS UNDER ANTI-DRUG ABUSE ACT OF 1988
AND SUBSEQUENT REAUTHORIZATIONS¹⁹⁶**

Requirement	Legal Cite	Date First Required
Policy Requirements		
Develop national drug control policy	Sec. 702(a)(1) 21 U.S.C. § 1702(a)(1)	Anti-Drug Abuse Act of 1988
Coordinate and oversee implementation of national drug control policy	Sec. 702 (a) (2) 21 U.S.C. § 1702(a)(2)	Anti-Drug Abuse Act of 1988
Director shall review policy changes submitted by heads of National Drug Control Strategy agencies and certify whether such change is consistent with the National Drug Control Strategy	Sec. 705(b) 21 U.S.C. § 1704(b)(1)	Anti-Drug Abuse Act of 1988
Budget Requirements		
Assess and certify adequacy of National Drug Control Programs and budget for those programs	Sec. 702 (a) (3) 21 U.S.C. § 1702(a)(3)	Anti-Drug Abuse Act of 1988 as amended by Reauthorization Act of 1994
Director shall provide by July 1 of each year budget recommendations to heads of departments and agencies with responsibilities under the National Drug Control Program	Sec. 702(b)(8) 21 U.S.C. § 1703(b)(8)	Reauthorization Act of 1994 as amended by Reauthorization Act of 1998
Monitor and evaluate allocation of resources among federal law enforcement agencies in response to significant local and regional drug trafficking and production threats	Sec. 704(b)(18) 21 U.S.C. § 1703(b)(18)	Reauthorization Act of 2006

¹⁹⁶ Legal cites within this document are to Title VII Office of National Drug Control Policy Reauthorization Act of 1988 as it was presented in the Congressional Record H11225 and Office of National Drug Control Policy Reauthorization Act of 2006 both as it appeared in H.R. 6344 (109th Congress) and its corresponding United States Code cite.

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Requirement	Legal Cite	Date First Required
Director shall review each drug control budget request submitted by heads of each department, agency, and program with responsibilities under the National Drug Control Program Strategy and shall provide either a written statement confirming adequacy of the request, or, if inadequate, a description of funding levels and initiatives that would make the request adequate	Sec. 704(c)(3) 21 U.S.C. § 1703(c)(3)	Anti-Drug Abuse Act of 1988, as amended by Reauthorization Act of 1998
Director shall maintain a written record of adequate and inadequate budget requests	Sec. 704(c)(3)(B)(iii) 21 U.S.C. § 1703(c)(3)(B)(iii)	Anti-Drug Abuse Act of 1988, as amended by Reauthorization Acts of 1994 and 1998
Director may issue a written decertification of an agency's budget and shall submit such decertification to the Senate and House	Sec. 704(c)(3)(D)(ii) 21 U.S.C. § 1703(c)(3)(D)(ii)	Reauthorization Act of 1998
Drug-Free Communities Act—not more than 3% of appropriated funds may be used by ONDCP to pay for administrative costs for Drug-Free Communities	Sec. 1024(b)(1) ¹⁹⁷	Drug-Free Communities Act of 1997 and Reauthorization Act of 2006
Goals/Performance Requirements		
Evaluate effectiveness of national drug control policy and National Drug Control Program agencies' programs, by developing and applying specific goals and performance measurements	Sec. 702(a)(4) 21 U.S.C. § 1702(a)(4)	Reauthorization Act of 1994 as expanded by Reauthorization Acts of 1998 and 2006
Organization/Staffing Requirements		
Establish position of Deputy Director of National Drug Control Policy	Sec. 702(a)(2) 21 U.S.C. § 1702(b)(2)	Reauthorization Act of 1998
Establish Chief Scientist position to head Counter-Drug Technology Assessment Center (CTAC)	Sec. 708(b) 21 U.S.C. § 1707(b)	Counternarcotics Technology Act of 1990 as amended by Reauthorization Act of 2006
Chief Scientist shall: (1) identify and define short-, medium-, and long-term scientific and technical needs of federal, state, local, and tribal drug supply reduction agencies; (2) identify demand reduction basis and applied research needs and initiatives; (3) make priority ranking of needs; (4) oversee and coordinate counterdrug technology initiatives with related activities of other Federal civilian and military depts.; (5) provide support to development and implementation of national drug control performance measurement system; and (6) submit requests to Congress for reprogramming or transfer of funds appropriated for counterdrug technology research and development.	Sec. 708(c) 21 U.S.C. § 1707(c)	Reauthorization Act of 1998 as amended by Counternarcotics Technology Act of 1990 and Reauthorization Act of 2006

¹⁹⁷ The Reauthorization Act of 2006 amended Section 1024(b)(1) of the Drug-Free Communities Act of 1997, 21 U.S.C. § 1524(b).

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Requirement	Legal Cite	Date First Required
Chief Scientist shall be responsible for coordination and implementation of counterdrug technology transfer program	Sec. 708(f)(3) 21 U.S.C. § 1707(f)(1)	Reauthorization Act of 2006
Establish position of U.S. Interdiction Coordinator	Sec. 711(a)(1) 21 U.S.C. § 1710(a)(1)	Reauthorization Act of 2006
Director to assign permanent staff of the Office to assist U.S. Interdiction Coordinator and may request that National Drug Control Program agencies detail or assign staff to the Office of Supply Reduction for such purpose	Sec. 711(a)(3) 21 U.S.C. § 1710(a)(3)	Reauthorization Act of 2006
Demand Reduction Requirements		
Ensure that drug prevention and drug treatment research and information is effectively disseminated by National Drug Control Program agencies to state and local governments and non-governmental entities involved in demand reduction	Sec. 702(b)(15) 21 U.S.C. § 1703(b)(15)	Reauthorization Act of 1998
Director shall consult with NIH and National Academy of Sciences in making any policy relating to syringe exchange programs	Sec. 703(a) 21 U.S.C. § 1702(a)	Reauthorization Act of 2006
Coordinate with private sector to promote private research and development of medications to treat addiction	Sec. 704(b)(16) 21 U.S.C. § 1703(b)(16)	Reauthorization Act of 2006
Director shall make competitive awards to fund demonstration programs by eligible partnerships for purpose of reducing use of illicit drugs by chronic hard-drug users living in the community while under the supervision of the criminal justice system.	Sec. 716 21 U.S.C. § 1714(a)	Reauthorization Act of 2006
ONDCP Director shall provide for or enter into an agreement with a non-profit corporation to advise states on establishing laws and policies to address alcohol and other drug issues, based on the model state drug laws developed by the President's Commission on Model State Drug Laws in 1993 and revise such model state drug laws to take into consideration alcohol and drug abuse problems for the state involved	Sec. 1105	Reauthorization Act of 2006

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Requirement	Legal Cite	Date First Required
Supply Reduction Requirements		
Interdiction Coordinator shall: (1) coordinate interdiction activities of the National Drug Control Program agencies to ensure consistency with the Strategy; (2) develop and issue on or before March 1 of each year a National Interdiction Command and Control Plan; (3) assess sufficiency of assets committed to illicit drug interdiction by the relevant National Drug Control Program agencies; and (4) advise Director on efforts of each National Drug Control Program agency to implement National Interdiction Command and Control Plan	Sec. 711(a)(2) 21 U.S.C. § 1710(a)(2)	Reauthorization Act of 2006
U.S. Interdiction Coordinator shall issue National Interdiction Command and Control plan and coordinate with other members of the Interdiction Committee	Sec. 711(a)(4) 21 U.S.C. § 1710(a)	Reauthorization Act of 2006
Interdiction Committee shall discuss and resolve issues related to coordination, oversight and integration of international, border, and domestic drug interdiction efforts in support of the Strategy; review annual National Interdiction Command and Control Plan and provide advice to the Director and U.S. Interdiction Coordinator re: plan; and provide other advice to Director concerning drug interdiction strategy and policies	Sec. 711(b)(1)(B) 21 U.S.C. § 1710(b)(1)	Reauthorization Act of 2006
Interdiction Committee shall meet, in person, at least once per calendar year prior to March 1.	Sec. 711(b)(3) 21 U.S.C. § 1710(b)(3)	Reauthorization Act of 2006
HIDTA Requirements		
Establish HIDTA Program	Sec. 707(a)(1) 21 U.S.C. § 1706(a)(1)	Anti-Drug Abuse Act of 1988 as amended by Reauthorization Act of 1998
Designate specified areas as high intensity drug trafficking areas, obligate sums, direct temporary reassignment of federal personnel to such areas, provide increased federal assistance to such areas and coordinate with state, local and tribal officials	Sec. 707(b)(1)-(2) 21 U.S.C. § 1706(b)(1)-(2)	Anti-Drug Abuse Act of 1988 as amended by Reauthorization Acts of 1998 and 2006
Establish regulations under which a coalition of interested law enforcement agencies from an area may petition for designation as a HIDTA	Sec. 707(c) 21 U.S.C. § 1706(c)	Reauthorization Act of 2006
Ensure that no federal funds appropriated for HIDTA are expended for the establishment or expansion of drug treatment programs and ensure not more than 5% of Federal funds appropriated for the Program are expended for establishment of drug prevention programs	Sec. 707(f) 21 U.S.C. § 1706(f)	Reauthorization Act of 2006
Ensure that a representative of the Drug Enforcement Administration is included in the Intelligence Support Center for each HIDTA.	Sec. 707(h) 21 U.S.C. § 1706(h)	Reauthorization Act of 2006
Director shall ensure that any drug enforcement intelligence obtained by the Intelligence Support Center for each HIDTA is shared, on a timely basis, with the drug intelligence fusion center operated by the Organized Crime Drug Enforcement Task Force of the Department of Justice	Sec. 707(n) 21 U.S.C. § 1706(n)	Reauthorization Act of 2006

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Requirement	Legal Cite	Date First Required
Director shall ensure that at least \$7 million is used in HIDTAs with severe neighborhood safety and illegal drug distribution problems—to be used to ensure the safety of neighborhoods and protection of communities; and combat illegal drug trafficking	Sec. 707(q) 21 U.S.C. § 1706(q)	Reauthorization Act of 2006
Director shall assess ability of HIDTA program to respond to “balloon effect’ by conducting demonstration project examining ability of NY/NJ HIDTA to address movement of drug traffickers into surrounding rural areas	Sec. 303	Reauthorization Act of 2006
HIDTA programs designated as of September 20, 2007, shall be funded at no less than FY 2007 initial allocation levels unless Director submits to Committees on Appropriations and Committees approve, justification for changes in those levels based on clearly articulated priorities for HIDTA program and published ONDCP performance measures of effectiveness.	Pub. L. No. 110-161 Division D	Consolidated Appropriations Act of 2008
At least \$2 million of allocated funds shall be available for new counties, not previously funded.	Pub. L. No. 110-161 Division D	Consolidated Appropriations Act of 2008
Outreach/Collaboration Requirements		
Seek support and commitment of state, local, and tribal officials in formulation and implementation of National Drug Control Strategy	Sec. 704(b)(17) 21 U.S.C. § 1703(b)(17)	Reauthorization Act of 2006
In developing National Drug Control Strategy, Director shall consult with heads of National Drug Control Program agencies; Congress; state, local, and tribal officials; private citizens and organizations with experience and expertise in demand and supply reduction; and appropriate representatives of foreign governments.	Sec. 706(a)(3) 21 U.S.C. § 1705(a)(3)	Anti-Drug Abuse Act of 1988 as amended by the Reauthorization Acts of 1998 and 2006
Establish Interdiction Committee	Sec. 711(b) 21 U.S.C. § 1710(b)	Reauthorization Act of 2006
Media Campaign Requirements		
Director shall conduct a national youth anti-drug media campaign	Sec. 709(a) 21 U.S.C. § 1708(a)	Treasury-Postal Appropriations Act of 1998 and Reauthorization Act of 2006
National Media Campaign funds only to be used for: (1) purchase of media time and space; (2) creative and talent costs; (3) advertising production costs; (4) testing and evaluation of advertising; (5) evaluation of effectiveness of national media campaign; (6) negotiated fees for winning bidder on requests for proposals issued by Office or designee to enter into contracts to carry out activities under this section; (7) partnerships with professional and civic groups, community-based organizations, and government organizations related to national media campaign; (8) entertainment industry outreach, interactive outreach, media projects and activities, public information, news media outreach and corporate sponsorship and participation; and (9) operational and management expenses.	Sec. 709(b) 21 U.S.C. § 1708(b)	Reauthorization Act of 2006

APPENDIX E

Requirement	Legal Cite	Date First Required
Creative services may only be procured for a cost to respond to high-priority or emergency campaign needs that cannot timely be obtained at no cost; or if intended to reach a minority, ethnic, or other special audience that cannot reasonably be obtained at no cost; or Director determines that the Partnership for a Drug-Free America is unable to provide. Limited to no more than \$1,500,000 (unless Director must meet urgent needs and has advance approval from Appropriations –then can spend up to \$2,000,000).	Sec. 709(b)(2) 21 U.S.C. § 1708(b)(2)	Reauthorization Act of 2006
Director shall test all advertisements prior to use in the national media campaign to ensure that the ads are effective and meet industry-accepted standards (can be waived for ads using no more than 10% of purchase of ad time if ads respond to emergent and time-sensitive campaign needs or will not be widely utilized in media campaign).	Sec. 709(b)(2)(B) 21 U.S.C. § 1708(b)(2)(B)	Reauthorization Act of 2006
Director shall designate an independent entity to evaluate by April 20 of each year the effectiveness of the national media campaign and ensure effectiveness is evaluated considering whether it has contributed to reduction of illicit drug use among youth and other measures	Sec. 709(b)(2)(C) 21 U.S.C. § 1708(b)(2)(C)	Reauthorization Act of 2006
Not less than 77% of appropriated amount for campaign shall be used for the purchase of advertising time and space unless (1) less than \$125,000,000 is appropriated, in which case no less than 72% is used or (2) more than \$195,000,000 is appropriated, in which case no less than 82% is used.	Sec. 709(b)(3) 21 U.S.C. § 1708(b)(3)	Reauthorization Act of 2006
Director shall ensure that sufficient funds are allocated for advertising to meet stated goals of national media campaign	Sec. 709(c) 21 U.S.C. § 1708(c)	Reauthorization Act of 2006
Director, in consultation with Partnership for a Drug-Free America, shall determine overall purposes and strategy of national media campaign	Sec. 709(d)(1) 21 U.S.C. § 1708(d)(1)	Reauthorization Act of 2006
Director shall implement a focused national media campaign and shall approve: the strategy; all ad and promo material used; and plan for purchase of ad time and space	Sec. 709(d)(2)(A) 21 U.S.C. § 1708(d)(2)(A)	Reauthorization Act of 2006
Director shall request Partnership for Drug-Free America to develop and recommend strategies to achieve goals of national media campaign, create all advertisements to be used in the national media campaign (with certain exceptions)	Sec. 709(d)(2)(B) 21 U.S.C. § 1708(d)(2)(B)	Reauthorization Act of 2006
Director shall contract with media buying contractor to plan and purchase advertising time and space for national media campaign	Sec. 709(d)(2)(C) 21 U.S.C. § 1708(d)(2)(C)	Reauthorization Act of 2006
Funds for media time and space shall be matched by equal amount of non-federal funds for the national media campaign or be matched with in-kind contributions of same value	Sec. 709(f)(1) 21 U.S.C. § 1708(f)(1)	Reauthorization Act of 2006
Director shall ensure that at least 70% of no-cost match advertising provided directly relates to substance abuse prevention, unless less than \$125,000,000 is appropriated in which case at least 85% shall be available	Sec. 709(f)(2) 21 U.S.C. § 1708(f)(2)	Reauthorization Act of 2006

APPENDIX E

Requirement	Legal Cite	Date First Required
Director shall ensure that no-cost match advertising that does not directly relate to substance abuse prevention includes a clear anti-drug message	Sec. 709(f)(3) 21 U.S.C. § 1708(f)(3)	Reauthorization Act of 2006
Director shall cause to be performed audits and reviews of costs of the National Media Campaign and whether costs are allowable under the Federal Property and Admin. Services Act of 1949	Sec. 709(g) 21 U.S.C. § 1708(g)	Reauthorization Act of 2006
Director shall ensure that not less than 10% shall be expended on ads specifically intended to reduce the use of Methamphetamine (amount can be reduced if Director certifies to Congress that Meth lab seizures decreased to at least 75% of the 2006 level, or the Director documents a highly, statistically significant increase in a specific drug that can be defined as a local drug crisis—if so, Director may use monies for reduction of other drug use)	Sec. 709(k)(1)-(2) 21 U.S.C. § 1708(k)(1)-(2)	Reauthorization Act of 2006
ONDCP shall maintain funding for non-advertising services for media campaign at no less than FY 2003 ratio of service funding to total funds and shall continue corporate outreach program as it operated prior to its cancellation.	Pub. L. No. 110-161 Division D	Consolidated Appropriations Act of 2008
Of amounts appropriated for campaign, not to exceed 10 percent to be used for administration, advertising, production, research and testing, labor, and related costs of the national media campaign.	Pub. L. No. 110-161 Division D	Consolidated Appropriations Act of 2008
Other Requirements		
Advertisements or other ONDCP communications paid for by ONDCP shall include a prominent notice of federal sponsorship	Sec. 712 21 U.S.C. § 1710a(a)	Reauthorization Act of 2006
Within two months of enactment of Act, ONDCP must contract with NAPA for independent study and analysis of ONDCP’s organization and management	Pub. L. No. 110-161 Division D	Consolidated Appropriations Act of 2008

**STATUTORY PROHIBITIONS, RESTRICTIONS, AND LIMITATIONS UNDER ANTI-DRUG ABUSE
ACT OF 1988
AND SUBSEQUENT REAUTHORIZATIONS¹⁹⁸**

Prohibition/Restriction/Limitation	Date First Required/Legal Cite*
No person shall serve as Director or Deputy director while serving in any other position in the Federal Government	Reauthorization of 1994 as amended by Reauthorizations of 1998 and 2006 Sec. 704(a)(4)—21 U.S.C. § 1703(a)(4)
Prohibition on political campaigning: Any officer or employee of the Office who is appointed to that position by the President, by and with the advice and consent of the Senate, may not participate in Federal election campaign activities, other than making contributions to individual candidates.	Reauthorization of 1994 as amended by 1998 Sec. 704(a)(5)—21 U.S.C. § 1703(a)(5)
Review and Certification of NDCP budgets: Director shall not confirm adequacy of any budget request that requests funding for various activities/programs which do not meet Congressional standards as specifically laid out in the subsection	Reauthorization 2006 Sec. 704(c)(3)(C)—21 U.S.C. § 1703(c)(3)(c)
Reprogramming and transfer requests: No NDCP agency shall submit to Congress a reprogramming or transfer request with respect to any amount of appropriated funds in an amount exceeding \$5 million that is included in the NDCP budget unless the request has been approved by the Director	Anti-Drug Abuse Act of 1988 (21 U.S.C. § 1504) as amended by Reauthorization of 1998 Sec. 704(c)(4)(A) – 21 U.S.C. § 1703(c)(4)(A)
Compensation Restriction: Bonus amount paid to an employee shall not be greater than 20% of basic pay paid or payable to such employee for such period and shall be in addition to basic pay of employee.	Anti-Drug Abuse Act of 1988 Sec. 704(e)(2)(B)—21 U.S.C. § 1703(e)(2)(B)
Aggregate Amount: Aggregate amount paid during any fiscal year to an employee detailed to the office as basic pay, awards, bonuses, and other compensation shall not exceed the annual rate payable at the end of such fiscal year for positions at level III of the Executive Schedule	Anti-Drug Abuse Act of 1988 Sec. 704(e)(2)(C)—21 U.S.C. § 1703(e)(2)(C)
Maximum Number of Detailees: Maximum number of personnel who may be detailed to another department or agency (including ONDCP) during any fiscal year is 50 for DOD; and 10 for any other department or agency.	Reauthorization of 1998 Sec. 704(e)(3)—21 U.S.C. § 1703(e)(3)
Fund Control Notices—Unauthorized obligation or expenditure prohibited: An officer or employee of a NDCP agency shall not make or authorize an expenditure or obligation contrary to a fund control notice issued by the Director.	Reauthorization of 1994 Sec. 704(f)(2)—21 U.S.C. § 1703(f)(2)

¹⁹⁸ Legal cites within this document are to Title VII Office of National Drug Control Policy Reauthorization Act of 1988 as it was presented in the Congressional Record H11225 and Office of National Drug Control Policy Reauthorization Act of 2006 both as it appeared in H.R. 6344 (109th Congress) and its corresponding United States Code cite.

APPENDIX F

Prohibition/Restriction/Limitation	Date First Required/Legal Cite*
Fund Control Notices: Director shall not issue fund control notice to direct that all or part of an amount appropriated to NDCP agency account be obligated, modified, or altered in any manner contrary, in whole or in part, to a specific appropriation; or to the expressed intent of Congress.	Reauthorization of 2006 Sec. 704(f)(5)—21 U.S.C. § 1703(f)(5)
HIDTA Board Representation: No funds appropriated under HIDTA section may be expended for any HIDTA, or for a partnership or region of a HIDTA, if the Executive Board for such area, region, or partnership, does not apportion an equal number of votes between representatives of participating Federal agencies and representatives of participating state, local and tribal agencies.	Reauthorization of 2006 Sec. 707(e)(3)—21 U.S.C. § 1706(e)(3)
HIDTA—No Agency Relationship: Nothing in HIDTA section is intended to create an agency relationship between individual HIDTAs and the Federal Government.	Reauthorization of 2006 Sec. 707(e)(4)—21 U.S.C. § 1706(e)(4)
HIDTA—Use of Funds: Director shall ensure that no Federal funds appropriated for the Program are expended for the establishment or expansion of drug treatment programs, and shall ensure that not more than 5% of Federal funds appropriated for Program are expended for establishment of drug prevention programs.	Reauthorization of 1988 as amended by Reauthorization of 2006 Sec. 707(f)—21 U.S.C. § 1706(f)
HIDTA—Counterterrorism Activities: Director shall ensure that assistance provided under subsection remains incidental to purpose of HIDTA program to reduce drug availability and carry out drug-related law enforcement activities; and significant resources of Program are not redirected to activities exclusively related to terrorism, except on a temporary basis under extraordinary circumstances, as determined by the Director.	Reauthorization of 2006 Sec. 707(g)(2)—21 U.S.C. § 1706(g)(2)
HIDTA—Discretionary Funding: Within discretionary funding amount, plans for use of such funds shall be subject to approval by Committees on Appropriations.	Consolidated Appropriations Act of 2008 Pub. L. No. 110-161 Division D
CTAC—Limitation on Authority: Authority granted to Director under CTAC section shall not extend to award of contracts, management of individual projects, or other operational activities.	Reauthorization of 1998 as amended by Reauthorization of 2006 Sec. 708(d)—21 U.S.C. § 1707(d)
National Youth Anti-Drug Media Campaign: Restricts funds to be used only for specified uses as described in the section.	Reauthorization of 2006 Sec. 709(b)(1)—21 U.S.C. § 1708(b)(1)
National Youth Anti-Drug Media Campaign—Creative Services: No more than \$1.5 million may be expended under section each fiscal year on creative services (with exception that Director may spend \$2 million to meet urgent needs with advance approval of Committees on Appropriations.	Reauthorization of 2006 Sec. 709(b)(2)(A)(ii)—21 U.S.C. § 1708(b)(2)(A)(ii)

APPENDIX F

Prohibition/Restriction/Limitation	Date First Required/Legal Cite*
National Youth Anti-Drug Media Campaign—Purchase of Advertising Time and Space: Not less than 77% of amounts appropriated under section shall be used for purchase of advertising time and space for the National Media Campaign (except if less than \$125 million appropriated, then not less than 72% and if more than \$195 million, not less than 82%).	Reauthorization of 2006 Sec. 709(b)(3)—21 U.S.C. § 1708(b)(3)
National Youth Anti-Drug Media Campaign—Media Buying Contractor: Shall not provide any other service or material, or conduct any other function or activity which the Director determines should be provided by the Partnership for a Drug-Free America.	Reauthorization of 2006 Sec. 709(d)(2)(C)—21 U.S.C. § 1708(d)(2)(C)
National Youth Anti-Drug Media Campaign—Prohibitions: No amounts for campaign may be obligated or expended for numerous uses as described in the statute.	Reauthorization of 2006 Sec. 709(e)—21 U.S.C. § 1708(e)
National Interdiction Command and Control Plan—Limitation: Plan shall not change existing agency authorities or the laws governing interagency relationships, but may include recommendations about changes to such authorities or laws.	Reauthorization of 2006 Sec. 711(a)(4)(C)—21 U.S.C. § 1710(a)(4)(C)
Drug-Free Communities—Administrative Costs: Not more than 3% of funds appropriated for DFCs may be used by ONDCP to pay for administrative costs associated with their responsibilities under the chapter.	Drug-Free Communities Act of 1997 as amended by Reauthorization of 2006 Sec. 1024(b) –21 U.S.C. § 1524(b)
Drug-Free Communities—Prohibition on Additional Eligibility Criteria: Director shall not impose any eligibility criteria on new applicants or renewal grantees not provided in this chapter.	Reauthorization of 2006 Sec. 1032(a)(7) –21 U.S.C. § 1532(a)(7)
Requirement for Southwest Border Counternarcotics Strategy—Limitation: Strategy shall not change existing agency authorities or the laws governing interagency relationships, but may include recommendations about changes to such authorities or laws.	Reauthorization of 2006 Sec. 1110(e)
Reorganization of ONDCP Offices: No funds appropriated in Continuing Appropriations Resolution 2007 may be used to implement a reorganization of offices within ONDCP without explicit approval of Committees on Appropriations.	U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 Sec. 6302
Changes in ONDCP Projects: Any new projects and changes in funding of ongoing projects shall be subject to the prior approval of the Committees on Appropriations	Consolidated Appropriations Act of 2008 Pub. L. No. 110-161 Division D
Transfer of Funds: Not to exceed 2% of appropriations made available to ONDCP may be transferred between appropriated programs upon advance approval of Committees on Appropriations and no transfer may increase or decrease any such appropriation by more than 3%.	Consolidated Appropriations Act of 2008 Pub. L. No. 110-161 Division D

Prohibition/Restriction/Limitation	Date First Required/Legal Cite*
<p>Reprogramming Restriction: Not to exceed \$1 million of any appropriations made available to ONDCP may be reprogrammed within a program, project, or activity upon advance approval of Committees on Appropriations.</p>	<p>Consolidated Appropriations Act of 2008 Pub. L. No. 110-161 Division D</p>

**COMMITTEE REPORT LANGUAGE (NOT INCLUDED IN STATUTORY LANGUAGE)
FROM 1998 REAUTHORIZATION TO PRESENT¹⁹⁹²⁰⁰**

Public Law and Related Committee Reports	Requirement
Office of National Drug Control Policy Reauthorization Act of 1998	
Conference Report 105-825 Making Omnibus Consolidated and Emergency Supplemental Appropriations for Fiscal Year 1999	ONDCP Staffing —ONDCP directed to review its staffing requirements and report back to the Committees on Appropriations by December 15, 1998, on steps it is taking to fill vacancies, or, if not, what changes it is making in its staffing plan
	Performance Measures of Effectiveness —ONDCP directed to apply same standard to its own internal management and organization, and to include such measures with each new submission
	Rural Drug Conferences —If ONDCP convenes a national conference on rural drug crime (as encouraged by Congress), the conference is requested to report to the Committees on Appropriations and the Director of ONDCP on its findings.
	Counterdrug Technology Assessment Center — Expectation that the multiagency research and development programs are to be coordinated by CTAC to avoid duplication of effort. Expectation that prior to obligation of funds, Congress will be notified by the Chief Scientist on how funds will be spent. Expectation that Congress will receive periodic reports from the Chief Scientist on priority counterdrug enforcement research and development requirements identified by CTAC, and on the status of projects funded by CTAC.
	HIDTAs —ONDCP directed to submit its fiscal year 2000 budget for HIDTAs based on applying both ONDCP’s own performance measures of effectiveness and the priorities dictated by changing threats.

¹⁹⁹ Although not included in legislation, the requirements in this table were expected by Congress to be fulfilled. Included in this table are only those directives appearing in committee reports where it is clear that Congress was directing ONDCP to prepare a deliverable or to make certain changes. Not included is language where Congress “encouraged” or “urged” ONDCP to act.

²⁰⁰ Legal cites within this document are to Title VII Office of National Drug Control Policy Reauthorization Act of 1988 as it was presented in the Congressional Record H11225 and Office of National Drug Control Policy Reauthorization Act of 2006 both as it appeared in H.R. 6344 (109th Congress) and its corresponding United States Code cite.

Public Law and Related Committee Reports	Requirement
	<p>National Media Campaign— ONDCP directed to submit quarterly reports on obligation of funds as well as the specific parameters of the pilot campaign. ONDCP directed to report to the Committees on Appropriations by January 15, 1999 on effectiveness of national media campaign. ONDCP to report to Committees within 6 months of enactment of Act on state and local prevention and treatment facilities infrastructure and their capacity to handle increased demands of communities as a result of national media campaign. GAO directed to conduct financial audit and review of the financial transactions relating to the media campaign.</p>
Treasury and General Government Appropriations Act of 1998	
<p>Conference Report 105-284</p>	<p>CTAC— New funding to be used to initiate a pilot program to transfer technologies directly to state and local law enforcement agencies who may otherwise be unable to profit from developments due to limited budgets or lack of technological expertise. CTAC directed to initiate program under the direction of the Chief Scientist of ONDCP. Chief Scientist directed to submit a report to the committee on Appropriations evaluating the performance of the program not later than 18 months from the date of the first transfer, as well as a strategic plan for countrywide deployment of technology. Chief Scientist directed to consult with Committees on Appropriations prior to obligation of funds to ensure that the money appropriated is going toward providing state and local law enforcement agencies access to counterdrug technology and not unreasonable administrative or otherwise unintended purposes.</p>
	<p>Youth Media Campaign— ONDCP directed to assess all media vehicles available for campaign including broadcast and print media and the Internet. ONDCP directed to consult with media and drug experts in an effort to draw from the experience and expertise of individuals and organizations that have experience in this field.</p>
1999 Emergency Supplemental Appropriations Act	
<p>Conference Report 106-143</p>	<p>HIDTAs—Congress expects that the performance of HIDTAs funded through this appropriation will be subject to same performance standards and measures to be applied to the HIDTA program overall.</p>
Treasury and General Government Appropriations Act of 2000	
<p>Conference Report 106-319</p>	<p>ONDCP Staffing— ONDCP directed that new FTEs be taken from existing FTEs allocated to the Office of Legislative Affairs, Office of Public Affairs or Office of Director. ONDCP directed to report to Committees on Appropriations by November 1, 1999, on how they have implemented FTE reallocation.</p>

Public Law and Related Committee Reports	Requirement
	<p>ONDCP Management Review— \$125,000 of ONDCP’s funds to be transferred to GAO for GAO to contract with an independent entity to conduct a management review of ONDCP’s operations.</p>
	<p>HIDTAs— ONDCP directed in fiscal year 1999 to provide a request for HIDTA funding based on ONDCP’s Performance Measures of Effectiveness (PME)—still no justification has been provided. ONDCP given two additional FTE for HIDTA and Congress thus expects to see tangible assessment of the performance of individual HIDTAs and the HIDTA program overall. Congress expects ONDCP will use above information to assess optimal allocation of HIDTA funding and all future requests for HIDTA funding will be supported by PME data.</p>
	<p>National Youth Anti-Drug Media Campaign— ONDCP shall report to the Committees by June 15, 2000 on the effectiveness of the Media Campaign.</p>
<p>Consolidated Appropriations Act of 2001</p>	
<p>Conference Report 106-1033</p>	<p>HIDTAs—Funds for newly designated HIDTAs may not be obligated until justification is provided to the Committees for approval.</p>
	<p>National Youth Anti-Drug Media Campaign—ONDCP directed to not issue pro bono credits for ad time and/or space if already purchased with funds appropriated for the campaign. ONDCP directed not to issue any credits for programming content once a program is in syndication unless it has previously reported to the Committees on Appropriations reasons why such credit is necessary. ONDCP directed to ensure that neither it nor its contractor will review programming content under consideration for pro bono credit under the match program until such programming is in its final form.</p>
<p>Drug-Free Communities Support Program Reauthorization—2001</p>	
<p>House Report 107-175 Part 1</p>	<p>Extension and Increase of Program—ONDCP must carefully monitor the grant criteria and administration to ensure that there is no relaxation of them for DFC grants.</p>
	<p>Priority in Awarding Grants—Committee intends that among those coalitions meeting minimum criteria and standards, priority is to be given to those serving our nation’s neediest areas.</p>
	<p>Authorization for national community anti-drug coalition institute—Committee expects ONDCP will ensure that a competitive process, in accordance with applicable Federal law, will be used to determine the ultimate recipient of the federal grant awarded by ONDCP to a national organization who will assist ONDCP to help create the Institute.</p>

Public Law and Related Committee Reports	Requirement
Treasury and General Government Appropriations Act of 2001	
Conference Report 107-253	HIDTAs —HIDTA program directed to employ performance measurement methodology and data collection identified by the HIDTA Performance Management Working Group in 1999.
	Drug-Free Communities —ONDCP directed to work with the authorizing committees of jurisdiction to ensure authorization for funding is included in forthcoming ONDCP reauthorization legislation.
Consolidated Appropriations Resolution, 2003	
Conference Report 108-10	HIDTAs —ONDCP directed to provide a justification based on PMEs of the fiscal year 2004 budget request for each individual HIDTA, as well as an optimal spending allocation for each individual HIDTA based upon PMEs, to the Committees when PMEs for the HIDTA program are submitted. ONDCP directed to investigate the situation in the Southwest Border HIDTA and provide report to Committees on Appropriations within 120 days of enactment of the Act. Report shall include written statements from each of the partnerships expressing views of the situation.
Consolidated Appropriations Act of 2004	
Conference Report 108-401	CTAC —ONDCP directed to report to the Committees on Appropriations, no later than December 31, 2003, on CTAC funding allocations, specifically providing a detailed spending plan for both the research and development program and the technology transfer program for fiscal years 2001-2003. Chief Scientist directed to notify Committees on Appropriations on how fiscal year 2004 funds will be spent, as well as to provide biannual reports on priority counterdrug enforcement research and development requirements and the status of projects funded by CTAC. ONDCP directed to include in the fiscal year 2005 budget request a specific accounting of the total number of grant applications received and the number awarded in the previous fiscal year.
	National Youth Anti-Drug Media Campaign — ONDCP directed to submit to Committees on Appropriations an evaluation plan for the Media Campaign covering fiscal years 2004-2008 no later than 120 days after enactment of the Act. ONDCP directed to provide to Committees on Appropriations a detailed report regarding the type and content of all advertising, its timing and placement in media markets, and the matches provided for all advertising.
Consolidated Appropriations Act of 2005	
Conference Report 108-792	National Alliance for Model State Drug Laws —ONDCP directed to obligate the appropriation for this organization expeditiously, although not outside normal grant procedures.

Public Law and Related Committee Reports	Requirement
Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act of 2006	
Conference Report 109-307	Salaries and Expenses —ONDCP may not transfer rent and health costs to the Enterprise Services activity.
	Methamphetamine Abuse —ONDCP directed to increase its focus, resources and activities targeted at combating Methamphetamine abuse.
	<p>CTAC—</p> <p>ONDCP directed to include a spending plan in the CTAC operating plan for fiscal year 2006.</p> <p>ONDCP directed that a thorough review of the entire CTAC program be implemented to determine the future course of funding for the CTAC program. A report with options for the Committees to consider shall be included in the Administration’s fiscal year 2007 budget justification for ONDCP.</p> <p>ONDCP directed to complete existing imaging system instrumentation validation effects at qualified academic institutions and assess the reinstatement of the demand instrumentation infrastructure development program in the fiscal year 2007 budget.</p>
	Research and Performance Measures —ONDCP directed to expand its research to include a study of the social costs of Methamphetamine use and production in the United States.

ONDCP'S RESPONSE TO STATUTORY COMPLIANCE QUESTIONNAIRE*

Questions for ONDCP Regarding Statutory Requirements

As part of the Academy's organizational and management review of ONDCP, the Panel is reviewing the range of reporting and non-reporting requirements imposed upon ONDCP by Congress. These are drawn from the Anti-Drug Abuse Act of 1988 and subsequent reauthorizations, many of which resulted from the 2006 ONDCP Reauthorization.

We are requesting ONDCP's perspective on the actions it has taken to comply with these requirements, as well as specific documents that relate to such compliance. In addition, please explain any extenuating circumstances that may have prevented or delayed ONDCP from fulfilling a requirement.

We would appreciate receiving your answers and documentation by Monday, July 14, 2008, so that the Academy will have the necessary time to review your answers and related documents prior to our next Panel Meeting on August 1, 2008. We also welcome the opportunity to meet with representatives of ONDCP to further discuss these requirements prior to the Panel Meeting.

National Drug Control Strategy/Policy Requirements

1. Please describe the process ONDCP has used from FY 2007 to the present to fulfill its statutory mandate to coordinate and oversee the implementation of the national drug control policy (Sec, 702(a)(2))²⁰¹. Also, if this process has changed since the 2006 Reauthorization, please describe these changes.

Response: ONDCP efforts to coordinate and oversee the implementation of national drug control policy are focused on achieving the three overarching goals set forth in the National Drug Control Strategy: Stopping drug use before it starts, intervening and healing America's drug users, and disrupting the market for illegal drugs. Since 2002, when the Administration first articulated this balanced approach to drug control, the Office of National Drug Control Policy (ONDCP) has used the Strategy to guide and engage relevant Federal, State, local, and Tribal agencies, national and international organizations, and others in their work to reduce the demand for and supply of illicit drugs in the United States. This engagement takes many forms including giving program guidance throughout the year to National Drug Control Agencies, reviewing and certifying budget requests from these agencies, and coordinating single and multi-agency drug control initiatives.

* Supplemental information referenced in this document and provided by ONDCP to the Academy is not included in this Appendix.

²⁰¹ Legal cities within this document are to Title VII Office of National Drug Control Policy Reauthorization Act of 1998 as it was presented in the Congressional Record H11225: and Office of National Drug Control Policy Reauthorization Act of 2006 as it appeared in H.R. 6344 (109th).

Promotion of prevention and treatment priorities includes, but is not limited to, working in close collaboration with relevant National Drug Control Agencies to develop demand reduction program goals; to streamline services provided by agencies; and to coordinate complementary policy initiatives. An example of the latter is the Inter-Agency Working Group on Synthetic Drug Control Policy, which was convened most recently by ONDCP in June 2008. The purpose of the June meeting was to review the status of commitments of the Synthetic Drug Control Strategy and to coordinate National Drug Control Agencies' efforts to reduce domestic methamphetamine production and abuse as well as prescription drug abuse. ONDCP intends to convene another Inter-Agency meeting in 2008. ONDCP also engages with recipients of funds from Federal discretionary grants to review program implementation, assess effectiveness, and ensure utilization of best practices. ONDCP, through high profile speaking engagements to national organizations and other public opportunities, seeks to promote program best practices nationwide to prevent drug abuse and to enhance treatment effectiveness.

Other activities in support of the prevention priority include promoting in close collaboration with Federal and national partners the development and work of community anti-drug coalitions, educating youth about drug use and its consequences through the National Youth Anti-Drug Media Campaign, and encouraging all 50 States to track controlled substances through the adoption of prescription drug monitoring programs. Many of these programs help law enforcement and medical communities access States' databases, which help provide important safeguards to pharmacists at the point of sale to prevent prescription fraud and doctor-shopping.

In schools, random drug-testing programs implement a public health approach to student drug use. The program provides students a credible reason to resist peer pressure to use drugs and links those students testing positive to professional assistance. An increasing number of schools are implementing random student drug testing (SDT) programs, with or without Federal funding. Recent CDC results estimate that over 4,000 middle and high schools in the nation have implemented random student drug testing as an effective drug prevention program. In response to growing interest among schools for random student drug testing, ONDCP has organized regional drug-testing Summits every year since 2004, to inform community leaders and school officials about student drug testing programs and to promote discussion on this issue at the local level. The choice of Summit locations was based on geographic considerations, recognition of need in a region, ease of transportation to the site, and population density. Since 2004, ONDCP has held 32 Student Drug Testing Summits across the United States, in Chicago, Illinois; Fresno, California; Atlanta, Georgia; Denver, Colorado; Dallas, Texas; St. Louis, Missouri; Pittsburgh, Pennsylvania; Portland, Oregon; Orlando, Florida; San Diego, California; Falls Church, Virginia; Milwaukee, Wisconsin; Phoenix, Arizona; Jackson, Mississippi; Cincinnati, Ohio; New Bedford, Massachusetts; Louisville, Kentucky; Charleston, South Carolina; Newark, New Jersey; Honolulu, Hawaii; Las Vegas, Nevada; Oklahoma City, Oklahoma; Indianapolis, Indiana; Jacksonville, Florida; Albuquerque, New Mexico; Detroit Michigan; Philadelphia, Pennsylvania; Pasco, Washington; Des Moines, Washington; Pasco, Springs, CO, three mini-summits at ONDCP headquarters and one VTC conference summit.

To achieve the goals of the treatment priority, ONDCP supports State and community efforts to deliver treatment services needed to achieve and maintain recovery by promoting innovative and effective programs designed to help expand treatment options, enhance treatment delivery, and

improve treatment outcomes. Examples of such programs are Access to Recovery (ATR) and Screening, Brief Intervention, and Referral to Treatment (SBIRT). In 2007, to further nationwide adoption of the SBIRT program and engage the healthcare profession in reducing drug use in America, ONDCP partnered with Substance Abuse and Mental Health Services Association (SAMHSA) and the National Institute on Drug Abuse (NIDA) to host its third leadership conference on medical education in substance abuse. The conference brought together leaders of private sector organizations, Federal agencies, organized medicine, and others to coordinate ways to institutionalize SBIRT.

In a major achievement in the prevention and treatment arena, ONDCP has facilitated the adoption of two new Medicaid “H” codes, (effective on January 1, 2007), two new Medicare “G” codes and two CPT® codes (effective January, 2008) for private insurers, which now provide the opportunity for State Medicaid programs and others to reimburse for SBI services if they choose to make SBI a covered benefit. Private healthcare insurance companies can reimburse for these procedures using the AMA-CPT® procedural codes. These codes provide primary health care physicians and other health care professionals, including adolescent physicians, obstetricians, family practitioners, addiction specialists, physicians and surgeons who provide services in emergency departments and trauma centers, with a notable incentive to deliver screening and brief interventions services to patients in healthcare settings. Specific codes for drug and alcohol screening/brief interventions will advance implementation of screenings and brief intervention for substance abuse using standardized and structured procedures across multiple sectors of our society. ONDCP has worked closely to educate States about the SBI approach and encourage adoption of Medicaid codes. At present, 10 States have incorporated SBI procedural codes in their Medicaid plan (TN, WI, MN, OR, WA, VA, OK, MN, MD, IA). In California, the Governor approved inclusion of the SBI codes into the State Medicaid plan for use in emergency departments, and the State awaits approval of the Legislature.

To disrupt the market for illicit drugs, ONDCP works with domestic and international law enforcement to exploit pressure points that exist along the illegal drug supply chain. In the United States, ONDCP supports programs that help law enforcement coordinate domestic efforts reduce the supply of illicit drugs in the United States, including the Department of Justice's Organized Crime Drug Enforcement Task Force (OCDETF) initiative, which works with local law enforcement agencies to coordinate nationwide investigations and prosecutions and target the infrastructures of the most significant drug trafficking organizations and money laundering networks and the High Intensity Drug Trafficking Areas (HIDTA) program, which ONDCP funds and oversees. The HIDTA program provides additional Federal resources to State and Local law enforcement agencies in those areas of the country designated as exhibiting serious drug trafficking problems that impact in that area and other areas of the country. Agencies that participate in the HIDTA program work together in multi-agency initiatives, share intelligence and information, and provide data to measure their performance.

One focus of domestic market disruption is to reduce significantly large-scale, outdoor marijuana growing operations. To this end, ONDCP works with DEA to ensure coordination of the activities of Federal, State, and Local law enforcement agencies. For example, the Domestic Cannabis Eradication/Suppression Program (DCE/SP) is now working with ONDCP and Federal land management agencies to target the Mexican drug trafficking organizations that have grown

to dominate marijuana cultivation on America's public lands. The new approach uses multiagency task forces to identify areas of operations and then eradicate plants and arrest and prosecute those involved in the illicit business.

International drug control efforts have evolved into a multi-pronged strategy focusing on reducing the flow of illicit drugs into the United States; disrupting and dismantling major drug trafficking organizations; strengthening the democratic and law enforcement institutions of partner nations threatened by illegal drugs; and reducing the underlying financial and other support that drug trafficking provides to international terrorist organizations. In early 2008, the United States embarked on the Merida Initiative, a historic partnership with Mexico that can help break the power and impunity of the drug organizations and gangs that threaten the region and prevent the spread of illicit drugs and transnational and terrorist threats toward the United States. ONDCP was a strong and active supporter of the Merida Initiative.

The National Drug Control Strategy continues to serve as a blueprint for ONDCP's work with domestic and international partners to confront all aspects of the drug problem. Moreover, the 2008 Strategy includes a number of specific goals related to the three priorities. These goals include reducing by an additional 10 percent youth drug use, continuing to promote random student drug testing as a prevention tool and greater access to screening and brief intervention services, reducing diversion of prescription drugs and methamphetamine precursors, promoting declines in Andean cocaine production and Afghan opium poppy cultivation, and reducing the flow of illegal drugs across the Southwest Border. In the coming weeks, ONDCP will continue to focus its work and guide that of the National Drug Control Agencies towards meeting these goals.

In addition to responsibilities to coordinate and oversee implementation of national drug control policy as described in the ONDCP Reauthorization Act of 1998, provisions of the ONDCP Reauthorization Act of 2006 added a number of new requirements. For example, the Reauthorization Act of 2006 directed ONDCP to include Tribal Affairs in both the title and mission of ONDCP's Office for State and Local Affairs—now State, Local and Tribal Affairs. As a result, ONDCP redoubled its already strong commitment to reducing drug abuse in Indian Country and, among other activities, vigorously works with tribal organizations to enhance awareness of drug control discretionary grants.

At present, five tribal organizations are recipients of the Access to Recovery grant, and the State of Arizona is targeting 2 Native American communities with its grant. Moreover, discretionary funding from the High Intensity Drug Trafficking Areas (HIDTA) program has been dedicated to the Native American Project (NAP) to use intelligence-driven operations to detect, deter, interdict, disrupt and/or dismantle organizations involved in drug trafficking, in general, or methamphetamine trafficking, specifically, on tribal lands. One of successes of the NAP is the HIDTA Program's work with the Yakama Indian Nation Tribal Police Department in marijuana eradication on the Yakama Indian Reservation, which resulted in the location and eradication of over 102,000 marijuana plants in 2007—a record achievement—and the disruption of a poly-drug trafficking organization based in Vancouver, Washington, and Portland, Oregon. Finally, ONDCP has worked to increase the representation of Tribal communities in the Drug Free Communities Program, which resulted in an increase from 2.5% in FY 2006 to 7.3% in FY 2007.

In addition to responsibilities to coordinate and oversee implementation of national drug control policy as described in the ONDCP Reauthorization Act of 1998, provisions of the ONDCP Reauthorization Act of 2006 add a number of reporting requirements to the existing statutory mandate. Examples include an annual report on strategy, objectives, operations, and plans of the National Youth Anti-Drug Media Campaign and one on the Technology Transfer program for the previous year due annually on 1 July. Throughout 2008, ONDCP continues to fulfill the requirements as described in the Act.

2. For 2007 and 2008, please provide details as to whether and how the Director complied with the following requirements in developing the National Drug Control Strategy:
 - a. The Director shall seek the support and commitment of State, local and tribal officials in the formulation and implementation of the National Drug Control Strategy (Sec. 704(b)(17)); and
 - b. The Director shall consult with heads of National Drug Control Program agencies; Congress; State, local, and tribal officials; private citizens and organizations, including community and faith-based organizations with experience and expertise in demand and supply reduction; and appropriate representatives of foreign governments (Sec. 706(a)(3)).

Response: In developing the National Drug Control Strategy, 21 USC 1705 (a) (3) (A), as amended by the ONDCP Reauthorization Act of 2006, calls for ONDCP to consult with, among others, heads of the National Drug Control Program agencies, Congress, and private citizens and organizations, including community and faith-based organizations with experience and expertise in demand reduction.

To this end, to develop the reports on the 2007 and 2008 National Drug Control Strategy (NDCS), the Office of National Drug Control Policy (ONDCP) invited a broad coalition of constituents to share views on the NDCS by sending written comments on its content. The individuals and organizations whose views were solicited in preparing the 2008 NDCS are listed in Appendix A of the National Drug Control Strategy: 2008 Annual Report. Through these consultations, stakeholders' observations are included in the national policy-making process.

As part of the 2007 and 2008 NDCS consultation process, ONDCP also invited representatives from key constituent groups to meet with ONDCP staff to discuss the Strategy, including various drug control topics, and to provide their respective perspectives and suggestions for developing the next report on the Strategy. For the 2008 NDCS, ONDCP met with representatives from selected State, Local, and Tribal governments on July 31, 2007; national-level law enforcement associations on August 3, 2007; Congressional staff on July 23, 2007; and Federal law enforcement agencies on July 30, 2007. The six-member HIDTA Directors' Committee met with ONDCP leadership on July 30th. ONDCP also met with representatives from a wide variety of non-governmental constituents to consider the Nation's demand reduction efforts on Tuesday, July 24th and with its Federal partners involved in demand reduction on Wednesday, July 25th.

The Director of ONDCP attended all or part of most of these meetings, with his senior staff also participating. The ideas and input communicated during these meetings made an important contribution to the strategy drafting process. These meetings provided a very valuable opportunity for face-to face collaboration among ONDCP constituents and ONDCP leadership about an array of drug control topics.

In addition to soliciting written comments and inviting constituents to attend consultation meetings, ONDCP consults, on a continuing basis, with representatives from the full array of Federal, State and local agencies, organizations, and individuals with experience and expertise in drug demand reduction, drug treatment, and supply reduction as part of our preparations to prepare the report on NDCS. Moreover, the Director; Deputy Director; Deputy Director, Office of Supply Reduction; Deputy Director, Office of State, Local and Tribal Affairs; and Deputy Director, Office of Demand Reduction, ONDCP, also attend numerous conferences and meetings throughout the year to discuss priority drug policy items. During these events, they consult with Federal, State, Local and Tribal government representatives to learn about program consequences, current and emerging challenges, opportunities to enhance the effectiveness of drug policy. These discussions, day in and day out, help to ensure that our drug policy truly reflects the concerns and priorities of our partners throughout the nation.

3. The Director is required to submit to Congress by February 1 of each year a description of the national drug control performance measurement system designed in consultation with affected National Drug Control Program agencies (Sec. 706(c)).
 - a. Did ONDCP provide this description to Congress for 2007 and 2008?

Response: Performance measures are included in the *National Drug Control Strategy, Budget Summary (Budget Summary)*. The *FY 2008 Budget Summary* contained a brief description of the performance measurement system in the Executive Summary, and included performance measures for each agency in Section III. The *FY 2008 Budget Summary* did not contain a comprehensive description of the system as ONDCP's Reauthorization Act was passed in late December 2006, not permitting sufficient time given the print schedule to fully accommodate the new reporting requirements. However, the *FY 2009 Budget Summary* contained a more expansive description of the performance measurement system in the Executive Summary.

- b. Was it provided by February 1 in each year?

Response: The *FY 2008 Budget Summary* was transmitted to Congress on February 9, 2007. The *FY 2009 Budget Summary* was transmitted to Congress on March 4, 2008.

- c. Please provide copies of the national drug control performance measurement system for 2007 and 2008.

Response: Copies may be found at:

<http://www.whitehousedrugpolicy.gov/publications/policy/09budget/fy09budget.pdf>

<http://www.whitehousedrugpolicy.gov/publications/policy/08budget/08budget.pdf>

4. Based on this performance measurement system provided to Congress, the Director is required to provide, within 60 days after the close of the evaluation period, a summary of the progress each National Drug Control Program agency has made toward its drug control program goals using its performance measures (Sec. 704(b)(14)).

- a. Was this information provided to Congress for the past two years?

Response: Yes. The performance information is contained in Section III of the *Budget Summary*. The *Budget Summary* provides a progress report on how well each National Drug Control Program agency is making progress with regard to their reported measures.

- b. Was it provided within the 60 day period after the close of the evaluation period?

Response: Yes.

- c. Please provide these summaries of progress for the past two years.

Response: Copies may be found at:

<http://www.whitehousedrugpolicy.gov/publications/policy/09budget/fy09budget.pdf>
<http://www.whitehousedrugpolicy.gov/publications/policy/08budget/08budget.pdf>

Budget Requirements

5. The Director of ONDCP is required to provide budget recommendations (funding guidance) to the heads of departments and agencies with responsibilities under the National Drug Control Program by July 1 of each year (Sec. 702(b)(8)).

- a. Did ONDCP provide such budget recommendations for FY 2008? FY 2009?

Response: Yes. Funding Guidance was issued prior to July 1st for both FY 2008 and FY 2009.

- b. Were these recommendations in written form? If so, please provide these written recommendations for FY 2008 and 2009.

Response: Yes. These materials are considered pre-decisional and, as such, may not be shared outside of the Executive Branch.

6. The Director is required to give in writing to each department, agency, or program with responsibilities under the National Drug Control Strategy, a written statement confirming adequacy or inadequacy of each entity's drug control budget request (Sec. 704(c)(3)).

- a. Did ONDCP provide such written statements of adequacy or inadequacy to each covered department, agency, or program for FY 2008? FY 2009?

Response: Yes.

- b. If so, please provide copies of such written statements for FY 2008 and 2009.

Response: These materials are considered pre-decisional and, as such, may not be shared outside of the Executive Branch.

7. If the Director concludes that the budget submission of a National Drug Control Program department or agency does not include the requisite funding levels and initiatives, the Director is required to issue a written decertification of the department or agency's budget and submit such decertification to the Senate and House (Sec. 704(c)(3)(D)(iii)).

- a. Did ONDCP decertify any agency's budget for FY 2008? FY 2009?

Response: No.

- b. If so, did ONDCP submit such decertification(s) to the Senate and House?

Response: Not applicable as no decertification's occurred during this time period.

- c. Please provide all written certifications and decertification for FY 2008 and FY 2009.

Response: These materials are considered pre-decisional and, as such, may not be shared outside the Executive Branch.

Research and Technology Requirements

8. By statute, the Chief Scientist is required to do the following (Sec. 708(c)):

- Identify and define short-, medium-, and long-term scientific and technical needs of Federal, State, local and tribal drug supply reduction agencies;

Response: The Chief Scientist interacts with the community through interagency forums to assist CTAC in identifying and defining scientific and technical requirements established by supply reduction agencies. These forums include, but are not limited to, formal gatherings of law enforcement agency representatives where ongoing R&D projects, law enforcement requirements and future endeavors are discussed in great detail. These discussions/demonstrations encompass short, medium and long term scientific and technical needs of all agencies in the supply reduction spectrum. The most recent example of such a forum is the Technology Policy Council (TPC) Meeting combined with the Inter Agency Working Group for Technology (IAWG — T) hosted by ONDCP/CTAC on September 18, 2007. (The agenda and list of attendees is attached in binder titled "Other Report" - Tab A.) This session featured Automated Recognition Sensors/Technologies encompassing requirements established by Federal, State, local and tribal supply reduction agencies.

In the State, local and tribal supply reduction agency community, CTAC's Technology Transfer Program provides an additional platform for the Chief Scientist to identify and define scientific/technical requirements specific to that group. Through the production of a Technology Transfer Program (TTP) Catalog, State, local and tribal technical requirements are identified and agencies are afforded the opportunity to compete for technology equipment (and associated training) awards. Detailed information for the FY 2007 TTP program is attached.

- identify demand reduction basic and applied research needs and initiatives;

Response: The Chief Scientist interacts with the demand reduction community through interagency meetings and forums that assist CTAC in identifying demand reduction basic and applied research requirements and initiatives. A recent example of such a forum was the National Institute on Drug Abuse (NIDA)/ONDCP — sponsored Demand Reduction Technology Review Committee Meeting held June 19 - 20, 2007. (The agenda and list of attendees is attached in binder titled “Other Report” - Tab A.) Among the issues discussed were updates to current projects addressing drug addiction and drug addiction research challenges in the future. The Chief Scientist consults closely NIDA, the ONDCP Demand Reduction Office, and various research entities around the country in the demand reduction (prevention and treatment) communities to identify, coordinate and prioritize where CTAC can participate in efforts undertaken by or identified by demand reduction entities,

- make priority ranking of needs;

Response: For each fiscal year's CTAC appropriation, the Chief Scientist, after consulting with the Interagency and other supply/demand reduction entities described herein, formulates a prioritized list of projects that address scientific and technology requirements across the community. This list, matched with the associated project costs is mapped against CTAC's appropriation. The entire project list is forwarded to the ONDCP Director for approval in the form of a CTAC Spending Plan. Once approved by the Director, the Spending Plan is sent to Congress in the form of a CTAC Notification of FY 'XX Spending Plan.

- oversee and coordinate counterdrug technology initiatives with related activities of other Federal civilian and military departments;

Response: The Chief Scientist efforts in paragraph a (above) serve to oversee and coordinate counterdrug technology initiatives at the Federal, State, local and tribal *supply* reduction agencies. The Chief Scientist also interacts frequently with ONDCP's Office of Supply Reduction and Office of Planning and Budget to monitor, oversee and coordinate Federal and military agency spending for technology initiatives, in addition to, international supply reduction technology initiatives.

- provide support to development and implementation of a national drug control performance measurement system; and

Response: ONDCP's Office of Performance and Budget (OPB) has the primary responsibility for developing and implementing the national drug control performance measurement system.

The Chief Scientist supports OPB's efforts through the Policy Research and Performance Measures Development programs: These programs provide funds to identify, obtain, and analyze the data used in the system to assess progress in achieving goals and objectives. These data are used to correlate with other data sources to inform senior policy officials and program managers.

For example, the ultimate performance measure for the National Drug Control Strategy is changes in current use of any illicit drug among youth and adults. The 2002 Strategy established goals of a 10 percent and 25 percent reduction in youth and adult drug use in two and five years, respectively, from a baseline of 2001. For the youth goal, ONDCP relies upon special analyses of data collected by the Monitoring the Future (MTF) study at the University of Michigan. Each year, the Chief Scientist coordinates with the MTF researchers to obtain these analyses.

Another example is the production of a time series for the price and purity of illicit drugs. These data are used as performance measures in assessing the progress of law enforcement, interdiction, and source country program goals and objectives. Over the past year, the Chief Scientist has closely coordinated with the Drug Enforcement Administration, the agency responsible for collecting these data, to develop a consensus methodology for producing national estimates of price and purity for the four major drugs (for marijuana, only price data are available).

A third example is the production of estimates of drug flow/availability used by supply reduction agencies as performance measures. The Chief Scientist leads an interagency effort to develop the methodology and produce interagency consensus estimates. These estimates are developed from a synthesis of data from various sources, including plant yield, processing efficiency, potential production, seizures, and consumption.

The Chief Scientist works in close cooperation with OPB in preparing ONDCP's performance-based budgeting for the National Drug Control Strategy and in the production of the agency's Performance Summary Report.

- submit requests to Congress for reprogramming or transfer of funds appropriated for counterdrug technology research and development.

Response: In November 2007, funding was transferred internally from the ONDCP Other Federal Drug Control Program (OFDCP) account to enhance CTAC's Project Candid Camera. This project entails the development and implementation of a robust and widely networked License Plate Reader infrastructure in key locations along and north of the Southwest United States Border. Appropriate communication was sent to Congress.

Please provide details and written documentation as to how the Chief Scientist has complied with these requirements for FY 2007 and to this point in the current fiscal year (October 1, 2007—June 30, 2008).

Response: Please see attachment in binder titled "Other Report – Tab A.

Supply and Demand Reduction Requirements

9. ONDCP is required to ensure that drug prevention and drug treatment research and information is effectively disseminated by National Drug Control Program agencies to state and local governments, as well as non-governmental entities involved in demand reduction (Sec. 702(b)(15)). Please describe if and how this process has occurred for FY 2007 and to this point in the current fiscal year (October 1, 2007—June 30, 2008).

Response: ONDCP has been actively disseminating drug treatment and prevention information in the following ways:

- The Deputy Director of Demand Reduction has been delivering speeches on treatment and prevention to state, local and non-governmental entities throughout the nation throughout FY 2007 and the current fiscal year. She has appeared on average 1-2 times per week before audiences interested in demand reduction issues.
- ONDCP has hosted an annual Leadership Summit on Medical Education on Substance Abuse, which has been announced in the Federal Register, and is attended by national medical associations and practitioners from the medical field. The purpose of the annual meeting is to promote greater education on how to screen, intervene and treat substance abuse in medical school, residency and hospital settings. A report is generated from each conference and made available to the public.
- ONDCP hosts approximately 10 “Student Drug Testing Summits” per year in different geographical locations. The goal of the Summits are to promote Random Student Drug Testing as a prevention tool for keeping school aged youth drug free. Outreach is conducted to local school districts, school administrators, coaches, school nurses, parent organizations, and community coalition leaders. For example, in the current fiscal year, ONDCP has hosted Summits in the following locations:
 - Des Moines, Washington January 17, 2008
 - Pasco, Washington, January 18, 2008
 - Jacksonville, Florida January 29, 2008
 - Oklahoma City, Oklahoma January 31, 2008
 - Albuquerque, New Mexico February 6, 2008
 - Indianapolis, Indiana February 19, 2008
 - Washington DC February 15, 2008
 - Pagosa Springs, CO April 24, 2008
 - Washington DC May 7, 2008.
- The Deputy Director of Demand Reduction has also conducted “Grand Rounds” at approximately 20 hospitals throughout the nation informing the local medical communities about Screening and Brief Intervention (SBI) as a tool to reduce substance abuse.
- The Deputy Director of Demand Reduction has also delivered keynote addresses at the national conferences of National Drug Control Program agencies, such as Health Resources Services Administration (HRSA), Indian Health Service (IHS), Department

of Labor (DOL), and the Substance Abuse and Mental Health Services Administration (SAMHSA)

ONDCP also monitors the dissemination of treatment and prevention materials by National Drug Control Program agencies. Examples of such dissemination includes:

- Monitoring the Addiction Technology Transfer Centers “ATTC”s at SAMHSA which operate in 14 regions nationally and disseminate the latest information on drug treatment and prevention
- Department of Labor's Drug Free Workplace Program disseminates tool kits and other information for workplaces
- US Department of Education, Office of Safe and Drug Free Schools, disseminates prevention information through local school districts
- National Institute on Drug Abuse offers information about the science of drug abuse and addiction on their website

For each of these examples, ONDCP staff work closely with Drug Control Program agencies to assure wide and effective dissemination.

10. By statute, the Interdiction Coordinator is required to do the following (Sec. 711(a)(2)):

- Coordinate interdiction activities of the National Drug Control Program agencies to ensure consistency with the Strategy;

Response: Upon assuming command of the US Coast Guard in May 2006, Admiral Thad Allen also assumed chairmanship of The Interdiction Committee (TIC). On 31 July 2006, Director Walters designated the Deputy Director of Supply Reduction as the U.S. Interdiction Coordinator (USIC). TIC, comprised of all drug control agency principals, reports to the USIC who, in turn, reports to the Director, ONDCP. Because former USIC staff members, with the exception of the USIC Executive Director, were reassigned to support TIC, USIC duties were also divided between the two entities. USIC retained oversight of the National Interdiction Command and Control Plan (NICCP) and chairmanship of the Bilateral Interdiction Working Group with Mexico; TIC was given responsibility for oversight of the Consolidated Counter Drug Database (CCDB), publication of the annual Performance Assessment Review (PAR) and the Interdiction Planning Guidance (IPG), oversight of the Interdiction Planning and Asset Management Group (IPAMG), and responsibility for advising the USIC on operational and tactical issues that impact the ability of TIC member agencies to most effectively carry out the NDCS.

- develop and issue on or before March 1 of each year a National Interdiction Command and Control Plan;

Response: The latest edition of the NICCP was signed on 31 August 2005 by the USIC, OSD's Assistant Secretary of Defense for Special Operations and Low Intensity Conflicts (ASD-SOLIC), DHS Under-Secretary for Border and Transportation Security (BTS), and the Coast Guard Commandant. (Please see attachment in binder titled “Other Reports” - Tab B.) Since that

time, the NICCP has been thoroughly reviewed each year and no TIC principals have indicated a need to change the document or the command and control construct articulated therein. This status has been reported to Congress each year by 1 March.

- assess sufficiency of assets committed to illicit drug interdiction by the relevant National Drug Control Program agencies; and

Response: In the 2007 National Drug Control Strategy, ONDCP published for the first time a national interdiction goal of 40 percent. Historically, the rate at which the interagency has removed illicit drugs from the Western Hemisphere Transit Zone (WHTZ), measured by seizures plus disruptions as a percentage of total CCDB documented movement, has remained in the low twenty percent range. To give drug control agencies time, within the federal budget cycle, to pursue the additional capability and capacity needed to advance from the current removal rate toward the desired 40 percent removal rate, ONDCP established in the 2008 NDCS an incremental increase in the target removal rate, advancing by 2.5 percent per year. Thus, starting at 25 percent in 2008 the intent is to achieve the desired 40 percent removal rate by 2014. Additionally, on 26 November 2007 the USIC tasked TIC to conduct an IPAMG Study that would articulate, by budget year and by agency, the additional capability and capacity needed to achieve target removal rates from 2011 through 2014. As part of this study, the operational effectiveness of proposed blue force structures to meet target, year-over-year removal rates will be modeled using the US Coast Guard's Operational Effectiveness Modeling and Simulation tool. *The* study will evaluate both maritime (Eastern Pacific and Caribbean) and overland (Caribbean Island Nations; CENTAM; Mexico) portions of the transit zone and will address capability and capacity requirements throughout the entire interdiction continuum, from development of actionable intelligence to end game and prosecution. Funding for the study has been identified and it is anticipated to begin in September 2008.

- advise the Director on efforts of each National Drug Control Program agency to implement National Interdiction Command and Control Plan.

Response: The 31 August 2005 NICCP has been implemented and is working well. For each of the past two years, USIC has offered TIC the opportunity to propose any needed/desired changes and none have been forthcoming. That said, pending changes to DOD's Unified Command Plan (UCP) may require that the plan be updated. If so, the USIC will task TIC to propose recommended changes.

- Please provide details and written documentation as to how the Interdiction Coordinator has complied with these requirements for FY 2007 and to this point in the current fiscal year (October 1, 2007-June 30, 2008),

Response: Please see USIC Annual Reports dated February 27, 2007 and February 29, 2008 in binder titled "Other Reports" – Tab B.

11. With regards to the statutory requirements for the Interdiction Committee (Sec. 711(b)):

- a. Has the Interdiction Committee reviewed the annual National Interdiction Command and Control Plan and provided advice to the Director and U.S. Interdiction Coordinator as to such Plan for FY 2007? To this point in the current fiscal year (October 1, 2007—June 30, 2008)?

Response: The 31 August 2005 NICCP has been implemented and is working well. For each of the past two years, USIC has offered TIC the opportunity to propose any needed/desired changes and none have been forthcoming. That said, pending changes to DOD's Unified Command Plan (UCP) may require that the plan be updated. If so, the USIC will task TIC to propose recommended changes.

- b. Has the Interdiction Committee met, in person, at least once per calendar year prior to March 1 for 2007 and 2008?

Response: TIC has met six times since Admiral Allen accepted designation by Director Walters as Chairman: 1 Nov 2006; 8 Jan 2007; 1 Jun 2007; 12 Oct 2007; 7 Feb 2008; and 5 Jun 2008. The 12 Oct 2007 meeting was hosted by JIATF South in Key West, FL and the 5 Jun 2008 meeting was hosted by EPIC in El Paso, Texas. The other meetings were held at Coast Guard Headquarters in Washington, DC.

HIDTA Requirements

12. By statute, the Director is required to ensure that any drug enforcement intelligence obtained by the Intelligence Support Center for each IIDTA is shared, on a timely basis, with the drug intelligence fusion center that is operated by the Organized Crime Drug Enforcement Task Force of the Department of Justice (Sec. 707(n)).

- a. Did this sharing of information occur during FY 2007 and to this point in the current fiscal year (October 1, 2007—June 30, 2008)?

Response: All of the HIDTAs have been made aware of this intelligence-sharing requirement, which was initiated by the ONDCP Reauthorization Act of 2006, through HIDTA Directors and Intelligence Managers meetings. Future versions of formal HIDTA policy will incorporate not only this requirement, but also the means by which the individual HIDTAs will track their intelligence-sharing efforts and evaluate the sufficiency of their respective tracking programs.

- b. If so, please describe the process.

Response: Such intelligence is presently shared either via deconfliction systems (under the National Pointer System) or via internal Drug Enforcement Administration (DEA) intelligence-sharing mechanisms, which mandate that all DEA-led initiatives (which effectively covers most HIDTA initiatives) automatically route their intelligence (in electronic form) to the U.S. Department of Justice's Organized Crime Drug Enforcement Task Forces. Future versions of

formal HIDTA policy will include uniform rules and procedures that will govern subsequent intelligence sharing.

13. For each designated HIDTA, ONDCP is statutorily required to submit, as part of the annual National Drug Control Strategy report, a report that describes each HIDTA's specific purpose, and specific long-, and short-term goals/objectives (Sec. 707(k)).
 - a. Has this information been provided in the National Drug Control Strategy report for FY 2007 and FY 2008?

Response: No. The detailed HIDTA-specific information required by the ONDCP Reauthorization Act of 2006 has been included in ONDCP's most recent congressional budget justifications, and represents ONDCP's first attempt to provide more comprehensive analyses of each HIDTA.

- b. If not provided to Congress in the National Drug Control Strategy report, has it been provided separately to Congress? If so, please provide the reports for FY 2007 and FY 2008.

Response: Fiscal Year 2007 HIDTA-specific information was the basis for a report that was provided to the U.S. Congress on April 16, 2007. A similar report containing FY 2008 HIDTA-specific information is in the production stages, and will be completed sometime prior to the release of the 2009 National Drug Control Strategy Annual Report. (Please see the three binders titled "Description of High Intensity Drug Trafficking Areas" dated April 16, 2007.)

National Youth Anti-Drug Media Campaign

14. Has the Director designated an independent entity to evaluate by April 20 of 2007 and 2008 the effectiveness of the National Youth Anti-Drug Media Campaign and whether it has contributed to the reduction of illicit drug use among youth and other measures (Sec. 709(b)(2)(C))?
 - a. If so, please provide these evaluations for 2007 and 2008.

Response: Yes, these two annual evaluation reports were prepared and transmitted to the appropriate Congressional offices, as required by the ONDCP Reauthorization Act of 2006. These two annual evaluation reports are attached in binder titled "Other Report" - Tab C.

Each of the two annual reports incorporates data from the various external sources as required by the Reauthorization language, including the Monitoring the Future Survey (funded by NIDA and conducted under a grant by the University of Michigan), the National Survey on Drug Use and Health (conducted under contract by the Substance Abuse and Mental Health Services Administration), the Partnership Attitude Tracking Study (conducted by the Partnership for Drug Free America). In addition, data from the Media Campaign's ongoing study, which tracks performance of the advertising using monthly surveys of both youth and parents, were made

available for the reports to demonstrate how the campaign monitors results on a month-to-month basis to provide meaningful data in real time.

15. With regards to the National Youth Anti-Drug Media Campaign:

- a. Has the Director ensured that not less than 10% of available funds was expended on ads specifically intended to reduce the use of methamphetamine for FY 2007 and FY 2008 (Sec. 709(k)(1))?

Response: In FY 2007 the Media Campaign spent \$10.2 million of the \$100 million appropriation for the meth campaign, which amounts to 10.2 percent, exceeding the requirements of the 2006 Reauthorization. In FY 2008, the Media Campaign is spending \$6.012 million of the \$60 million appropriation for the meth campaign, which amounts to 10.02 percent, also exceeding the 10 percent requirement.

In both years the investment benefited substantially by costs-savings made possible by using free TV and print ads the campaign acquired from organizations that already had produced meth advertising, thus saving both time and scarce funds instead of the Media Campaign having to create and test new ads from scratch. Ads submitted to ONDCP for consideration were carefully tested to make sure that they would be effective before they were aired. Also, the available advertising budget for the meth campaign was more than doubled through the Campaign's media match requirement, and the messages received very favorable news media coverage, further amplifying their reach and frequency.

- b. This amount can be reduced if the Director certifies to Congress that methamphetamine lab seizures decreased to at least 75% of the 2006 level, or the Director documents a highly, statistically significant increase in a specific drug that can be defined as a local drug crisis—if so, the Director may use monies for reduction of other drug use (Sec. 709(k)(2)).

- 1. Has this amount been reduced for FY 2007? FY 2008?

Response: The ten percent required amounts have not been reduced either for FY 2007 or FY 2008. Because ONDCP relies on data from outside sources, in this case the DEA domestic meth lab seizures reports, we will make a determination as to the appropriateness of shifting focus to the reduction of other drug use based on upcoming reports. This will include data from reports on prevalence of meth use by the Campaign's primary target audience (as set forth in the 2006 Reauthorization) from national surveys that include “locally collected data” that can be defined as a local drug crisis. Both the Monitoring the Future survey and the National Survey on Drug Use and Health qualify as such surveys.

- 2. If so, what were the reasons for such reduction and what other drug(s) was the money used for?

Response: Not applicable.

Other Reports

- b. The Reauthorization of 2006 required numerous reports to be submitted to Congress anywhere from 30 days to 1 year after the Reauthorization. Please review the required reports below and indicate whether each report was completed, and the date of submission to Congress. Please also provide the completed reports to the Academy.

Response: Two binders titled “2007 Statutory Reporting Requirements” and “2008 Statutory Reporting Requirements” have been created to respond to this request. In Binder One, TAB B, a table has been created delineating all of the reporting requirements contained in Public Law 109-469, the Office of National Drug Control Policy Reauthorization Act of 2006. It delineates the provision, a brief description of the requirement, due date and dates of transmittal to Congress for reports transmitted in FY 07.

Additionally, a second binder has been created delineating all of the annual reporting requirements contained in Public Law 109-469 and the reporting requirements from Public Law 110-161, the Consolidated Appropriations Act for FY 2008. The table at TAB B in Binder Two delineates the provision, a descriptor of the requirement, the due date and dates of transmittal to Congress for FY 08.

Copies of all of the reports transmitted to Congress in FY 07 have been made and are contained in Binder One. Copies of the reports transmitted to Congress to date in FY 08 are contained in Binder Two. The following reports were specifically cited by NAPA and are located in Binder One. The specific Tab in Binder One is highlighted at the end of each cite.

- a. Evaluation of existing and planned law enforcement intelligence systems used by federal, state, local, and tribal law enforcement agencies responsible for drug trafficking and drug production enforcement, with statutorily required contents (due within 180 days of Dec. 29, 2006) (Sec. 1103). **Binder One, TAB C2**
- b. Comprehensive strategy to address the threat of heroin from South America, with statutorily required contents (due within 90 days of Dec. 29, 2006) (Sec. 1104). **Binder One, TAB C 23**
- c. Status report on the Institute of Medicine study, to be requested by the Director, of addiction caused by doctor-prescribed opioid analgesics (due within I year of Dec. 29, 2006) (Sec. 1106).

ONDCP met with the Institute of Medicine (IOM) to define the scope and cost of the proposed study. The cost was estimated to be between \$0.5 and \$1.0 million. No funds were appropriated by Congress for this study and ONDCP, therefore, was not able to fund it.

- d. Strategy to stop Internet advertising of prescription drugs without a prescription (due within 120 days of Dec. 29, 2006) (Sec. 1107). **Binder One TAB C 7**
- e. Plan to conduct a study on the illegal diversion and inappropriate uses of prescription drugs, with statutorily required contents (due within 90 days of Dec. 29, 2006) (Sec.

1108). **Binder One TAB C 7**

- f. Comprehensive strategy to address the threat of Afghan heroin, with statutorily required contents (due within 90 days of Dec. 29, 2006) (Sec. 1109). **Binder One TAB C 23**
 - g. Southwest Border Counternarcotics Strategy, including a strategy to end the use of tunnels under the U.S.-Mexico border (due within 120 days of Dec. 29, 2006) (Sec. 1110). **Binder One TAB C 10**
 - h. Plan to conduct a scientific study of the use of mycoherbicide to eliminate illicit drug crops (due within 90 days of Dec. 29, 2006) (Sec. 1111). **Binder One TAB C 8**
 - i. Comparison of state laws to control precursor chemicals and a study of their effectiveness and best practices (due within 6 months of Dec. 29, 2006) (Sec. 1112). **Binder One TAB C 12**
 - j. Analysis of methamphetamine-related activities conducted by state-administered Drug Endangered Children programs and recommendations for a national policy (due within 6 months of Dec. 29, 2006) (Sec. 1113). **Binder One TAB C 21**
 - k. Evaluation of drug court programs that conduct hearings in nontraditional public places, such as schools, as a means of demand reduction (due by Feb. 1, 2007) (Sec. 1114). **Binder One TAB C 18**
 - l. Participation of tribal governments in the HIDTA Program (due within 1 year of Dec. 29, 2006) (Sec. 1115). **Binder One TAB C 20**
 - m. Drug testing in schools, including a list of secondary schools that initiated testing after attending an ONDCP-sponsored conference on the subject (due within 120 days of Dec. 29, 2006) (Sec. 1116).
- Draft under clearance. Delayed awaiting sufficient data.**
- n. List of ONDCP employees receiving performance bonuses from Oct. 1, 2004, to the date of the submission of the report, and the amounts of such bonuses (due within 120 days of Dec. 29, 2006) (Sec. 1117). **Binder One TAB C 11**
 - o. Best practices in reducing the use of illicit drugs by chronic hard-drug users as identified in the demonstration programs to coerce abstinence through drug testing and sanctions (interim report due by June 1, 2009) (Sec. 1119).

No appropriations were received in FY 07; In FY 08 ONDCP signed a Memorandum of Understanding with the National Institute of Justice. Given the level of appropriation received, and in response to the legislative requirements, NIJ is soliciting research to identify effective programs that target chronic drug users living in the community under some form of criminal justice supervision—including pre-trial, probation, or parole. This solicitation is to support an evaluation only of a developing or existing community-based supervision program that most closely matches the requirements described in the legislation. This would include both a process and outcome evaluation.

- p. Appeals process for suspended or terminated grantees under the Drug-Free Communities Act of 1997 (due within 60 days of Dec. 29, 2006) (Sec. 1032). **Binder One TAB C 4**

PARTNER AGENCY SURVEY METHODOLOGY AND DATA ANALYSIS

Chapter III presented the major insights from the Panel’s survey of ONDCP’s partner agencies.²⁰² This appendix provides additional details on the methodology and includes a detailed analysis of each question.

METHODOLOGY AND RESPONSE RATE

Recognizing that ONDCP works with partner agencies in a number of areas, the study team believed it was important to gather perspectives from individuals who had knowledge of how ONDCP works with their organization on policy, budget, and performance issues. The study team decided that the best way to gain input would be to send the survey to a “budget person” and a “policy person” at the departmental and bureau levels of each national drug program agency. One member of the team called each budget contact on the official contact list provided by the ONDCP Office of Performance and Budget at the beginning of the study. The team member explained the purpose of the survey, determined whether the contact was appropriate for budget and/or policy issues, and gathered updated contact information. In some cases, the budget contacts said they would also be the most appropriate policy contacts; in other cases, they provided a policy contact or stated that they would later provide such a contact (which was not always provided). When separate budget and policy contacts were identified for an organization, some budget contacts still had enough knowledge to answer at least some of the policy questions, and vice versa.²⁰³

In summary:

- The study team attempted to identify a budget contact and a policy contact at both the departmental and the bureau levels. In some cases, these contacts were the same (that is, the budget person was the policy person, or vice versa).

²⁰² In comments on the Agency Review Draft of this report, ONDCP objected to the inclusion of the partner agency survey. Specifically, it objected to surveying partner agencies because ONDCP is “an oversight agency functioning on behalf of the President” and cast doubt on the knowledge of survey respondents and their involvement with ONDCP. ONDCP objected to many of the survey’s budget questions because “2008 is not a ‘typical’ year—for instance, the usual Summer and Fall budget certification process was not undertaken in view of the upcoming election.” None of the budget questions, however, specifically addressed the atypical budget year (FY 2010). ONDCP issued funding guidance and conducted its typical review/certification during each of the years specifically addressed in the budget questions (FY 2006 to FY 2009). Two questions (one on overall impact and another on overall satisfaction) requested information on “FY 2006 to the present,” but respondents were asked whether their assessment “varied over time or by area.” No respondent mentioned FY 2010.

²⁰³ Once the survey was submitted to these contacts, it included a mechanism by which individuals who did not believe they were the correct person to respond could send the study team the name of the correct person. In those cases, the study team forwarded the survey to that new person and removed the original person from the list.

- Of the 34 people surveyed, a total of 27 (nearly 80 percent) responded to the survey. Of the 27 respondents, a total of 24 (71 percent of those surveyed) completed the survey; three of them were “partial responses.”²⁰⁴
- Of the 11 NDCP departments/independent agencies,²⁰⁵ the study team received responses from 9 (81.81 percent). In both cases, this was because the study team was unable to obtain contact information for them.
- Of the 20 NDCP bureau-level organizations,²⁰⁶ the study team received responses from 13 (65 percent). The study team was unable to get contact information for 4 bureaus, so only 3 of the surveyed bureaus had no one respond.
- Of the respondents who completed the survey, only four organizations (departmental-level or bureau-level) had more than one respondent. Of all respondents, complete and partial, only six organizations (departmental-level or bureau-level) had more than one respondent. For this reason, there is no significant issue with “double-counting” certain organizations.

The Academy’s survey methodology expert, along with the study team, believes that the overall response rate was outstanding and that these results provide important insights into partner agency employees’ views on these issues. Because the unit of analysis was the respondent, not the organization, the numbers presented throughout this chapter are respondents instead of organizations. The study team did not attempt to amalgamate the results to determine the *number of organizations* who responded a given way to each question. Because the survey questions asked about a wide range of areas, respondents were not expected to answer every question. The proportion of respondents who selected “Don’t Know” for various questions were consistent with the study team’s expectations and do not indicate that unknowledgeable people were surveyed.

As an oversight agency, ONDCP believes that some partner agencies could have been biased in their responses. The Panel believes, however, that an oversight agency can learn a great deal from the agencies it is overseeing, particularly from seasoned budget analysts.

²⁰⁴ Survey Monkey counts a completed survey as anyone where the respondent went through the entire survey and clicked “done.” It does not mean that the respondent answered every question, or did not answer “don’t know” in some instances. A “partial response” in Survey Monkey exists when a respondent answered some of the questions, but did not click the done button on the final page.

²⁰⁵ For the purposes of the survey, ONDCP was not counted as an NDCP organization.

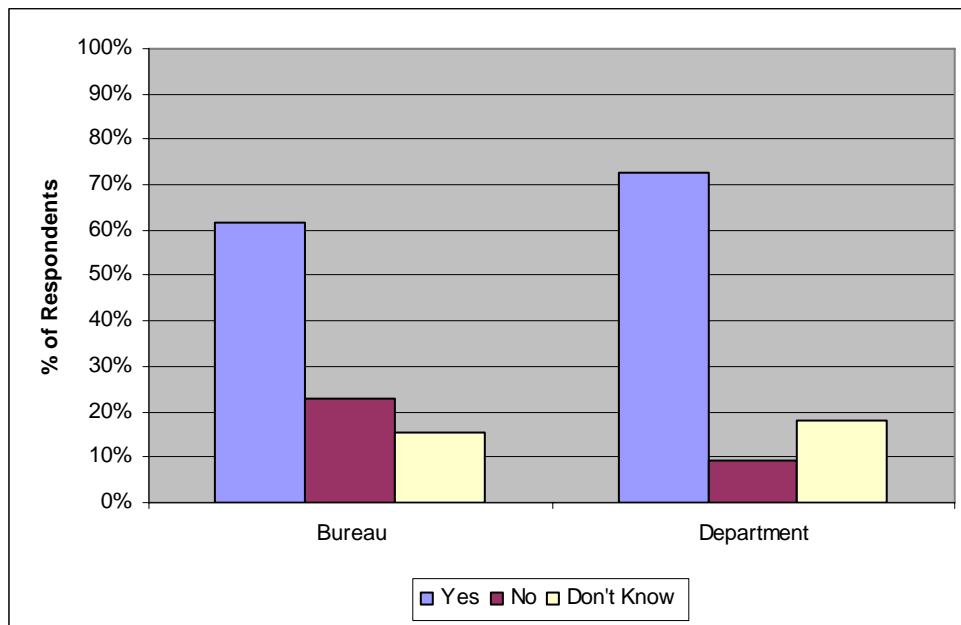
²⁰⁶ A department with only a bureau-level budget review was counted in these numbers as both a department and a bureau.

DETAILED SURVEY ANALYSIS

ONDCP Policy Formulation and Coordination Processes

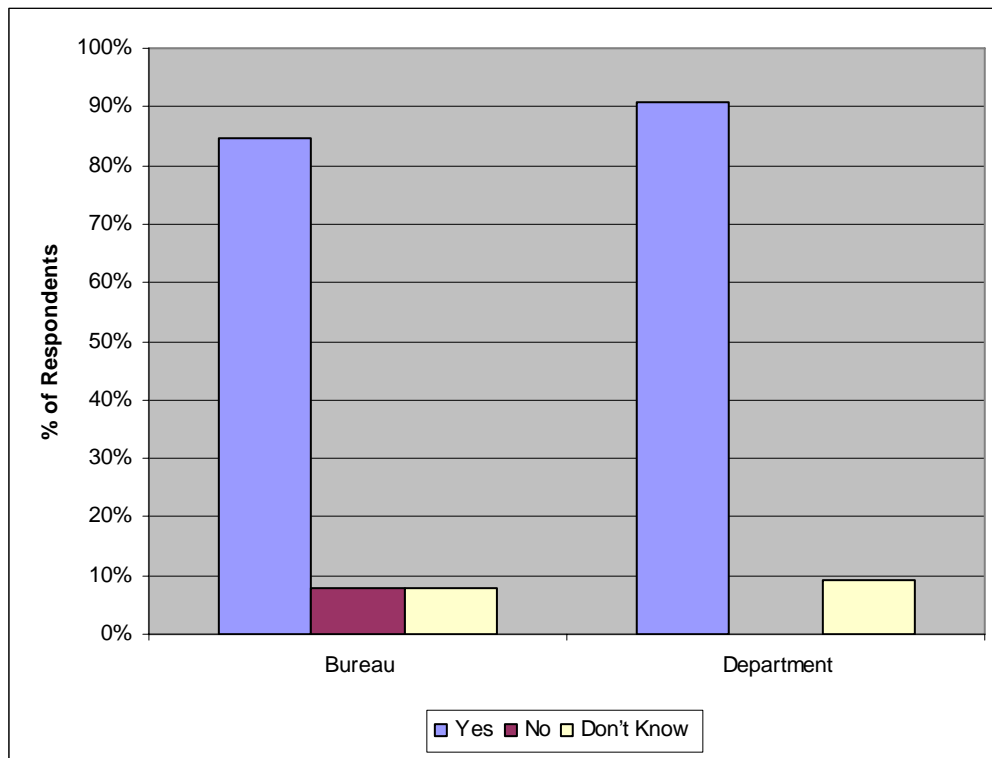
Respondents were asked whether ONDCP, from FY 2006 to the present, had sought their department's/bureau's input into the development of the National Drug Control Strategy. As Figure 1 shows, the vast majority of both departmental respondents (8 individuals, 72.7 percent of this group) and bureau respondents (8 individuals, 61.5 percent of this group) said that ONDCP had sought their input. A larger number of bureau respondents, however, said that their organization had not been asked to provide input (3 respondents, 23.1 percent) relative to the departmental respondents (1 respondent, 9.1 percent). This may indicate that ONDCP could expand its outreach to bureaus to ensure that they have an opportunity to provide input. A total of 2 departmental respondents (18.2 percent) and 2 bureau respondents (15.4 percent) said they did not know whether their organization had been asked to provide input. The mode (most frequently occurring) department and bureau response was "yes."

Figure 1
Input into ONDCP's National Drug Control Strategy
FY 2006 – FY 2008
(Bureau N = 13; 2 = Don't Know)
(Department N = 11; 2 = Don't Know)



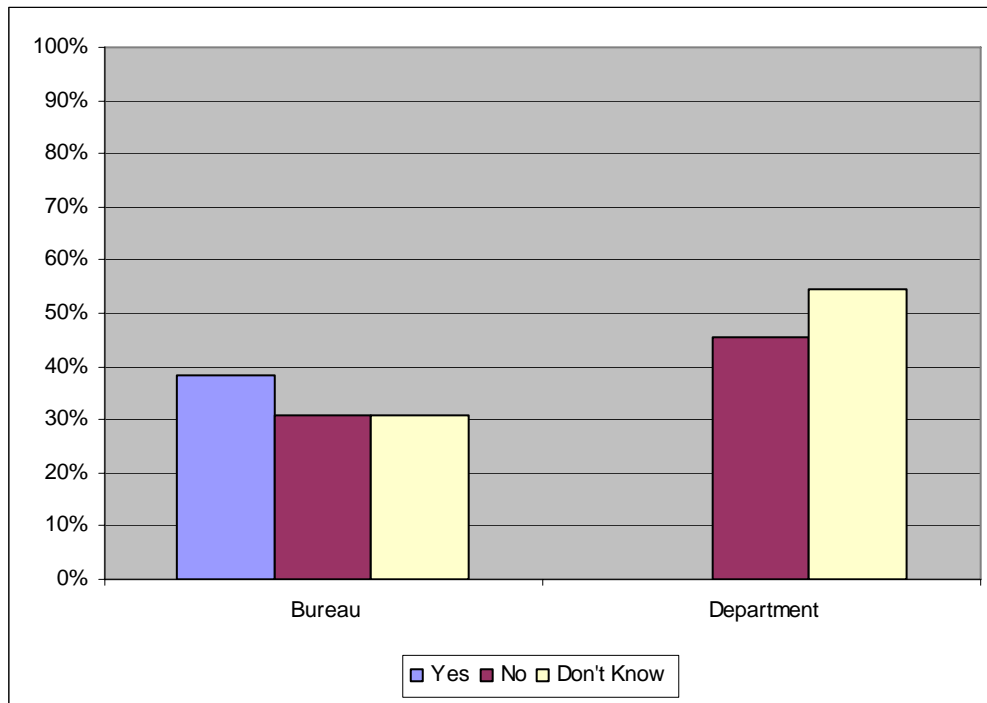
Respondents were asked whether ONDCP, from FY 2006 to the present, had asked their department/bureau to provide information (statistics, studies, reports, and/or data) concerning their organization’s responsibilities under the National Drug Control Strategy. As Figure 2 shows, 11 bureau respondents (84.6 percent of these respondents) and 10 departmental respondents (90.9 percent of these respondents) said that ONDCP had requested such information. None of the departmental level respondents reported that they had not been asked for such information, compared to 1 bureau respondent (7.7 percent of bureau respondents). Just 1 bureau respondent (7.7 percent) and 1 departmental respondent (9.1 percent) said they did not know. The mode response to this question for both departments and bureaus was “yes.”

Figure 2
Did ONDCP Request Information about the Department’s or Bureau’s
National Drug Control Strategy Responsibilities?
FY 2006 – FY 2008
(Bureau N = 13; 1 = Don’t Know)
(Department N = 11; 1 = Don’t Know)



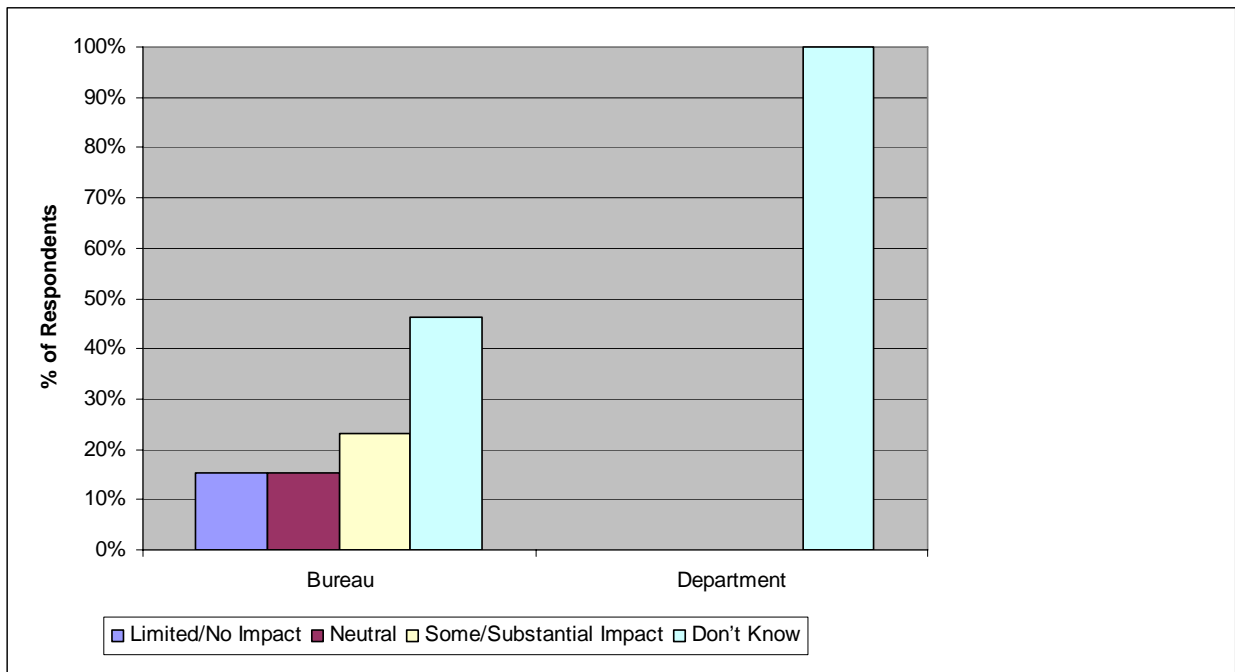
In response to a question of whether their organization sat on any ONDCP working or coordinating committees, 5 bureau respondents (38.5 percent of these respondents) and no departmental respondents answered in the affirmative. Figure 3 shows that a total of 4 bureau respondents (30.8 percent of their total) and 5 departmental respondents (45.5 percent of their total) said that their organization did not sit on any such committee. Among bureau respondents, 4 reported that they did not know (30.8 percent), and 6 departmental respondents also said they did not know (54.5 percent). The mode bureau response was “yes” and, for departments, “don’t know.” Based on these results, the study team believes that it is not possible to generalize the breadth of ONDCP’s committees.

Figure 3
Participation in ONDCP Working Committees
FY 2006 – FY 2008
(Bureau N = 13; 4 = Don’t Know)
(Department N = 11; 6 = Don’t Know)



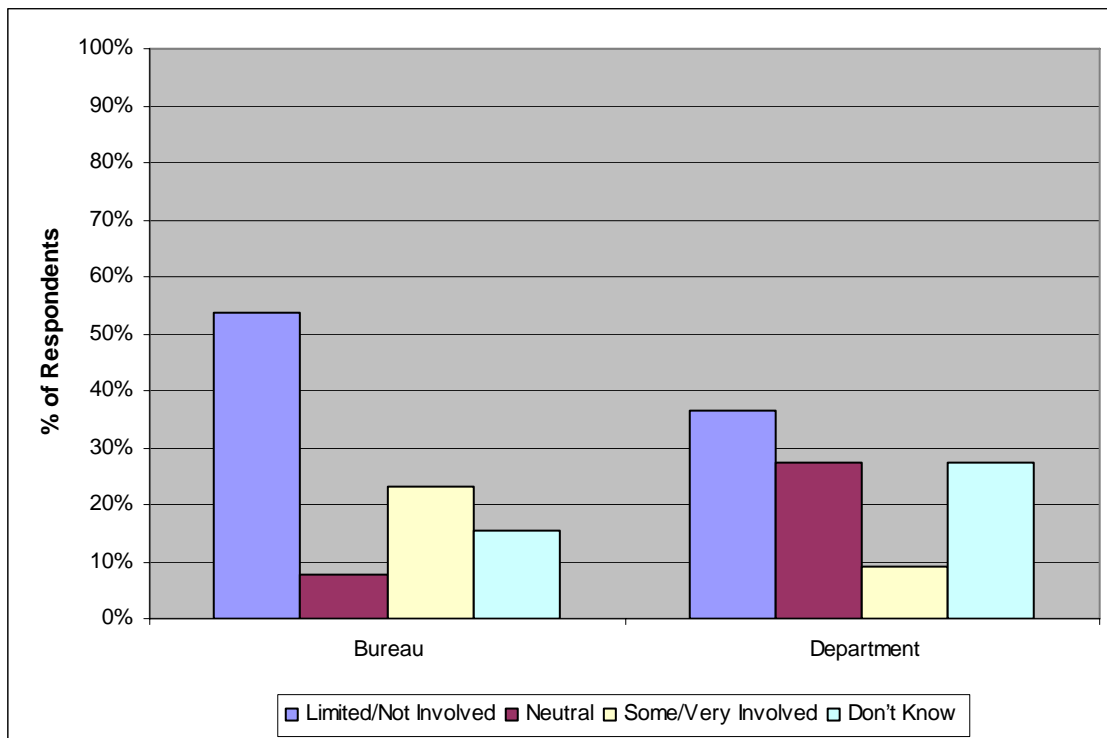
Respondents who reported that their organization served on these committees were asked a follow-up question about their assessment of how much impact these sessions had on their organization’s drug control program(s). Figure 4 shows that a total of 3 bureau respondents (23.1 percent) reported some impact or substantial impact; 2 bureau respondents (15.4 percent) were neutral; and 2 bureau respondents reported limited or no impact (15.4 percent). A total of 6 bureau respondents (46.2 percent) reported that they did not know. Among the 5 departmental respondents, all reported that they did not know. Based on these results, the study team believes it is difficult to determine the impact of these committees.

Figure 4
Impact of ONDCP Working Committees
Bureau N = 13; 6 = Don’t Know)
(Department N = 5; 5 = Don’t Know)



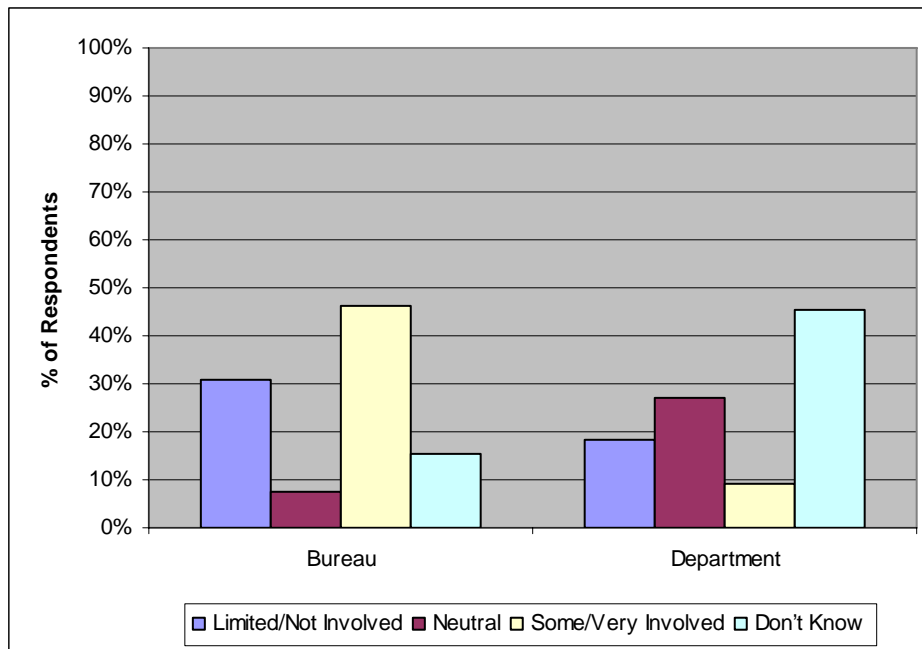
Respondents were asked about how involved ONDCP has been with their department/bureau in the development of the National Drug Control Strategy from FY 2006 to the present. As Figure 5 shows, the majority of the bureau respondents (7 individuals, 53.8 percent of responses) reported limited or no involvement, compared to slightly more than a third of departmental responses (4 individuals, 36.4 percent). The mode response in both cases was limited or no involvement. A larger proportion of bureau respondents, however, reported some or strong involvement (3 individuals, 23.1 percent), compared to the department (1 individual, 9.1 percent). A total of 3 departmental respondents (27.3 percent) were neutral, compared to 1 bureau respondent (7.7 percent). A total of 3 departmental respondents (27.3 percent) and 2 bureau respondents (15.4 percent) reported they did not know. The mode department and bureau response to this question was limited involvement or not involved.

Figure 5
Level of Involvement with ONDCP’s Development of the
National Drug Control Strategy
FY 2006 – FY 2008
(Bureau N = 13; 2 = Don’t Know)
(Department N = 11; 3 = Don’t Know)



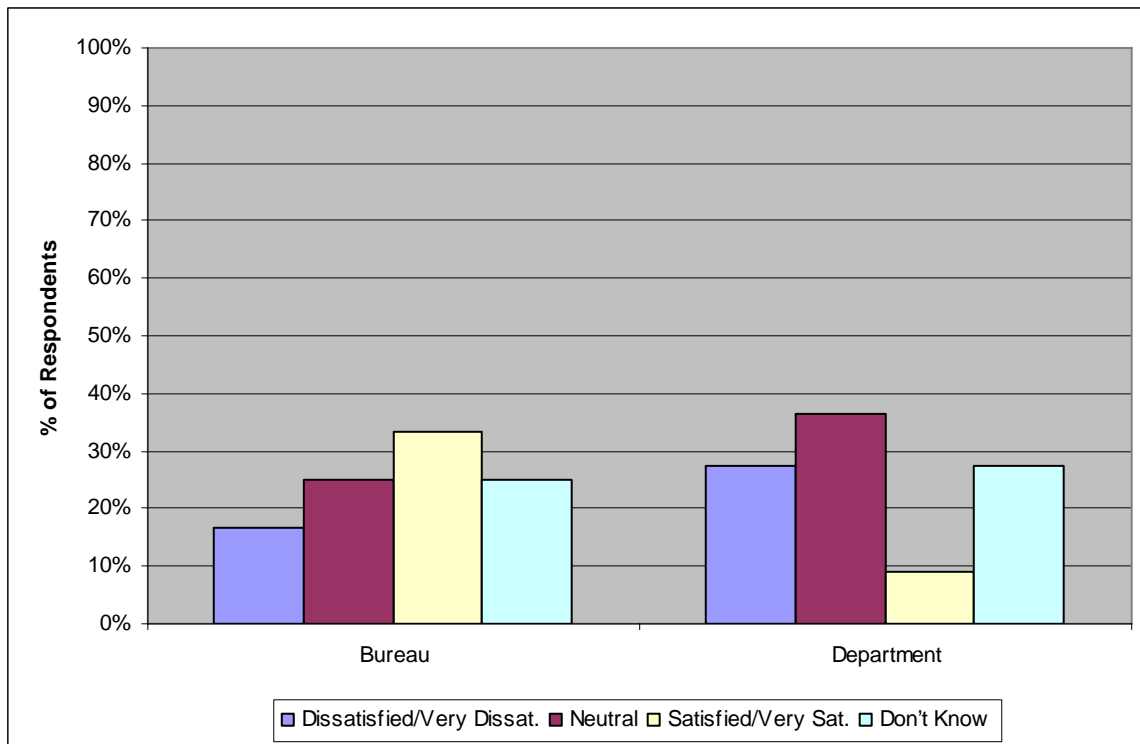
In response to a question asking how involved ONDCP has been with their department/bureau in their organization’s drug control policies from FY 2006 to the present, close to half of the bureau respondents (6 individuals, 46.2 percent of responses) reported some involvement or strong involvement, compared to under 10 percent of departmental responses (1 individual, 9.1 percent). As shown in Figure 6, a total of 4 bureau respondents (30.8 percent) and 2 departmental respondents (18.2 percent) reported limited or no involvement. A total of 3 departmental respondents (27.3 percent) were neutral, compared to 1 bureau respondent (7.7 percent). A total of 2 departmental respondents (15.4 percent) and 5 bureau respondents (45.5 percent) reported they did not know. The mode response for bureau respondents was some or strong involvement; the mode for departmental respondents was “don’t know.”

Figure 6
ONDCP Involvement with Departmental/Bureau Drug Control Policies
FY 2006 – FY 2008
(Bureau N = 13; 2 = Don’t Know)
(Department N = 11; 5 = Don’t Know)



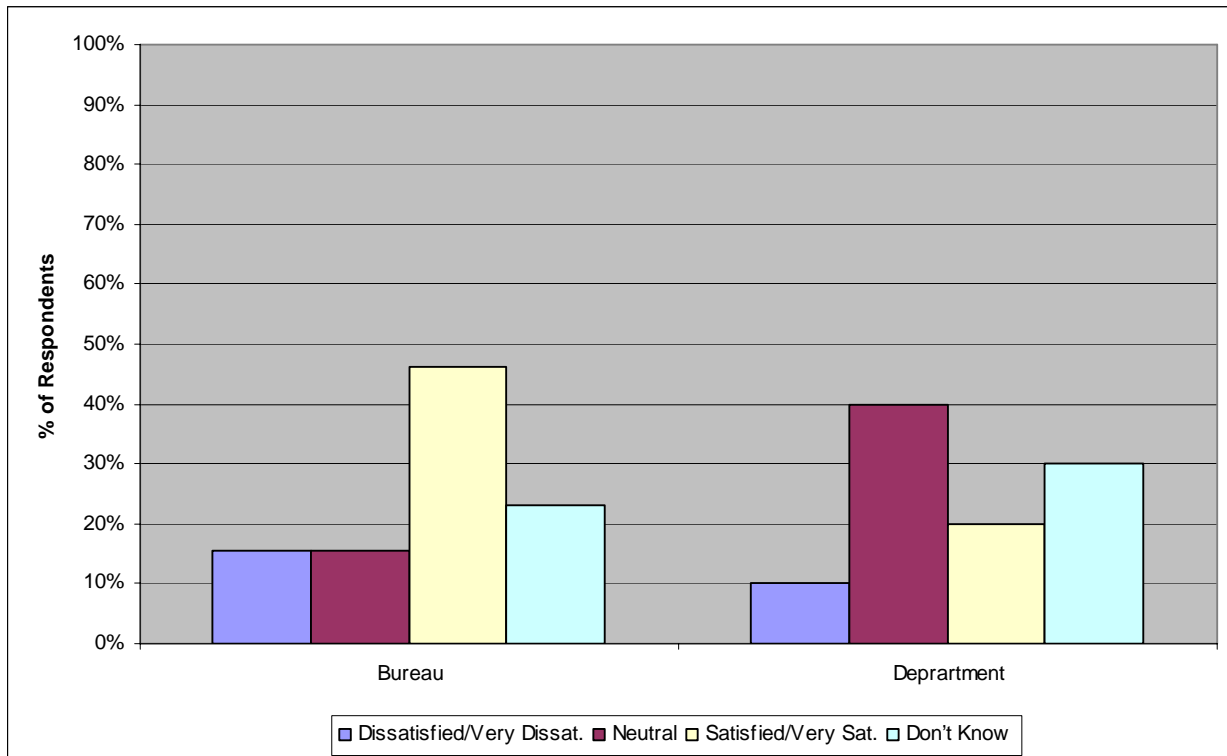
When asked how satisfied they had been with their department's or bureau's interactions with ONDCP in developing the National Drug Control Strategy from FY 2006 to the present, a third of the bureau respondents (4 individuals, 33.3 percent of bureau responses) reported that they were satisfied or very satisfied, compared to under 10 percent of departmental responses (1 individual, 9.1 percent). Figure 7 shows a total of 4 departmental respondents (36.4 percent) were neutral, compared to 3 bureau respondents (25 percent). A total of 3 departmental respondents (27.3 percent) reported they were dissatisfied or very dissatisfied, compared to 2 bureau respondents (16.7 percent). A total of 3 departmental respondents (27.3 percent) reported they did not know. The mode response for bureau respondents was satisfied or highly satisfied; the mode for departmental respondents was neutral.

Figure 7
Satisfaction with Involvement in Development
of the National Drug Control Strategy
FY 2006 – FY 2008
(Bureau N = 12; 3 = Don't Know)
(Department N = 11; 3 = Don't Know)



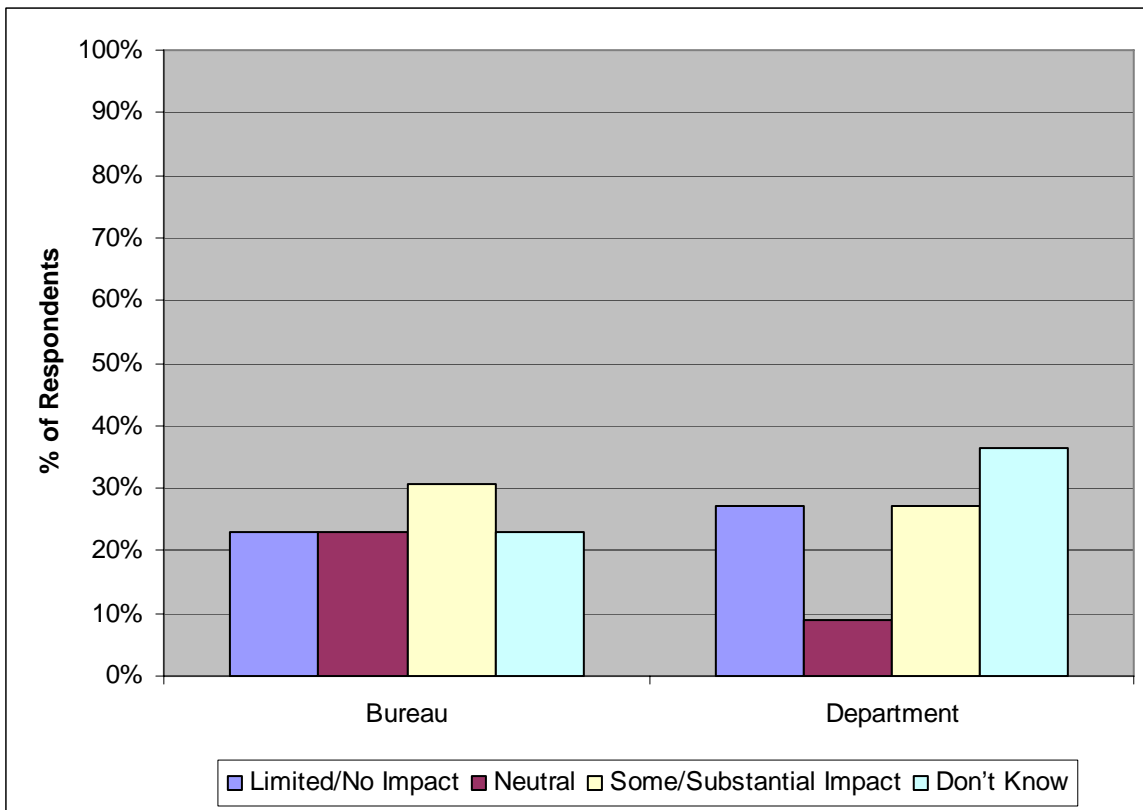
In response to a question about how satisfied they had been with their department's/bureau's interactions with ONDCP on their organization's drug control policies from FY 2006 to the present, close to half of the bureau respondents (6 individuals, 46.2 percent of bureau responses) reported that they were satisfied or very satisfied with their interactions with ONDCP on their organization's drug control policies, compared to 20 percent (2 individuals) of the departmental respondents. Figure 8 shows a total of 4 departmental respondents (40 percent) were neutral, compared to 2 bureau respondents (15.4 percent). A total of 2 departmental respondents (15.4 percent) reported that they were dissatisfied or very dissatisfied, compared to 1 departmental respondent (10 percent). A total of 3 departmental respondents (30 percent) and 3 bureau respondents (23.1 percent) reported they did not know. The mode response for bureau respondents was satisfied or very satisfied; the mode for departmental respondents was neutral.

Figure 8
Satisfaction with ONDCP Involvement
with Departmental/Bureau Drug Control Policies
FY 2006 – FY 2008
(Bureau N = 12; 3 = Don't Know)
(Department N = 10; 3 = Don't Know)



Respondents were asked what impact the National Drug Control Strategy had on their organization’s development of its drug control policies. As Figure 9 shows, 4 of the bureau respondents (30.8 percent) reported that it had some impact or substantial impact, and a similar proportion (3 individuals, 27.3 percent) of departmental respondents reported some or substantial impact. At both the bureau and the departmental level, 3 individuals reported limited or no impact (23.1 percent and 27.3 percent respectively). A total of 3 bureau respondents (23.1 percent) were neutral, compared to 1 departmental respondent (9.1 percent). A total of 4 departmental respondents (36.4 percent) and 3 bureau respondents (23.1 percent) reported they did not know. The mode response for bureau respondents was some or substantial impact; the mode for departmental respondents was tied between some impact/substantial impact and no impact/limited impact.

Figure 9
Impact of Strategy on Departmental/Bureau Drug Control Policies
(Bureau N = 13; 3 = Don’t Know)
(Department N = 11; 4 = Don’t Know)



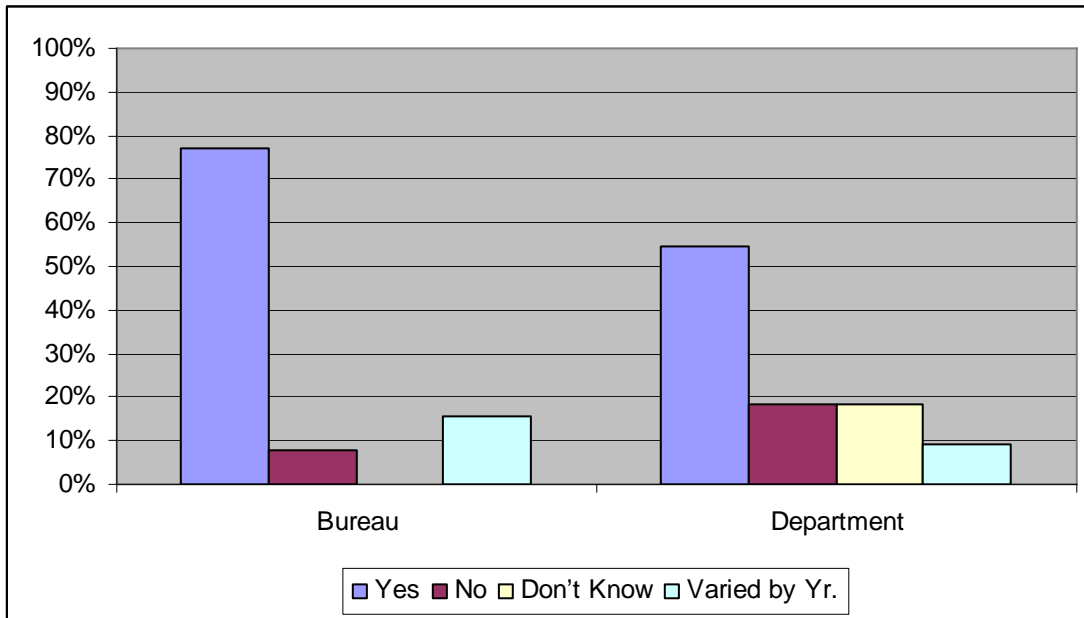
Data on Other Strategy and Policy Questions

- **No respondents reported that ONDCP had provided their bureau/department with an official notification that their organization’s policies were not in compliance with its responsibilities under the National Drug Control Strategy.** A total of two respondents (one bureau-level and one departmental-level) did, however, report that they had received an *information notification or warning* that their policies were not in compliance. The departmental respondent said that this occurred in FY 2008 and that, in response, the department had ensured ONDCP that its organizational elements would be resourced appropriately. The bureau respondent did not provide any details.
- **Of those partner agencies involved in interdiction, three departmental respondents said that ONDCP had not coordinated with them.** A total of two bureau respondents and one departmental respondent indicated that their organization was involved with interdiction and said that ONDCP had coordinated with them on this issue. No bureau respondents indicated that ONDCP had failed to undertake the necessary coordination. The remaining responses were divided between not applicable (nine bureau respondents, four departmental respondents) and do not know (two bureau respondents, three departmental respondents).

Role and Impact of the Budget Review and Certification Process

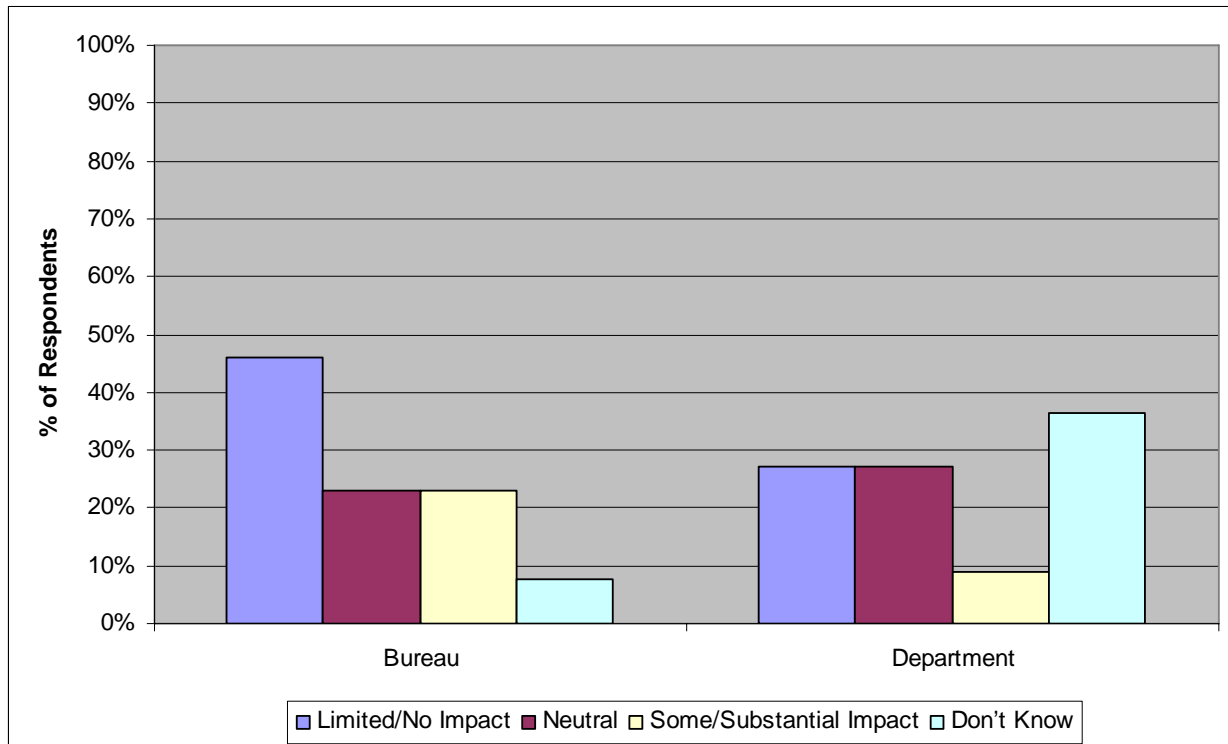
Respondents were asked whether their organization had received funding guidance in time to incorporate ONDCP’s priorities into the summer budget request submitted to the department’s senior leadership. As Figure 10 shows, the majority of both bureau and departmental level respondents reported that the funding guidance was timely enough for this purpose. In fact, over three-quarters of the bureau respondents (10 individuals, 76.9 percent) responded affirmatively to this question, and 54.5 percent of departmental respondents (six individuals) responded in the affirmative. A total of two departmental respondents (18.2 percent) and no bureau respondent (7.7 percent) said it was not timely. A total of two departmental respondents reported that they did not know; no bureau level respondents responded that they did not know.

Figure 10
Timeliness of ONDCP Funding Guidance
FY 2006 – FY 2009
(Bureau N = 13; 0 = Don't Know)
(Department N = 11; 2 = Don't Know)



Respondents were asked how much impact the ONDCP funding guidance has had on the content of their organization’s bureau-level budget requests over the FY 2006 to FY 2009 period. As Figure 11 shows, almost half of the bureau respondents (6 individuals, 46.2 percent) reported that it had little or no impact, compared to 27.3 percent (3 individuals) at the departmental level. At both the bureau and the departmental levels, 3 respondents were neutral (23.1 percent and 27.3 percent respectively). A total of 3 bureau respondents (23.1 percent) reported that the funding guidance had some impact or substantial impact, a sentiment expressed by 1 departmental respondent (9.1 percent). More departmental respondents reported that they did not know (4 individuals, 36.4 percent) than at the bureau level, where just 1 individual (7.7 percent) reported they did not know. The mode response for bureaus was little or no impact and “don’t know” for departments. Presumably, this difference is because the question is primarily focused on the bureau respondents (departmental respondents could know about the impact on bureau-level requests if a department-wide program is covered by the funding guidance or if they review bureau-level requests).

Figure 11
Impact of ONDCP Funding Guidance
FY 2006 – FY 2009
(Bureau N = 13; 1 = Don’t Know)
(Department N = 11; 4 = Don’t Know)



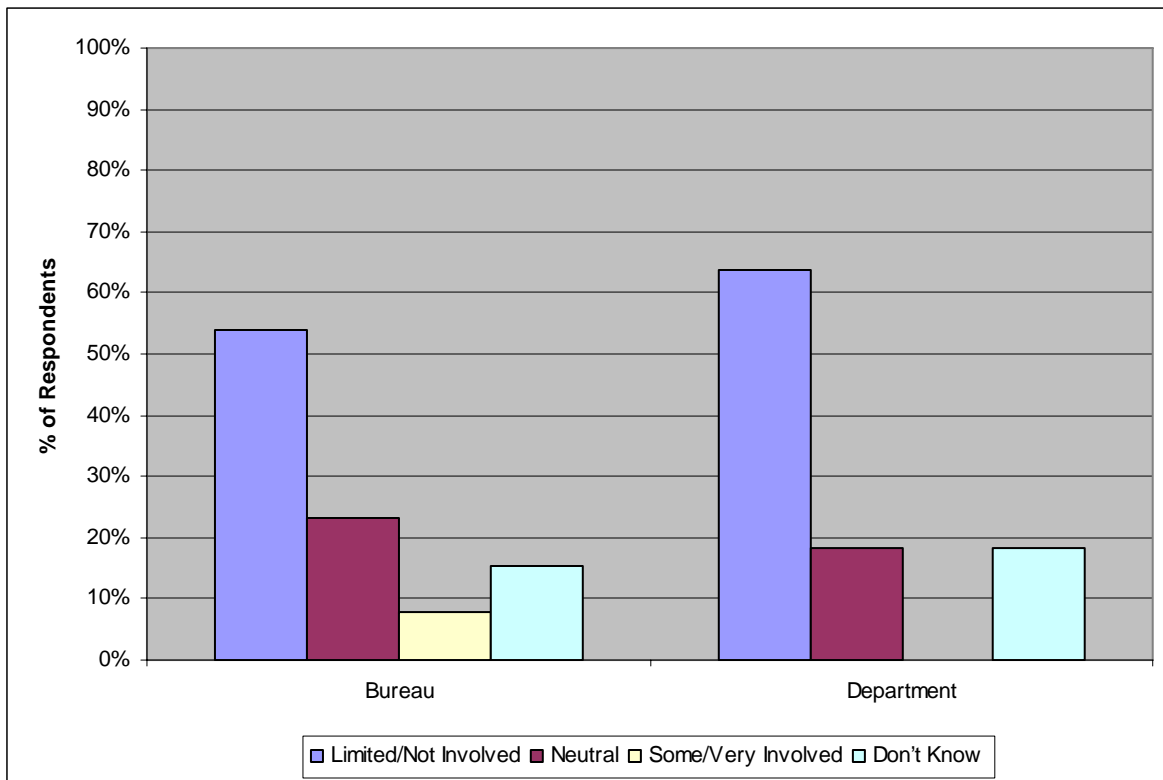
A total of 4 respondents (2 bureau and 2 departmental) reported that they had not submitted a proposed drug control budget request to ONDCP in both the summer and the fall from FY 2006 to the present. Both bureau respondents indicated that this is because they had not been required to do so every year (that is, ONDCP had added them into the budget after FY 2006). Among the 2 departmental respondents, 1 justified the response with the simple statement that his or her unit “[had] a different calendar,” and the other reported that, “if a funding request was submitted, it was not coordinated with the [d]epartmental budget office.”

Data on Other Budget Review and Certification Questions

- **Only 1 person (a departmental respondent) reported that ONDCP had submitted an official notification stating that their request was inadequate.** This individual’s explanation, however, indicated that ONDCP had simply asked the organization to break down their dollars into different categories. The individual reported that the department responded affirmatively to the request that year and has been doing this ever since.
- **When asked whether ONDCP had given their organization an informal notification or warning that their request may be inadequate, 2 bureau respondents said that there had been a year in which ONDCP had issued such a warning.** One of the bureau-level respondents explained that ONDCP had really wanted an estimated value of services for a particular initiative, not a budget request per se (the implication of this individual’s open-ended response is that either the bureau was unable to provide such information, or that there was no value to doing so). The other respondent reported that ONDCP thought its performance measures were inadequate. This bureau explained to ONDCP that its measures were set at higher levels within the department and could not, therefore, be changed by the bureau itself.
- **No bureaus reported that their budgets had been decertified in any year from FY 2006 to the present.** One departmental respondent reported a decertification, but this individual’s open-ended response indicated that he or she misunderstood the question. Specifically, this individual said that, when the federal government is on a Continuing Resolution, “ONDCP puts out a notice that suspends certification until appropriation[s] are fully funded.” This is not a decertification of their request.

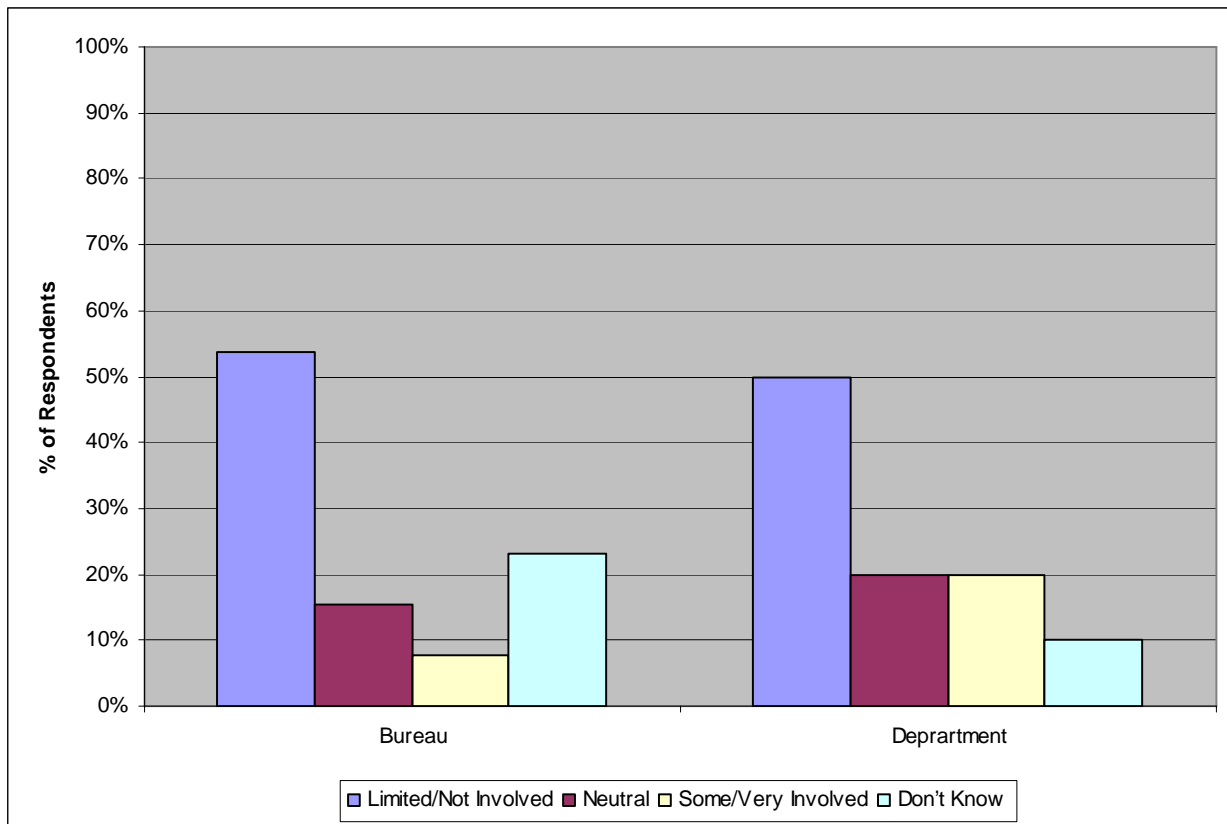
Respondents were asked about how involved ONDCP has been with various aspects of their department's/bureau's budget from FY 2006 to the present. As Figure 12 shows, the majority of both bureau and departmental respondents (7 individuals in each) reported limited or no involvement (53.8 percent and 63.6 percent respectively). A total of 3 bureau respondents and 2 departmental respondents were neutral (23.1 percent and 18.2 percent respectively). No departmental respondent reported that ONDCP was somewhat or very involved; one bureau respondent reported some involvement or significant involvement (7.7 percent). A total of 2 bureau and 2 departmental respondents reported they did not know (15.4 percent and 18.2 percent respectively). The mode response for both bureau and departmental respondents was limited or no involvement.

Figure 12
ONDCP Involvement in Departmental/Bureau Budget Issues
FY 2006 – FY 2008
(Bureau N = 13; 2 = Don't Know)
(Department N = 11; 2 = Don't Know)



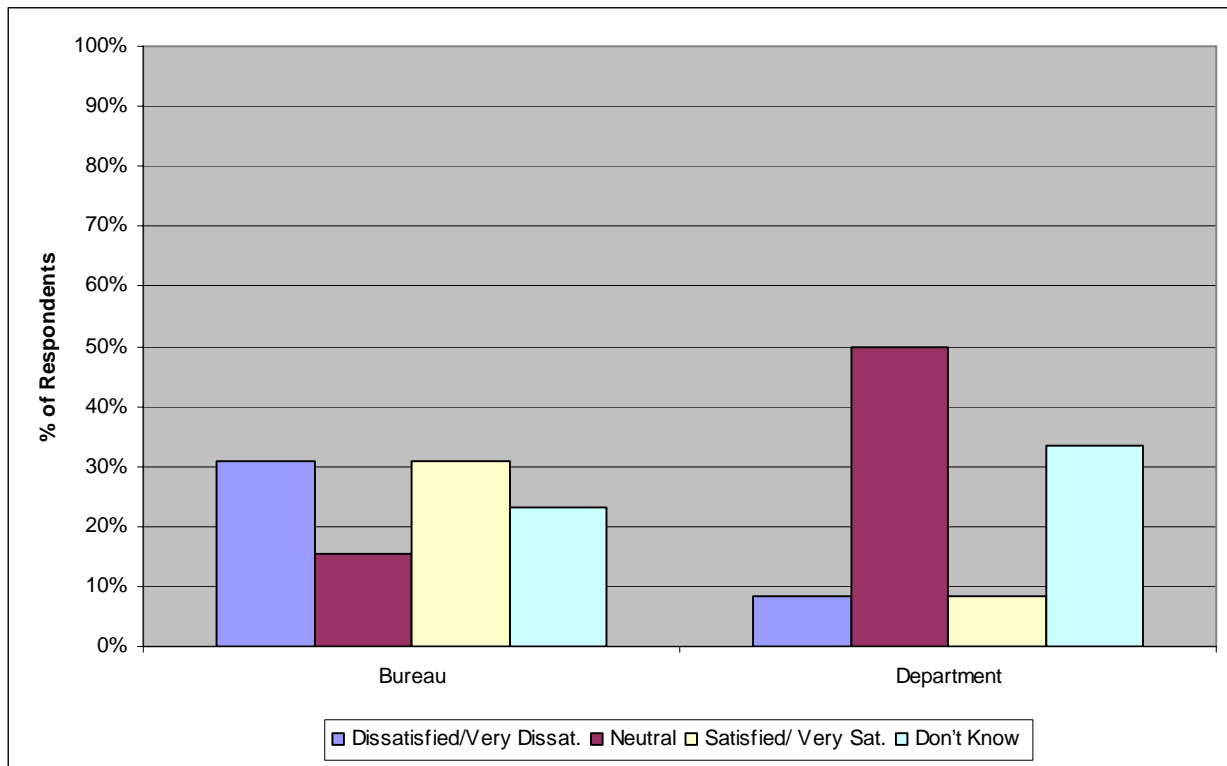
Respondents were asked about how involved ONDCP has been with various aspects of their department's/bureau's performance data from FY 2006 to the present. As Figure 13 shows, half or more of both bureau and departmental respondents reported limited or no involvement: 7 bureau respondents (53.8 percent) and 5 departmental respondents (50 percent). A total of 2 respondents, one at the bureau level and one at the departmental level, were neutral (15.4 percent and 20 percent respectively). A total of 2 departmental respondents (20 percent) reported that ONDCP was involved or very involved, compared to 1 respondent (7.7 percent). A total of 3 bureau respondents and 1 departmental respondent reported they did not know (23.1 percent and 10 percent respectively). The mode response for both bureau and departmental respondents was limited or no involvement.

Figure 13
ONDCP Involvement on Bureau/Departmental Performance Data
FY 2006 – FY 2008
(Bureau N = 13; 3 = Don't Know)
(Department N = 10; 1 = Don't Know)



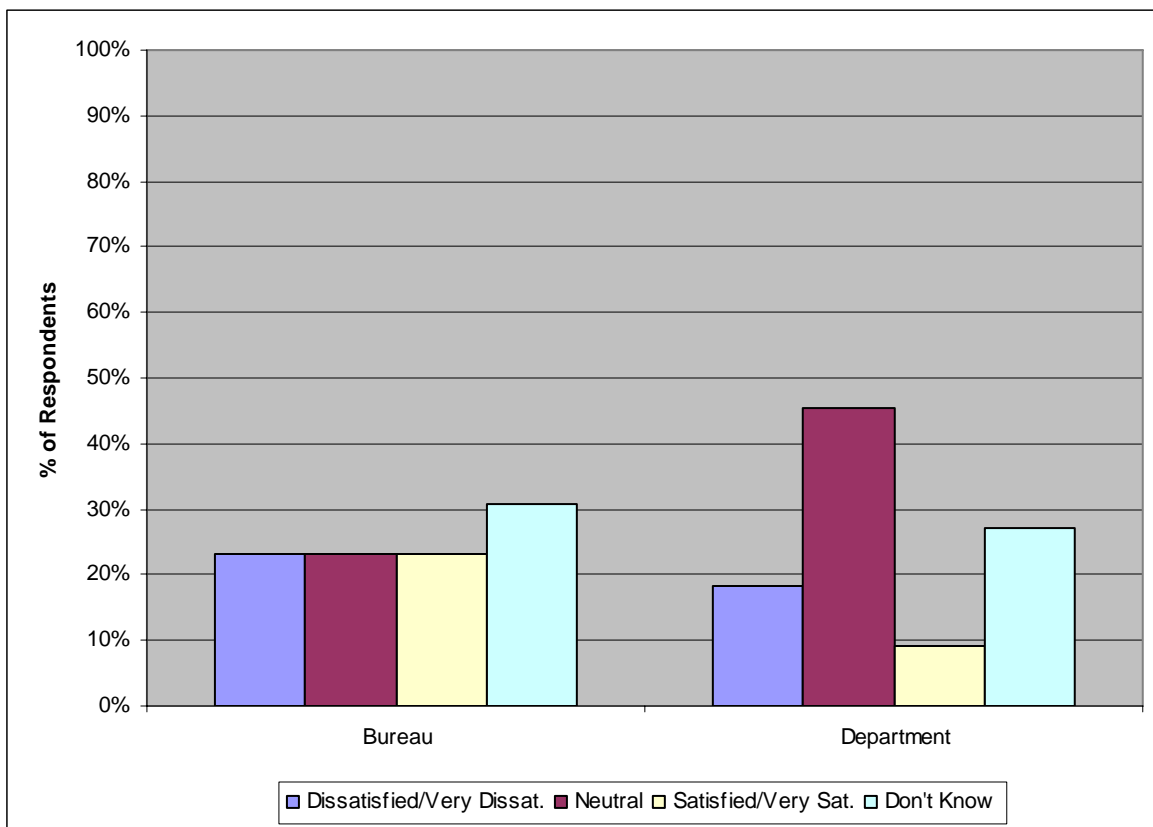
Respondents were asked about how satisfied they had been with their department's/bureau's interactions with ONDCP on their organization's drug control budget from FY 2006 to the present. As Figure 14 shows, the same proportion of bureau respondents reported dissatisfaction as reported satisfaction (4 individuals each, or 30.8 percent apiece). At the departmental level, by contrast, half of the respondents (6 individuals) were neutral, compared to 2 bureau respondents (15.4 percent). A total of 1 departmental respondent (8.3 percent) reported being dissatisfied or highly dissatisfied—the same number, at the departmental level, reported being satisfied or highly satisfied. A total of 4 departmental respondents (33.3 percent) and 3 bureau respondents (23.1 percent) reported they did not know. The mode for bureau respondents was tied between dissatisfied/very dissatisfied and satisfied/very satisfied; the mode for departments was neutral.

Figure 14
Satisfaction with ONDCP Interactions on Departmental/Bureau Drug Control Budget
FY 2006 – FY 2008
(Bureau N = 13; 3 = Don't Know)
(Department N = 12; 4 = Don't Know)



Respondents were asked about how satisfied they had been with their department’s/bureau’s interactions with ONDCP on their organization’s drug control performance data from FY 2006 to the present. As Figure 15 shows, bureau level respondents who had knowledge of this area were equally divided: 3 individuals (23.1 percent) each said they were satisfied/very satisfied, were neutral, and were dissatisfied/highly dissatisfied. The mode response at the bureau level was do not know, with 4 individuals (30.8 percent) responding to the question this way. At the departmental level, the mode response was neutral (5 individuals, 45.5 percent). A total of 1 departmental respondent reported that they were satisfied or very satisfied (9.1 percent), and 2 departmental respondents reported that they were dissatisfied or highly dissatisfied (18.2 percent). A total of 3 departmental respondents (27.3 percent) reported that they did not know.

Figure 15
Satisfaction with ONDCP Interactions on Departmental/Bureau
Drug Control Performance Data, FY 2006 – FY 2008
(Bureau N = 13; 4 = Don’t Know)
(Department N = 11; 3 = Don’t Know)



Survey participants were also asked about their level of satisfaction regarding ONDCP’s interactions with their organization’s drug control budget. At the departmental level, half of the respondents (6 individuals) were neutral, compared to 2 bureau respondents (15.4 percent). A total of 1 departmental respondent (8.3 percent) reported being dissatisfied or highly dissatisfied—the same number, at the departmental level, that reported being satisfied or highly

satisfied. A total of 4 departmental respondents (33.3 percent) and 3 bureau respondents (23.1 percent) reported they did not know. The mode bureau response was tied between satisfied/very satisfied, neutral, and dissatisfied/very dissatisfied. The mode departmental response was neutral. The large proportion of neutral and “don’t know” responses at the departmental level may reflect the fact that not as many people within these agencies are working on performance data as on broader policy and budget issues, or it may reflect that the study team did not have all the right contacts for this question. The limited range of bureau responses might indicate similar possibilities.

In response to a question of whether ONDCP had requested information on how their department/bureau was using its drug control funds from FY 2006 to FY 2008, the vast majority of departmental respondents (7 individuals, 63.6 percent) responded affirmatively, compared to a smaller proportion of the bureau respondents (6 individuals, 46.2 percent). As Figure 16 shows, no departmental respondent said they had not been asked, but 4 individuals (36.4 percent) reported they did not know. A total of 4 bureau respondents (30.8 percent) said ONDCP had not requested such information, while a total of 3 (23.1 percent) responded that they did not know.

Figure 16
Did ONDCP Request Information on the Use of Drug Control Funds?
FY 2006 – FY 2008
(Bureau N = 13; 3 = Don’t Know)
(Department N = 11; 4 = Don’t Know)

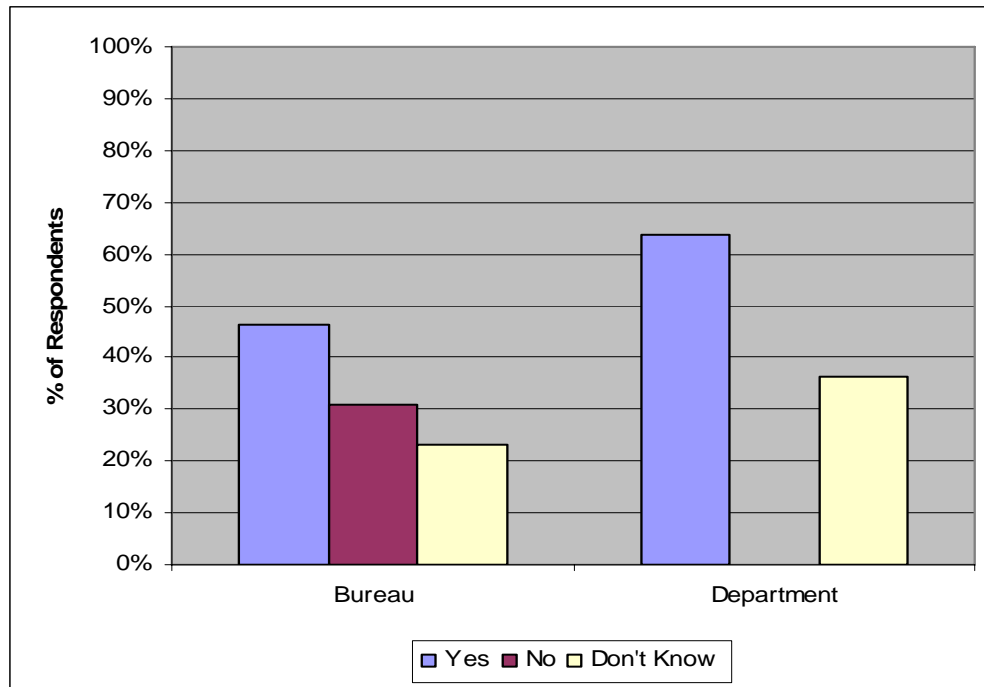
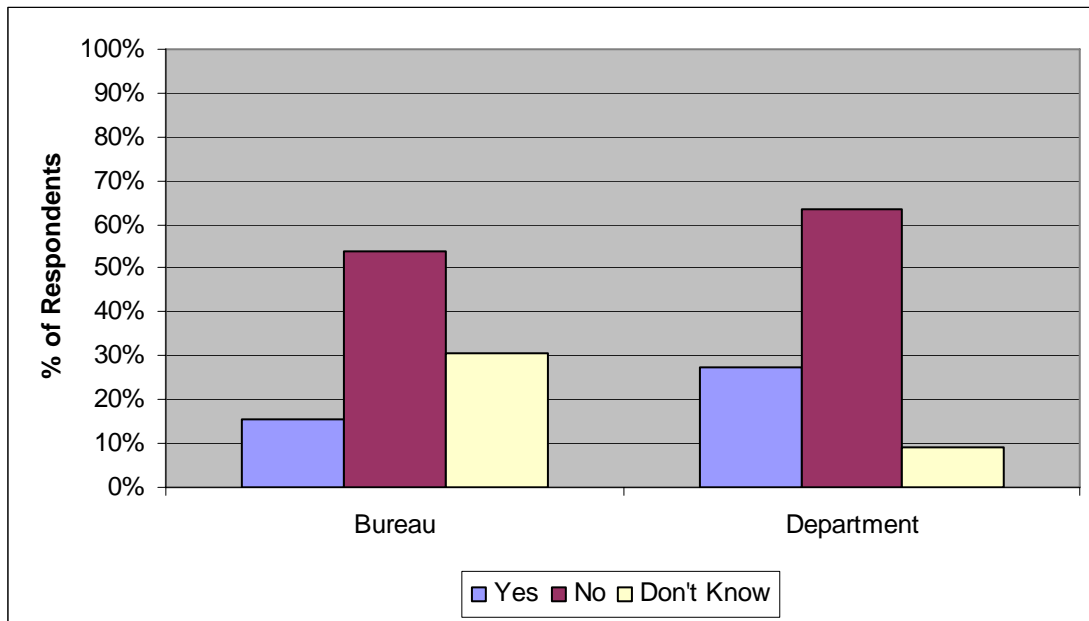


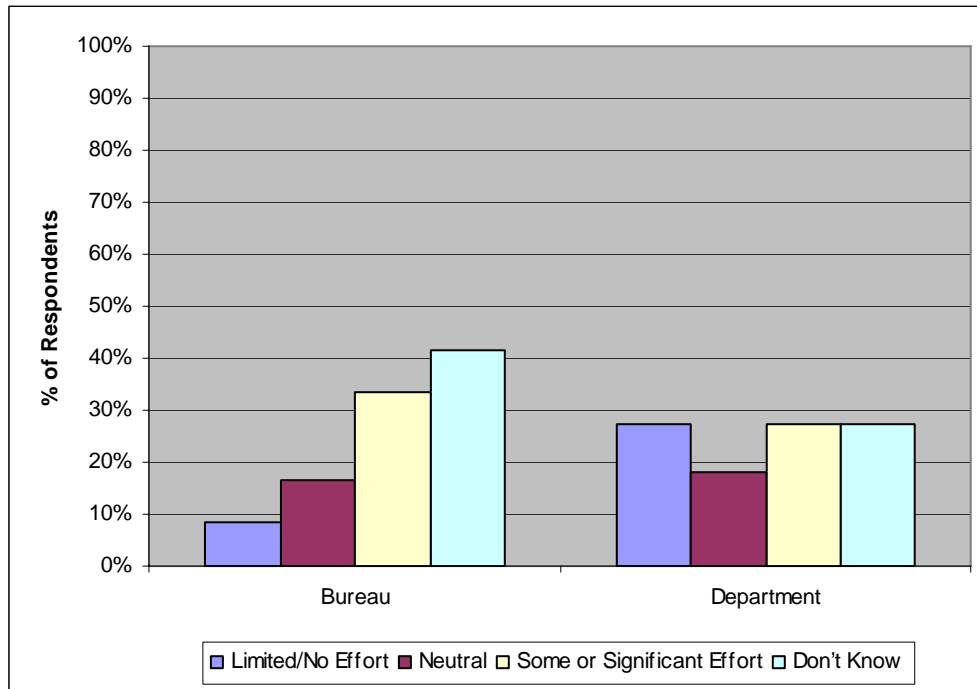
Figure 17 shows that the majority of bureau respondents (7 individuals, 53.8 percent) reported that ONDCP had not transferred funds into or out of their drug control accounts at least once over the FY 2006 to FY 2008 period. The same number of departmental respondents reported that this was the case (7 individuals, 63.6 percent). A total of 3 departmental respondents reported that ONDCP had transferred funds (27.3 percent), compared to 2 bureau respondents (15.4 percent). A total of 4 bureau respondents (30.8 percent) and 1 departmental respondent (9.1 percent) said they did not know.

Figure 17
ONDCP Drug Funds Account Transfers
FY 2006 –FY 2008
(Bureau N = 13; 4 = Don't Know)
(Department N = 11; 1 = Don't Know)



Respondents were asked about the level of effort required for their bureau/department to complete the annual accounting of their drug control programs. As shown in Figure 18, among bureau respondents, the mode response was “do not know” (5 individuals, 41.7 percent), possibly because most of the accounting reports are compiled at the departmental level. Departmental respondents were evenly divided across three areas: limited or no effort; some effort or significant effort; and do not know. Each of these response categories was selected by 3 departmental respondents (27.3 percent apiece).

Figure 18
Level of Effort Required to Complete the Annual Accounting Report
FY 2006 – FY 2008
(Bureau N = 12; 5 = Don't Know)
(Department N = 11; 3 = Don't Know)



Data on Other Funding and Performance Questions

- The ONDCP Director is able to issue fund control notices to departments and bureaus to ensure compliance with the National Drug Control Strategy. A total of 3 bureau respondents (23.1 percent) and 1 departmental respondent (9.1 percent) said that ONDCP had issued a fund control notice to the head of their organization during the FY 2006 to FY 2008 period.
- National drug program agencies must submit drug control reprogramming requests in excess of \$1 million to ONDCP for approval. A total of 3 bureau respondents (23.1 percent) and 2 departmental respondents (18.2 percent) reported that they had submitted at least one reprogramming request to ONDCP during this time period.

National drug program agencies are required to submit an Inspector General-authenticated accounting of all drug control funds expended during each year. For FY 2006 and FY 2007, four bureau respondents (30.8 percent) and 1 departmental respondent (9.1 percent) reported that they had not submitted such accounting in at least one of these years.

ONDCP BUDGET

ONDCP's Budget Request reflects four appropriation accounts:

- Salaries and Expenses;
- Counterdrug Technology Assessment Center;
- Other Federal Drug Programs; and
- High Intensity Drug Traffic Areas

For FY 2009, \$418.4 million is requested for these accounts, of which \$26.8 million is S&E. The FY 2009 ONDCP request for these accounts is reflected in Table 1.

Table 1
ONDCP Funding Summary
(\$ in Thousands)

	FY 2007	FY 2008	FY 2009 Request
Salaries & Expenses:			
Operations 1/	\$25,463	\$26,152	\$22,397
Policy Research	\$1,303	\$250	\$1,300
Subtotal, Salaries & Expenses	\$26,766	\$26,402	\$23,697
CTAC	\$20,000	\$1,000	\$5,000
Other Federal Drug Control Programs:			
National Youth Anti-Drug Media Campaign	\$99,000	\$60,000	\$100,000
Drug Free Communities Support Program	\$79,200	\$90,000	\$80,000
U.S. Anti-Doping Agency	\$8,415	\$9,600	\$7,285
National Drug Court Institute	\$990	\$1,000	\$0
Performance Measures Development	\$1,485	\$250	\$500
National Alliance for Model State Drug Laws	\$990	\$1,250	\$0
Demonstration Programs	\$0	\$500	\$0
World Anti-Doping Agency (WADA) Membership Dues 2/	\$2,871	\$1,700	\$1,900
Subtotal, Other Federal Drug Control Programs	\$192,951	\$164,300	\$189,685
HIDTAs:			
Grants and Federal Transfers	\$222,750	\$227,900	\$197,900
HIDTA Auditing Services and Associated Activities	\$1,980	\$2,100	\$2,100
Subtotal, HIDTAs	\$224,730	\$230,000	\$200,000
Total, ONDCP Request	\$464,447	\$421,702	\$418,382

Totals may not add up due to rounding.

1/ Prior years include funding for rent. FY 2009 request does not include \$3,114,000 requested for rent by OA. Funding to cover ONDCP's costs for transportation subsidies, rent-based federal protective services, flexible spending account administrative fees, and health unit operations has also been requested by OA

2/ WADA dues for FY 2007 is only \$1,669,446. The outstanding WADA due from prior years is \$200,000. FY 2006 enacted amount was to cover a "one-time" increase.

Salaries and Expenses

Funding requested for the Salaries and Expenses (S&E) account provides personnel compensation and operational support for ONDCP. ONDCP's FY 2009 Congressional Budget Submission requests \$23.697 million, including \$1.3 million for Policy Research, and 108 Full Time Equivalents (FTE) personnel. The S&E appropriation increased from \$22.8 million to

\$26.4 million over the period FY 2000 to FY 2008. Prior to FY 2000, CTAC was included in the S&E appropriation.

As part of the effort to administer common enterprise services for the EOP centrally, funding to cover ONDCP's costs for transportation subsidies, federal protective services, flexible spending account administrative fees and health unit operations is requested by the Office of Administration. This budget request also includes the cost of space rental in the amount of \$3.114 million. However, the Appropriations Committees traditionally add this amount back into ONDCP's S&E account. With space rental included, the total ONDCP Request for FY 2009 is \$26.811 million. The FY 2009 S&E Request and prior years, arrayed by function and decision unit are shown in Table 2.

Table 2
Office of National Drug Control Policy, Salaries and Expenses
FY 2007 – FY 2009

	<i>Budget Authority (in Millions)</i>		
	FY 2007 Final	FY 2008 Enacted	FY 2009 Request
Drug Resources by Function			
Interdiction	3.548	3.470	3.555
International	3.548	3.470	3.555
Investigations	2.026	1.981	2.03
Prevention	5.827	5.698	5.838
Research & Development	1.303	1.500	1.3
State and Local Assistance	5.447	5.328	5.457
Treatment	5.067	4.955	5.076
Total Drug Resources by Function	\$26.766	\$26.402	\$26.811
Drug Resources by Decision Unit			
Operations	25.463	26.152	25.511
Policy Research	1.303	0.250	1.300
Total Drug Resources by Decision Unit	\$26.766	\$26.402	\$26.811
Drug Resources Personnel Summary			
Total FTEs (direct only)	108	118	108
Drug Resources as a Percent of Budget			
Total Agency Budget	\$26.766	\$26.402	\$26.811
Drug Resources Percentage	100.00%	100.00%	100.00%

According to the FY 2009 ONDCP Budget Submission, the Policy Research request of \$1.3 million is required to inform drug policy of the current trends in drug use and supply. These trends include measuring the magnitude of the drug problem, variations in time and location, and how policy can influence or is influencing the trends. Research funds are used to obtain data, analyze data, and report results. The FY 2008 request for Research was \$1.316 million, but \$250,000 was appropriated.

According to an ONDCP official, the Office of Supply Reduction supports International and Interdiction efforts. The Office of Demand Reduction supports Prevention and Treatment efforts. The Media Campaign Office and the positions associated with the Drug-Free Communities program also support Prevention. The Research and Development line is based on the Policy Research funding.²⁰⁷ The remaining ONDCP components support all of the functions.

Counterdrug Technology Assessment Center

CTAC funding has declined in recent years from a high of approximately \$46 million in FY 2003. The report accompanying the Senate version of the FY 2008 Appropriations Bill states:

Funding from previous years has remained unexpended despite congressional direction to reinstate CTAC programs as previously existed, and congressional intent with regard to this program has been ignored. The Committee is highly disappointed in the director of this program and is troubled by his ideas for research and development that appear to have little or no value, such as studying sewage, among others.

ONDCP requested \$5 million for CTAC for FY 2008. The Senate recommended zero while the House recommended \$10 million. The FY 2008 appropriation is \$1 million for Research and Development programs and zero for the Technology Transfer Program. The Consolidated Appropriations Act for FY 2008 required ONDCP to submit, for approval by the Committees on Appropriations of the House of Representatives and the Senate, a spending plan for the use of these funds no later than 90 days after enactment of the Act. ONDCP met this requirement.

Other Federal Drug Control Programs

The FY 2009 request for Other Federal Drug Control Programs totals \$189.685 million. For FY 2008, ONDCP requested \$193.98 million and received an appropriation of \$164.3 million, \$29.7 million below the request. The category includes funding for two ONDCP operational programs, the National Youth Anti-Drug Media Campaign and Drug Free Communities Support Campaign, as well as funding for the U.S. and World Anti-Doping Agencies, Performance Measures Development, National Drug Court Institute, National Alliance for Model State Drug Laws, and Demonstration Programs. The Other Federal Drug Control Program account is “no-year” money and as thus, remains available until expended.

- **National Youth Anti-Drug Media Campaign.** Established in FY 1999, with an appropriated level of \$185 million, ONDCP requested \$130 million for FY 2008, but received an appropriation of \$60 million. Both the Senate and House Reports on the FY 2008 appropriations bill expressed concern about the effectiveness of the Campaign citing a 2006 review²⁰⁸ by the Government Accountability Office (GAO) that concluded

²⁰⁷ In FY 2008, the Research and Development line also included \$1.250 million provided by Congress for this Academy study.

²⁰⁸ Government Accountability Office, GAO-06-18, *ONDCP Media Campaign/ Contractor’s National Evaluation Did Not Find That the Youth Anti-Drug Media Campaign Was Effective in Reducing Youth Drug Use*, (August 2006).

there is no clear evidence that the Campaign has resulted in a reduction in drug use among youth. The program is requesting \$100 million for FY 2009.

- **Drug-Free Communities Support Program.** The Reauthorization Act of 2006 caps this programs administrative expenses at eight percent as of FY 2007. For FY 2008, ONDCP requested and received appropriations in the amount of \$90 million, of which \$2 million was to be used for training and related purposes. Of this amount, \$82 million is to fund grants to communities to support more than 800 drug free coalitions and approximately 40 mentor coalitions. The FY 2009 request is \$80 million.
- **U.S. Anti-Doping Agency.** For FY 2008, ONDCP requested \$2.285 million for this agency and \$9.6 million was appropriated. The FY 2009 request is \$7.285 million.
- **World Anti-Doping Agency.** This agency is jointly funded by national governments and the international sports movement. The U.S. commitment is 7.25 percent of the organization's annual budget. For FY 2008, ONDCP requested and received appropriations for the World Anti-Doping Agency in the amount of \$1.7 million. The FY 2009 request is \$1.9 million.
- **National Drug Court Institute.** For FY 2008, \$1 million was requested by ONDCP for this institute, and \$1 million was appropriated. For FY 2009, zero funds are requested by ONDCP.
- **Performance Measures Development.** For FY 2008, \$500,000 was requested and \$250,000 was appropriated. For FY 2009, \$500,000 is requested.
- **National Alliance for Model State Drug Laws.** For FY 2008, zero funds were requested for this organization, and \$1.25 million was appropriated. For FY 2009, zero funds are requested.
- **Demonstration Programs.** Appropriations were authorized for these programs in the amount of \$4.9 million for each of fiscal years 2007 through 2009. For FY 2008, ONDCP requested zero and \$.5 million was appropriated. For FY 2009, zero funds are requested.
- **High-Intensity Drug Trafficking Areas.** The FY 2006 President's Budget proposed moving the HIDTA Program to the Department of Justice and requested \$100 million for the program, a 52 percent decrease from the FY 2005 request. In the FY 2006 Drug Budget Summary, ONDCP explained that most of the HIDTAs were Congressionally-designated; the program had grown from \$82 million in 1991 to \$226.5 million in FY 2005 despite the absence of performance measures; and ONDCP efforts to focus the HIDTAs on the President's Strategy priority of targeting high-level organizations, such as those on the Consolidated Priority Organization Targeting List, had not been successful. The Transportation, Treasury, Housing, and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006 retained the HIDTA program within ONDCP and appropriated \$227 million for the program. For FY

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2008, \$220 million was requested for HIDTA and \$230 million was appropriated. For FY 2009, ONDCP has requested \$200 million.

NATIONAL DRUG CONTROL BUDGET RESTRUCTURING

The FY 2002 National Drug Control Budget Summary, which reflected a much larger program than the FY 2008 National Drug Control Budget Summary, included 57 drug agencies and programs totaling \$19.2 billion. The various programs included in the budget summary ranged from \$300,000 for Interpol to \$2.6 billion for the Bureau of Prisons.

The FY 2002 Budget Summary table summarizing the requests of the various drug agencies for FY 2002, with prior year comparison columns, is shown in Table 1.

Table 1
Drug Control Funding: Agency Summary
FY 2000–FY 2002
(Budget Authority in Millions)

	FY 2000 Final	FY 2001 Enacted	FY 2002 Request
Department of Agriculture			
Agriculture Research Service	4.8	4.8	4.8
U.S. Forest Service	6.8	6.8	6.8
Women, Infants, & Children	16.1	16.1	16.5
Total, Department of Agriculture	27.6	27.7	28.0
Corporation for National & Community Service	9.0	9.4	9.4
DC Court Services and Offender Supervision	48.6	58.2	83.8
Department of Defense			
Counterdrug Operations	972.7	1,047.1	1,069.1
Plan Colombia/Andean Regional Initiative	300.6	0.0	0.0
Total, Department of Defense	1,273.3	1,047.1	1,069
Intelligence Community Management Account	27.0	34.0	27.0
Department of Education	598.0	633.2	633.2
Department of Health and Human Services			
Administration for Children and Families	59.4	60.4	60.4
Centers for Disease Control and Prevention	169.4	178.2	178.2
Food and Drug Administration	5.7	0.0	0.0
Health Care Financing Administration	450.0	500.0	560.0
Health Resources & Services Administration	41.6	45.8	45.9
Indian Health Service	45.3	68.3	69.7
National Institutes of Health (NIH—NIDA & NIAAA)	725.5	825.2	952.8

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	FY 2000 Final	FY 2001 Enacted	FY 2002 Request
Substance Abuse and Mental Health Services Admin.	1,525.1	1,655.3	1,754.9
Total, Department of Health and Human Services	3,022.0	3,333.2	3,622.0
Dept. of Housing and Urban Development	310.0	309.3	0.0
Department of the Interior			
Bureau of Indian Affairs	20.3	23.4	25.9
Bureau of Land Management	5.0	5.0	5.0
U.S. Fish & Wildlife Service	1.0	1.0	1.0
National Park Service	9.5	9.5	9.5
Total, Department of the Interior	35.9	39.0	41.4
The Judiciary	679.6	735.6	823.9
Department of Justice			
Assets Forfeiture Fund	503.0	400.0	360.0
U.S. Attorneys	207.7	218.1	228.9
Bureau of Prisons	2,063.8	2,406.9	2,597.4
Community Policing	196.4	374.7	348.1
Criminal Division	33.0	35.1	37.4
Drug Enforcement Administration	1,341.3	1,443.9	1,567.0
Federal Bureau of Investigation	709.6	810.3	712.3
Federal Prisoner Detention	332.9	363.2	440.6
Immigration and Naturalization Service	465.8	529.8	574.3
Interagency Crime and Drug Enforcement	316.8	325.2	338.1
INTERPOL	0.2	0.3	0.3
U.S. Marshals Service	210.3	224.3	243.4
Office of Justice Programs	976.3	1,016.6	889.8
Tax Division	0.4	0.4	0.4
Total, Department of Justice	7,357.5	8,148.8	8,338.1
Department of Labor	64.3	81.5	81.7
Office of National Drug Control Policy			
Operations	22.8	24.7	25.1
High Intensity Drug Trafficking Areas	191.3	206.0	206.4
Counterdrug Technology Assessment Center	32.1	36.0	40.0
Special Forfeiture Fund	218.3	233.1	247.6
Total, Office of National Drug Control Policy	464.4	499.8	519.1
Small Business Administration	3.5	3.5	5.0

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	FY 2000 Final	FY 2001 Enacted	FY 2002 Request
Department of State			
Bureau of International Narcotics & Law Enforcement			
International Narcotics Control	273.8	279.3	162.0
Plan Colombia/Andean Regional Initiative	1,018.5	0.0	731.0
Subtotal, International Narcotics & Law Enforcement	1,292.3	279.3	893.0
Emergencies in the Diplomatic and Consular Service	1.0	1.0	2.5
Public Diplomacy*	8.0	8.8	9.0
*(Previously administered through U.S. Information Agency)			
Total, Department of State	1,301.3	289.1	904.5
Department of Transportation			
U.S. Coast Guard	760.8	636.3	759.4
Federal Aviation Administration	23.9	24.5	25.5
National Highway Traffic Safety Administration	30.2	30.5	31.9
Total, Department of Transportation	814.9	691.2	816.8
Department of the Treasury			
Bureau of Alcohol, Tobacco, and Firearms	252.0	351.8	368.6
U.S. Customs Service	664.0	721.6	772.1
Federal Law Enforcement Training Center	27.7	31.3	24.5
Financial Crimes Enforcement Network	8.9	10.6	11.2
Interagency Crime and Drug Enforcement	75.0	103.2	106.5
Internal Revenue Service	73.5	57.3	40.4
U.S. Secret Service	89.4	115.9	123.7
Treasury Forfeiture Fund	158.3	148.1	148.1
Total, Department of the Treasury	1,348.8	1,539.7	1,595.1
Department of Veterans Affairs	554.6	572.9	580.8
Total Federal Drug Budget	17,940.3	18,053.1	19,178.8

The technical issues chapter of the FY 2002 Budget Summary contained a section titled “Drug Budget Accounting Improvements.” It stated, “For the drug budget to be a helpful tool for policymakers, the Congress and the public, it must be presented with an appropriate degree of accuracy and consistency.” The section cited the 1998 Reauthorization requirement that the National Drug Control Program agencies submit to the ONDCP Director, not later than February 1 of each year, a detailed accounting of all funds expended by the agencies for drug program activities during the previous fiscal year, and that the respective Inspector General authenticate

the accounting prior to submission to the Director. The Director was also required to submit to Congress, not later than April 1 of each year, the information submitted by the drug agencies.

The FY 2002 Budget Summary, formulated in early 2000, further stated that ONDCP had worked closely over the preceding few years with agency Chief Financial Officers and Inspectors General to develop the form and content of agency drug accounting reports. As a result, ONDCP issued to all agencies, a circular, dated December 1999, and titled, *Annual Accounting of Drug Control Funds*. The circular focused on disclosures and assertions that each agency must make regarding its drug budget methodology. ONDCP acknowledged in the Budget Summary that drug control funding is not separately accounted for in agency financial systems. As a result, drug funding is an estimate, based on individual agency drug methodologies for attributing a portion of agency budgets to drug control activities. The FY 2002 Budget Summary acknowledged therefore that the most important aspect of each agency's drug funding calculations is its drug budget methodology.

The RAND Report on Drug Budgeting

Prior to the FY 2002 Budget Summary, drug budget methodology was already a matter of some concern at ONDCP. According to a former ONDCP official, who attributed problems to poor agency accounting systems and inadequate budget offices, "We knew that some of the agency estimates were very soft." In the 1990s, there was pressure on agencies to show that they had robust drug programs and were "hard on drugs." In many cases, the tendency was to over-count. One agency, for example, routinely used a figure of 50 percent of its budget from year-to-year as representing drug-related spending. Recognizing this as a less than optimal methodology, ONDCP acknowledged the need for an independent, outside accounting review.

In 2000, ONDCP sponsored a study conducted by the RAND Corporation²⁰⁹ to look at drug budgeting. In its preface, the RAND report stated that the drug budget is based on certifications the ONDCP Director has made as to the adequacy of the budget requests of the many entities engaged in drug activities and asked whether Congress could have confidence in the budget figures. The study undertook to answer this question through an analysis of the drug budget methodologies used in ten drug agencies: U.S. Coast Guard, Bureau of Prisons (BOP), Department of Defense (DOD), Immigration and Naturalization Service (INS), U.S. Customs Service (USCS), Federal Bureau of Investigation (FBI), Substance Abuse and Mental Health Services Administration (SAMHSA), Veterans Affairs (VA), Health Care Financing Administration, and Department of Education (ED). The agencies were selected because of their significant role in the nation's counterdrug efforts and because of ONDCP's questions about their methodologies.

For FY 1998, the year reviewed, these agencies represented more than half of the federal drug control budget. RAND's conclusion was that real problems existed in seven of the ten agencies and that steps needed to be taken for the ONDCP Director to be able to carry out his statutory responsibilities of review and certification.

²⁰⁹ Murphy, Patrick et al, RAND Drug Policy Research Center and Science and Technology Policy Institute (ONDCP contract ENG-9812731), *Improving Anti-Drug Budgeting*, 2000.

According to RAND, raising the issue of drug budget reliability raised the question of how much precision and confidence are needed. The answer depends on the purpose the budget is to serve: financial control, planning, management, or political advocacy. RAND found that, initially, the drug control budget was essentially a political document with little need for precision. The increased responsibilities outlined in ONDCP's authorizing statutes, as well as the institution of a performance measurement role, however suggested an explicit planning and management role and the need for greater accuracy.

RAND analyzed the methodologies of the ten agencies using the following criteria:

- Did the methodology use a systematic approach that was based on a clear definition of what programs were included, and was it then documented, replicable, and reconcilable with the figures reported for other missions?
- Did the methodology use empirical data, and was the program information current?
- Were the methodologies consistent, accurate, and understandable?

According to the RAND report, the challenge in drug budgeting is to separate out a subset of resources from an organization's total budget, drawing lines that demarcate what should be considered "drug control." The agency efforts were found to be using a variety of methods and involving the exercise of considerable discretion.

In three cases, the methodologies were appropriate and provided a reasonable estimate of the resources devoted to antidrug efforts. The U.S. Coast Guard had developed a dynamic model for calculating antidrug expenditures, based on a timekeeping system and on tracing the costs of drug operations. BOP compiled data each year on the percentage of its inmate population sentenced for drug offences. That percentage was then multiplied by the total costs to determine BOP's antidrug expenditures. DOD, through its planning, programming, and budgeting system, determined which military assets would be dedicated to drug activities, and included their costs in its counterdrug budget.

RAND found that three of the agencies began with a logical framework for estimating drug expenditures, but the implementation was flawed. The FBI, in one of its divisions, used a timekeeping system to determine the percentage of time expended on drug activities and then calculated its antidrug budget based on this percentage. Problems arose in other FBI divisions where the FBI had defined a complicated methodology based on judgments about the types of investigations that were potentially antidrug. Veterans Affairs identified patients suffering from drug addiction and assigned the cost of their drug abuse treatment to the drug budget. A significant problem emerged, however, when VA allocated to its drug budget the costs of other kinds of medical care for the same patients. The Department of Education used client profiles and cost data to estimate the portion of its total budget that comprised drug services and grants. Problems arose in its inclusion of programs that may be drug-related, but did not provide drug treatment or prevention services.

The drug budget methodologies in the other four agencies studied were found to have serious deficiencies. In the case of INS and USCS, the methodologies were based largely on “educated guesses.” SAMHSA’s methodology was found to be a collection of arbitrary assumptions and rules. Health Care and Finance Administration’s methodology was based on patient diagnoses and costs, but it was determined that the source of the patient data was an outdated survey from 1983.

RAND concluded that, “what these methodological problems meant for the overall size of the national drug control budget was uncertain.” For the agencies that failed to use empirical data, it was not possible to say whether the figures were high or low. The budgets for the Coast Guard and the Bureau of Prisons were found to reflect “quite accurately” the resources expended. RAND also concluded that the DOD method of omitting certain personnel costs had the effect of underestimating the overall amount of funds for counterdrug activities.

In ED, VA, and SAMHSA, RAND found the methodologies produced inflated antidrug budgets—the cumulative effect of which was to inflate the overall FY 1998 drug budget of \$16 billion by over \$1 billion. The study found VA’s budget to be most inflated. Including the other medical care costs for drug abuse patients inflated VA’s budget by \$710 million, or 66 percent. Since these three agencies were all involved in prevention and treatment, the result was that the demand-reduction side of the FY 1998 drug budget was really about 20 percent less than reported to the American public. RAND concluded that the ONDCP Director could not effectively plan programs to reduce the demand for illicit drugs or hold agencies accountable for their performance with a margin of error of 20 percent in the estimate of available resources.

Drug Accounting Improvements

ONDCP acknowledged in the FY 2002 Budget Summary, that for FY 1999, the first year of the annual accounting requirement, some agencies had difficulty presenting a detailed accounting of funds that could be authenticated by their IG. ONDCP described an iterative process over a few fiscal years to improve the calculations, more accurately reflect counterdrug activities across the government, and enable a more accurate display of drug budget resources. ONDCP pledged to keep the public apprised of progress and fully disclose any future modifications to agency drug budget methodologies that would significantly affect how the information is presented.

Also in the 2002 Budget Summary, ONDCP described previous inconsistencies among the way agencies presented their prior year’s comparative data. In prior budget summaries, data for the earliest year displayed was not uniformly presented as budget authority. Some departments had reported prior year funding as obligations, while others reported prior year data as budget authority. For most agencies, the difference was minimal, but the difference could be substantial for programs with large capital components. ONDCP stated that it had worked with the agencies and OMB to ensure that prior year data was consistently displayed as budget authority. As a result, the FY 2002 budget summary displayed budget authority exclusively for the first time.

Several agencies were listed that had “major changes in drug budget methodology.” The U.S. Customs Service, Federal Law Enforcement Training Center, Health Resources and Services

Administration, U.S. Marshals Service and Department of Veterans Affairs had adopted changes to drug accounting methodology that were described in the budget summary along with their dollar impact. The Administration for Children and Families and National Institutes of Health within the Department of Health and Human Services were described as agencies with ongoing efforts to develop new methodologies. The Court Services and Offender Supervision Agency for the District of Columbia, a newly formed agency with drug-related responsibilities, was added as a new agency. The Food and Drug Administration and Department of Housing and Urban Development were agencies that were omitted because their anti-drug programs had been terminated.

The next Budget Summary, for FY 2003 and dated February 2002, requested \$19.2 billion. Chapter III - *Technical Issues* described changes in accounting methodology for the Administration for Children and Families, National Institutes of Health, Centers for Disease Control, Federal Aviation Administration, Bureau of Alcohol, Tobacco and Firearms, U.S. Customs Service, U.S. Secret Service, Department of Justice, and the Court Services and Offender Supervision Agency for the District of Columbia.

Budget Restructuring Rationale

In the FY 2003 Budget Summary, ONDCP posited a rationale for restructuring the drug control budget based on the significant workload and the desire to incorporate “results-oriented management.” The Budget Summary stated: “...coordinating the work of numerous drug control agencies can quickly become overwhelming. To bring results-oriented management to drug control efforts, the Administration proposes significantly restructuring the drug budget.” The chapter further provided the following rationale:

The National Drug Control Budget includes close to 50 budget accounts totaling \$19 billion for 2003. Recent independent analyses of these budgets commissioned by ONDCP [the RAND study] as well as ongoing required reviews by department Inspectors General, have identified significant weaknesses in these budget presentations. Many of these issues are associated with the drug budget methodologies used by agencies to estimate drug spending. Drug budget methodologies are imprecise and often have only a weak association with core drug control missions. The proposed budget reforms outlined in this chapter would provide a greater degree of accountability for federal drug control programs.

The basic shortcoming associated with the current drug budget is that much of the funding displayed does not represent real dollars in the President’s Budget. Drug budget calculations are not transparent to the public, Executive Department officials, or the Congress. The drug budget generally does not represent funds that can be readily found in individual agency budget documents or accounting systems. Since the drug budget is a collection of estimates based on percentages of many accounts, it is an artificial construction. To correct this fundamental deficiency, the drug budget must be restructured to display actual funds found in the President’s Budget.

ONDCP proposed to restructure the National Drug Control Program Budget to include only agencies with primary drug law enforcement or demand reduction missions. According to the FY 2003 Budget Summary, “This would limit the budget to those agencies or accounts that have been, or should be, the principal focus of drug control policy.” The restructuring would exclude agencies with any of the following characteristics:

- Agencies where drug control activities are incidental to their primary missions;
- Agencies that mainly focus on the consequences associated with activities of other primary counterdrug agencies; or
- Treasury and Justice law enforcement agencies with primary missions not closely related to drug control.

The net effect was a reduction from 57 accounts to 15 accounts. The Budget Summary chapter provided a “Pro Forma Proposed National Drug Control Budget” for FY 2003 with prior years that restated the prior years showing only those accounts that would remain after the restructuring. (Table 2)

Table 2
Pro Forma Proposed
National Drug Control Budget
 \$ Millions

<u>Agency/Account</u>	<u>FY 01</u>	<u>FY 02</u>	<u>FY 03</u>	<u>Change FY02-03</u>
Defense	970.4	847.6	848.9	1.3
Education (Safe & Drug-Free Schools)	644.3	679.3	644.3	(35.0)
Health and Human Services				
Substance Abuse & Mental Health Services Administration	2,175.0	2,305.8	2,371.0	65.2
National Institute on Drug Abuse ¹	783.6	890.9	948.5	57.6
Justice				
Drug Enforcement Administration	1,480.4	1,605.4	1,698.5	93.1
Interagency Crime & Drug Enforcement	325.2	338.6	362.1	23.5
Immigration & Naturalization Service	201.7	210.1	328.5	118.4
Office of Justice Programs	214.8	255.5	240.2	(15.3)
Office of National Drug Control Policy	502.1	533.3	523.1	(10.2)
State	279.3	859.0	883.2	24.2
Transportation (U.S. Coast Guard)	745.4	540.4	629.2	88.8
Treasury				
Customs Service	714.7	1,004.0	1,004.4	0.4
Interagency Crime & Drug Enforcement	103.2	107.6	107.6	0.0
Veterans Affairs	680.9	709.4	741.8	32.4
Other Presidential Initiatives ²	3.5	53.0	58.0	5.0
Total, Federal Drug Control Budget	\$9,824.6	\$10,939.9	\$11,389.3	\$449.4

² For SBA's Drug-Free Workplace programs, \$3.5 million is included for FY 2001 and \$3.0 million is included for FYs 2002 and 2003. For Corporation for National Service's Parents Drug Corps program, this includes \$5 million for FY 2003. For COPS' Southwest Border Prosecutor initiative, this includes \$50 million for FYs 2002 and 2003.

As a result of the restructuring, the drug control budget totals for FY 2001 and FY 2002 are significantly reduced from the amounts previously reported as enacted for those years. Further, the omission of the 42 deleted accounts makes it difficult for the reader to use the table to discern the effect of the restructuring. The "Change FY02-03" column, showing a total of \$449.4 million, reflects the change from FY 2002 to FY 2003 for only those accounts that would remain after restructuring. For FY 2002, the President's Budget requested \$19.2 billion but the restructured "FY 02" column in the Pro Forma Proposed Budget reflects a decrease of \$7.9 billion below the FY 2002 enacted level of \$18.8 billion. Similarly, the "FY 03" column reflects a decrease of \$7.8 billion below the FY 2003 request of \$19.2 billion.

The FY 2003 Budget Summary provided a department by department explanation of the accounts to be omitted, as follows:²¹⁰

- Agriculture (\$28.1 million) and Interior (\$41.4 million) were both omitted because drug control activities were seen as incidental to their primary mission.
- Within DOD, the Counternarcotics Central Transfer account was retained but the Operations Tempo (\$149.9 million) line, which included funding for the Military Departments, was omitted. Operations Tempo funds fuel, spare parts, and depot-level maintenance of weapons systems, such as surveillance aircraft used in counterdrug activities.
- Within ED, a portion of the National Programs line within the Safe and Drug Free Schools Program (SDFS) was previously not included because it was not entirely drug control. Also, a portion of program administration, appropriated separately, was allocated to SDFS, offsetting the reduction. The restructuring would simplify the calculation by including 100 percent of the SDFS program.
- Within HHS, only SAMHSA and NIDA would be retained. The restructured budget removed the Administration for Children and Families (\$60.4 million), Centers for Disease Control and Prevention (\$178.2 million), Centers for Medicare and Medicaid Services (later added back to the Budget Summary) (\$560 million), Health Resources and Services Administration (\$45.9 million), and Indian Health Service (\$69.7 million). According to ONDCP, drug control was not the primary activity of these HHS bureaus and demand resources were not highlighted in these annual policy discussions. Additionally, many of the components reported that they had estimated their funding and could not easily verify or reproduce it.
- Judiciary (\$823.9 million) was removed in its entirety. ONDCP's logic was that: (1) judicial proceedings were secondary consequences of drug programs; (2) given that the Judiciary is a separate branch of government, there is a philosophical "separation of powers" argument for exclusion; and (3) the Executive Branch exercises no management control over any of Judiciary's programs that may be connected to drug control.
- Within Justice, the Assets Forfeiture Program (\$360 million), U.S. Attorneys (\$228.9 million), Bureau of Prisons (\$2,597.4 million), Community Policing (\$348.1 million), Criminal Division (\$37.4 million), FBI (\$712.3 million), Federal Prisoner Detention (\$440.6 million), INTERPOL, (\$.3 million), U.S. Marshal's Service (\$243.4 million), and Tax Division (\$.4million) were all removed. Department of Justice was the largest adjustment, about \$5 billion in total. Asset Forfeiture was removed because the proceeds of drug cases enhance law enforcement in general. Bureau of Prisons was removed because incarceration was seen as a consequence of drug use. However, the BOP drug treatment program (\$45 million) was retained. Approximately 60 percent of the BOP budget was previously reported as drug spending because that portion of federal prisoners were serving a sentence due to a drug conviction. The FBI was removed on a prospective basis because the Department of Justice and FBI had publicly announced a change in

²¹⁰ Amounts shown are from the FY 2002 column in Appendix A.

priorities for the FBI (post 9/11) that could affect the FBI's level of participation in the National Drug Control Program.

- Within DOT, the FAA (\$25.5 million) and the NHTSA (\$31.9 million) were removed from the National Drug Control Program because their funding was seen as minimal and their principal missions were not seen as being closely associated with the National Drug Control Program.
- VA was not seen as a first-tier drug control agency performing a mission that is key to the federal drug control program. The VA drug budget was seen as influenced by the demographic factors of drug-dependent veterans and not easily affected by variables associated with explicit drug policy decisions. Notwithstanding these considerations, VA was retained in the restructured drug budget.
- The Budget Summary provided no explanation as to why the Department of Labor (\$81.7 million) was removed from the National Drug Control Program.

The FY 2003 Budget Summary went on to explain that:

By narrowing the scope of the drug budget and presenting it in terms of real dollars, it will become a better tool for policymakers. Resource allocations will become part of the decision-making process, rather than information reported after decisions are made. In addition to being more accurate, the new drug control budget will focus on agencies and programs that produce measurable results. This will make it possible to improve accountability and, for the first time, will create a basis for comparing the results of supply and demand activities. This new budget structure also will provide the underpinnings of a system for moving resources to areas of maximum effectiveness.

The FY 2004 Budget Summary implemented the budget restructuring for the first time and included the budget requests of 17 agencies with accounts totaling \$11.7 billion. It included a new department, the Department of Homeland Security, which encompassed Border and Transportation Security and the Coast Guard. According to the Budget Summary:

The drug budget now reflects only those expenditures aimed at reducing drug use, rather than those associated with the consequences of drug use. These latter costs will continue to be periodically reported by ONDCP in the *Economic Costs of Drug Abuse in the United States*. The modified drug budget, as presented in this volume, provides a more realistic basis for policymakers to consider tradeoffs between spending for prevention, treatment and law enforcement programs.

According to an ONDCP official, the budget restructuring was carried out without any objection voiced on the part of Congress. House Report language from 2006, however, states objections to the restructured budget and to an approach that it characterizes as not as comprehensive or coherent as desired and dealing only with drug control funds that are administratively easiest to track.

The committee has continuing concerns about how the administration has compiled the National Drug Control Budget. As in years past, the administration

has included items which, on closer review, may not be entirely related to drug control, while leaving out significant items—such as the cost of incarcerating drug offenders in Federal prisons—which are directly related to drug control. This has two major impacts. First, the drug budget (as currently presented) fails to do what a 'drug budget' ought to do—provide a full accounting of what the Federal Government actually spends on drug control. Second, it may artificially limit the legal responsibility of the Director of ONDCP to review and certify all programs of the President's budget request relating to drug control.²¹¹

Current members and staff of the House Committee on Oversight and Government Reform have voiced dissatisfaction with the restructured budget and want a return to the previous all inclusive Budget Summary. House and Senate Appropriations staff, who were not on staff at the time of the restructuring, were unaware of the history of the issue.

²¹¹ House Committee on Budget, *The National Drug Control Strategy for 2005 and the National Drug Control Budget for Fiscal Year 2006*, 109th Cong., 1st sess., 2005, H. Rept. 109-172.

ONDCP COMPETENCY REQUIREMENTS

For the workforce portion of this project, the study team developed a survey of division heads that asked them to identify the required core occupational competencies required by their employees—that is, the subject-matter expertise the unit’s workforce must have to meet its mission responsibilities. The Panel believes their insights help to identify the core occupational competencies required for ONDCP to meet its mission responsibilities; assess whether any need to be strengthened; and determine whether the competencies of the near future may change. In some cases, respondents identified some general professional skills or personal attributes because these were seen as so fundamental to their unit’s ability to accomplish its mission. The study team did not receive a response from three organizational units: Public Affairs, CTAC, and the Office of State, Local, and Tribal Affairs.

Identified Competencies

This section presents the competencies identified by each division head or designee.

Immediate Office of the Director

- Leading people
- Leading change
- Project management
- Ability to communicate
- Ability to coordinate complex policy matters within the agency and between other agencies
- Process management
- Records management
- Ability to write and edit written products
- Policy development and policy execution

Office of Legal Counsel

- Administrative Law and Procedure
- Constitutional Law, especially issues between executive and legislative branches
- Decision-Making
- Problem Solving
- Ethics Knowledge
- Communications
- Teamwork
- Flexibility
- Conflict Resolution
- Continuous Learning and Self-Development

Office of Management and Administration

- Process Management
- Quantitative/Qualitative Analysis
- Legislation, Policy, and Procedure Research
- Management Analysis
- Program Management
- Financial Management
- Financial Data Analysis
- Budget Calculation
- Federal Budget Process
- Organizational Forecasting
- Grants Administration
- Procedural and Regulatory Compliance Management
- Communicate Effectively with Senior Leadership
- Create and Execute Operating Plans
- HR Resource Law and Regulation
- HR Consultation
- HR Communication
- HR Management Knowledge
- IT Adeptness
- IT Awareness
- Project Management
- Technical Information Communication
- IT Expertise
- IT Legislative Requirements
- Visionary Leadership
- Developing and Managing Talent
- Strategic Decision Making

Office of Performance and Budget

- ONDCP's mission, functions, and organizational structure
- Legal Knowledge of the Public Laws, Executive Orders, and ONDCP Circulars Governing the Management Process
- Strategic Planning Process
- Federal Budget Preparation Processes
- Congressional Appropriations Process
- Budgeting and Program Management Concepts
- Techniques of financial management, economic analysis, internal controls, auditing, and program evaluation
- Performance measurement and performance effectiveness concepts
- Techniques of productivity measurement and measurement
- Data analysis

- Leveraging technology
- Computer software applications (i.e., database development and administration, spreadsheets, graphics, word processing, etc.)
- Agency coordination process
- Oral and written communication
- Time management techniques
- Federal procurement and contract management
- Generally accepted management principles and practices
- Organizational development and organizational analysis concepts
- Coaching, mentoring, motivation, and teamwork concepts
- Conflict resolution

Office of Legislative Affairs

- Knowledge
- Effective Communication
- Flexibility
- Conflict Resolution
- Initiative
- Problem Solving
- Teamwork
- Ethics

Office of Supply Reduction

All of the unit's employees need the following:

- Demonstrated experience and knowledge of international and host country drug control policy and issues;
- Demonstrated knowledge of laws, regulations, and Executive Orders pertaining to international drug control issues;
- Demonstrated experience in drafting legislation, agreements, policy papers, and Federal and interagency budgets related to US international drug control programs and initiatives;
- Ability to gather, analyze, and evaluate data;
- Ability to express facts and ideas in writing in a clear, convincing and organized manner;
- Demonstrated experience briefing and interacting with high-level officials;
- Ability to communicate effectively with all levels of the organization, as well as other government agencies, both orally and in writing;
- Experience analyzing, implementing and evaluating programs, policies, procedures and processes relevant to drug control policies; and
- Skill in using a variety of software (spreadsheet, database, graphics, word processing) to prepare reports and presentations and for management of information.

Specific branches within the Office of Supply Reduction need the following:

- Demonstrated knowledge of international organization activities and worldwide international drug control positions with regard to supply reduction and demand reduction initiatives (International Policy Branch).
- Operational breadth and depth of international interdiction continuum. The Office of Intelligence needs demonstrated experience and knowledge of domestic and foreign intelligence agencies and legislative committees associated with drug control issues (Interdiction Branch).
- Demonstrated experience and knowledge of identified drug source and transit countries impacting supply or identified as national security threats to the United States, as well as demonstrated experience and knowledge of US Embassy organization and operations (Source Country Branch).

In addition, the respondent said that incumbents of all supervisory positions must have demonstrated experience in leading interagency efforts to formulate Federal positions on drug control.

Office of Demand Reduction

- Professional background, higher academic degree relevant to the core mission (e.g. M.S., Ph.D., M.D.) and comprehensive knowledge of at least one of the following categories of the core mission, e.g. prevention, intervention or treatment, drug courts to enable policy development.
- Advanced training in modeling programs and the capability of developing “business” and recommend strategic plans to implement effective programs at a national level.
- Professional background and comprehensive knowledge of specific drugs and drug challenges and develop policies and solutions relevant to these issues.
- Excellent research skills that enable them to mine scientific literature, synthesize information and to provide cogent analyses of complex materials relevant to policy development.
- Excellent writing skills, including the creation of drafts of speeches.
- Institutional history of how the Agency interacts with Federal partners and private sectors.
- Networks within the field and interpersonal skills are an asset. They should have the skills to recruit the assistance of other agencies in advancing policies and programs.
- Ability to acquire knowledge of relevant government programs, their strengths and weaknesses and knowledge of personnel involved in implementing them. They should be capable of recommending strategies for program oversight and critiques, at each phase: inception and structure, implementation, evaluation and analysis for program improvements.

- Analytical skills to evaluate strengths and weaknesses of policies, information and program.
- Organizational, multi-dimensional skills to manage complex sets of data, complex tasks, through various phases of assessment and approval processes.

National Youth Anti-Drug Media Campaign

- Social Marketing/Health Communication
- Mass Communication Process and Effects
- Youth Behavior Change
- Drug and Alcohol Problem Prevention
- Media Production
- Survey Research and Program Evaluation
- Epidemiology

Competencies to Strengthen

For the most part, the division heads reported that their unit had the necessary competencies, which is not surprising given that saying otherwise could be seen as a negative reflection upon the current workforce.

- **Immediate Office of the Director** reported that all of these are represented in the current IOD workforce, but there is “always room for improvement.”
- **Office of Legal Counsel** said that communications and conflict resolution could be strengthened. Communications was identified as an issue “[b]ecause the Office of Legal Counsel often deals with very technical and often subtle issues and interpretations of the law, OLC could improve its ability to explain legal concepts and theories behind its decision-making and legal advice.” Conflict resolution was identified as an issue because, “[a]s part of OLC’s communication challenges, as described about, at times ONDCP staff will interpret an OLC decision of a legal matter as a disagreement over policy or even personality, instead of accepting a legal decision staff does not want to accept. OLC can improve its ability to explain its decisions and avoid conflict with staff.”
- **Office of Supply Reduction** said that none of these competencies needed strengthening, but “they need to be maintained and fostered through consistent training opportunities.”
- **Office of Demand Reduction** reported that “most categories can be strengthened, particularly 1 – 5.” These were (1) comprehensive knowledge of prevention, intervention or treatment, and/or drug courts to enable policy development; (2) advanced training in modeling programs and strategic planning for effective national programs; (3) comprehensive knowledge of specific drugs and drug challenges and develop policies and solutions relevant to these issues; (4) excellent research skills that enable them to mine scientific literature, synthesize information and to provide cogent analyses of complex materials relevant to policy development; and (5) excellent writing skills.

- **National Youth Anti-Drug Media Campaign** identified knowledge of youth behavior change as a competency that needs to be strengthened—specifically, “more knowledge of research and relevance to mass media campaign and audience segmentation would be an asset.”
- **The Office of Legislative Affairs** reported that, within the context of the change in administration, “knowledge” needed to be strengthened. “Only one senior career staffer will be in the component because the Office of Legislative Affairs will have several positions vacated at the end of this administration. OLA deals with both the Executive and Legislative branches and deserves individuals with both the educational underpinnings and strong practical experience of working with the Congress. With the pending change in administrations, it will be important that individuals are hired to staff the office who have the necessary qualifications. It will be important to provide regular training to keep staff skills up to date and expand the knowledge base in an ongoing manner.”

Two division heads (Office of Management and Administration; Office of Performance and Budget) reported that none of their identified competencies needed to be strengthened. While not anticipating fundamental mission requirements to change, the Office of Management and Administration expressed some concerns about IT-related needs because this is a fast-changing area. It is difficult to “anticipate what the IT landscape will be in the future.”

Mechanisms for Strengthening Competencies

Division heads had the following suggestions for how to strengthen the competencies:

- Additional training for employees
- More proactive identification of low-cost/no-cost training for both professional and support employees
- More aggressively fund professional educational opportunities
- Aggressively fill positions that will be vacated by Schedule C personnel
- “Access to research/researchers to be convened across other ONDCP components”
- “Enable Deputies to weigh in during the hiring process” to “ensure they are able to acquire personnel consistent with their needs and vision”
- “Institutionalize certain employee professional requirements”
- Provide additional professional training for current personnel

Impact of the Presidential Transition

When asked whether these competencies would likely change over the next few years, several respondents mentioned that the transition would have an impact.

- **Office of Legal Counsel:** “Because ONDCP will be going through a transition, possibly significant, next year, it will be important for core competencies in the future to focus on changing leadership, establishing priorities, and knowledge sharing. These competencies will be essential as OLC works with a new team of political managers to accomplish the drug control goals and objectives of the new Administration.”
- **Office of Demand Reduction:** Whether competency requirements will change “depends on vision, policies, premises, and programs of future leadership. If domestic policies are a priority, these core occupational requirements may be changed.”
- **National Youth Anti-Drug Media Campaign:** Whether competency requirements will change is essentially unknown because it “depends on new administration and Congressional mandate.”
- **The Office of Legislative Affairs:** While not believing that core competency requirements would change over the next few years, the unit head reported that OLA positions must be staffed with “individuals with a strong set of skills and full knowledge base coming in” and that OLA is especially important during a presidential transition because it is “on the front line to ensure that the confirmation process is handled in an expedited fashion and has positive outcomes.”

WORKFORCE DATA ANALYSIS, COMPARISONS, AND METHODOLOGY

Chapter V presented information on ONDCP's overall human capital governance, policies, and procedures to provide a context for how the agency manages its workforce. It also presented a summary of key facts about the ONDCP workforce, as well as how it compares to two EOP units (the Office of Science and Technology Policy and the Office of the U.S. Trade Representative) and two executive branch organizations (the Federal Transit Administration and the National Drug Intelligence Center). This appendix provides additional detail on these issues by presenting data that show:

- An historical overview of the ONDCP workforce from FY 2000 to FY 2008;
- Occupational representation and division of key workforce responsibilities by ONDCP unit;
- A distribution of performance ratings under the current Director and how this compared to FY 2000 and FY 2001; and
- Utilization of employee awards from FY 2000 to FY 2008.

The ONDCP data in this appendix is based on two datasets provided to the study team by the Executive Office of the President's Office of Administration, HR Management Division:

- ONDCP workforce data, as of the last date in the fiscal year from FY 2000 to FY 2007, as well as current employees as of March 15, 2008; and
- ONDCP employee awards from 1999 to 2007.

The EOP comparative organizational data is based upon a high-level FY 2000 to FY 2008 workforce summary of OSTP and USTR²¹² provided by the EOP Office of Administration's HR Management Division.²¹³ In addition, the study team has received high-level workforce data from the National Drug Intelligence Center (NDIC) and the Federal Transit Administration (FTA). NDIC data was only available for FY 2008; some of the FTA data-points just covered FY 2008, while others went back to FY 2000. As a grants organization, FTA is a relevant comparator to the program operations portion of ONDCP. As an intelligence gathering and analysis organization, NDIC is a relevant comparator to the portion of ONDCP responsible for research, development, and data collection/dissemination.

²¹² The study team sought similar data from the U.S. Office of Management and Budget (OMB), which is the largest EOP component, but OMB officials would not agree to release the data.

²¹³ Although neither of these agencies has a federal-wide responsibility for certifying an agency's budgetary contribution to a national strategy, the data highlights typical EOP practices in such areas as grade distribution, political-career ratios, average salary, workforce diversity, and average length of service.

The analysis in this chapter shows that ONDCP may need to expand the occupations represented in its staff beyond miscellaneous program positions into other important categories of subject-matter expertise areas. In addition, ONDCP has an opportunity to increase racial/ethnic diversity, the representation of women, and the retention of career staff to ensure the continuity of effective operations.

OVERVIEW OF THE CURRENT AND HISTORICAL ONDCP WORKFORCE

As explained in Chapter V, ONDCP employs personnel under a variety of appointment mechanisms. From FY 2000 to FY 2008, it has had Presidential appointees confirmed by the U.S. Senate (PAS), Schedule C and non-career SES political appointments, career appointments, and time-limited staff, as well as consultants and advisory board members (both paid and unpaid). For the purposes of this assessment, the Panel counts “ONDCP employees” as all individuals reported by the EOP as being in the workforce at the end of each fiscal year (FY)—except for consultants and advisory board members.²¹⁴ Unless otherwise stated, the ONDCP workforce data in this chapter excludes consultants and advisory board members, but includes all others. Consultant and advisory board members within OSTP and USTR are excluded where possible;²¹⁵ neither FTA nor NDIC use consultants and advisory board members.

Workforce Trends

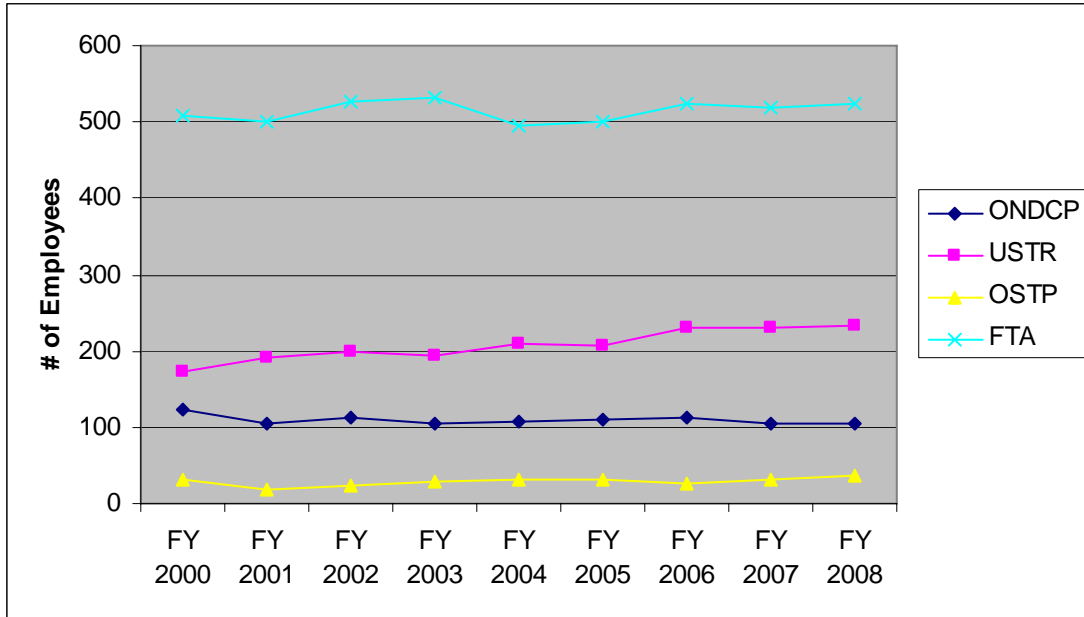
As discussed in Chapter I, the number of ONDCP regular employees has varied from 123 employees in FY 2000 to 106 employees in FY 2008—a decline of 13.82 percent.²¹⁶ (These numbers exclude detailees from the military and civilian agency liaisons.) Figure 1 shows how ONDCP’s workforce compares to the three other organizations (FTA, OSTP, and USTR) for which the study team has comparative data from FY 2000 to FY 2008. NDIC in FY 2008, the only year for which the study team has data, had 224 employees. FTA is the largest of the organizations. Of the four organizations for which historical information is available, ONDCP is the only one with fewer employees in FY 2008 than in FY 2000. By contrast, USTR’s workforce has increased by 26.1 percent over these nine years, and OSTP’s has increased by 16.2 percent. FTA has had a more modest increase of 3.3 percent.

²¹⁴ From FY 2000 to FY 2009, ONDCP has employed 27 time-limited staff. In all cases, these individuals (appointed on a “Term Appointment-Not to Exceed” or an “Excepted Appointment-Not to Exceed”) are paid on a per-annum basis. Some of these individuals are research assistants or special assistants; others are policy analysts or senior policy analysts. One of these individuals has served in an administrative capacity. They are distinct from the consultants and advisory board members, who are either paid on a daily basis for their service or are uncompensated altogether. ONDCP’s consultants and advisory board members are Special Government Employees (SGEs) rather than regular employees. The study team did not include them in the count of regular employees because, unlike time-limited staff, they do not have day-to-day responsibilities within the organization.

²¹⁵ It was not always possible to exclude consultant and advisory board members because the data was a high-level summary. (The study team was only able to exclude them if, for the issue in question, EOP broke the data down by pay plan.)

²¹⁶ Throughout this report, the FY 2008 figures are as of March 15, 2008.

Figure 1
Comparative Workforce Trends
FY 2000 – FY 2008

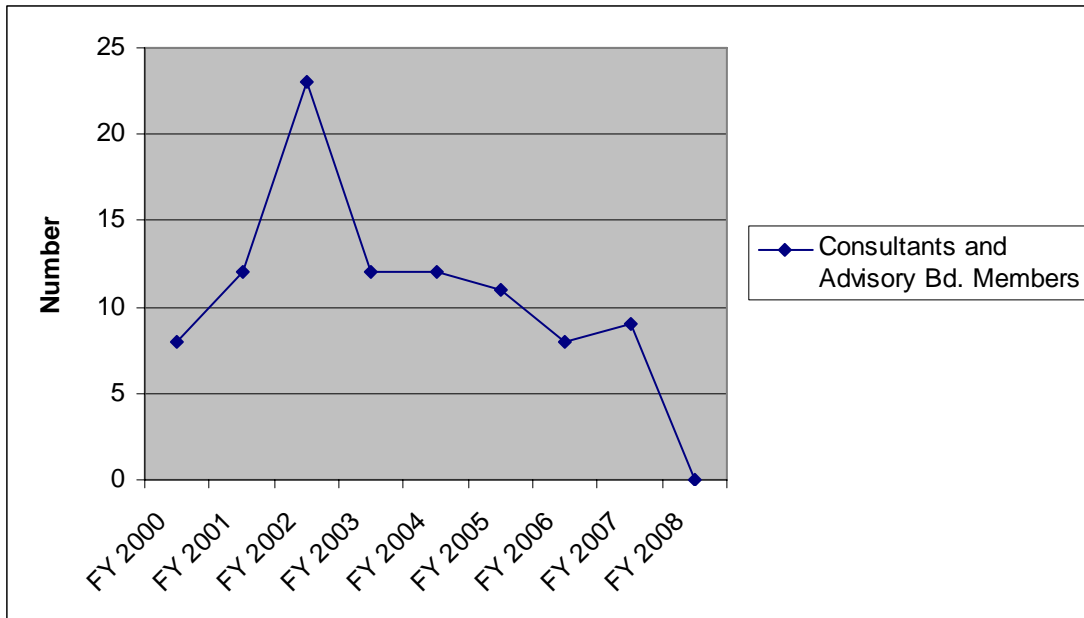


Source: EOP’s ONDCP, OSTP, and USTR workforce data; FTA’s and NDIC’s workforce data; and Academy calculations

Over the years, ONDCP has made some use of consultants and advisory boards. As Figure 2 shows, the use of consultants and advisory board members has been steadily declining since their peak in FY 2002, and ONDCP currently has none. This is partly due to Congress’ decision in December 2006 not to reauthorize the DFC advisory commission. In the past, ONDCP has made much more extensive use of these appointments.²¹⁷ Compared to ONDCP, USTR, and OSTP have made more limited use of consultants/advisory board members over the past nine years. USTR had 1 in FY 2007; OSTP had 3 in FY 2000, 1 in FY 2002, 3 in FY 2003, and 1 in each year from FY 2006 to FY 2008. NDIC and FTA did not use any consultants/advisory board members.

²¹⁷ 16 received no compensation; the other 7 were consultants paid for each day they worked.

Figure 2
ONDCP Consultant and Advisory Board Utilization²¹⁸
FY 2000 - 2008



Source: EOP Administration ONDCP Workforce Data and Academy Calculations

Composition by Appointment Type

In interviews with ONDCP officials, the study team was told that the nature of the workforce had changed over the years. While Director McCaffrey had at least one military detailee in every major unit (up to 30 military assignees), the Department of Defense has reduced the number of military assignees throughout the government and at ONDCP, with nine as of August 2008. Director Walters has relied more heavily upon political appointees (PAS, non-career SES, and Schedule C political appointees). Figure 3 shows that the total number of career employees has declined from 99 in FY 2000 to 78 in FY 2008—a reduction of 19 employees. The number of PAS employees has increased from 1 at the start of a new Administration, to 3. Other political employees have increased from 15 to 22.²¹⁹ Time-limited employees have declined from 8 to 3.²²⁰ Consultants/advisory board members have declined from 8 to 0. Overall, political appointees increased by 11.37 percentage points over these nine fiscal years. From FY 2000 to FY 2008, career employees declined by almost 2 percentage points (75.57 percent and 73.58

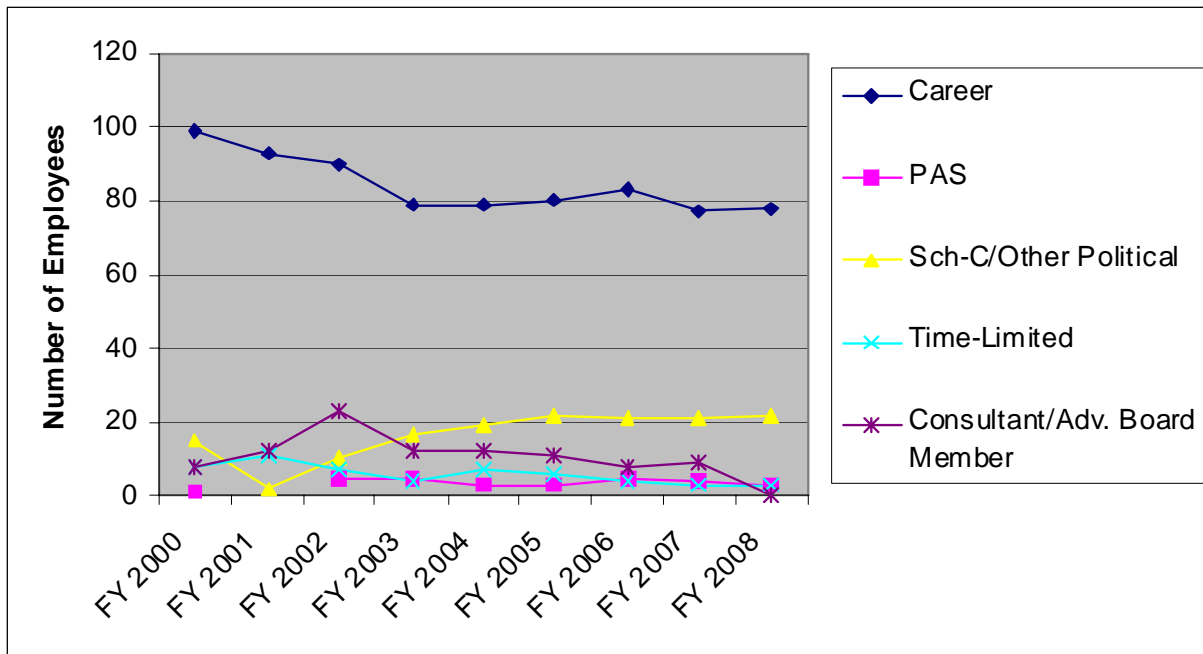
²¹⁸ This data excludes consultants and advisory board members.

²¹⁹ FY 2000 and FY 2008 may not be precisely comparable because of the date of the data. The FY 2000 data presented in this chapter is as of September 30, 2000, or approximately one month before the November election. The FY 2008 data, by contrast, is as of March 15, 2008—approximately eight months before the November election. This data is consistent, however, with what the study team has been told in interviews with career ONDCP officials about the increase in number of political appointees at ONDCP.

²²⁰ Time-limited employees are ONDCP employees on either an Excepted or Term Appointment, both with not-to-exceed dates.

percent respectively).²²¹ PAS employees have increased from under 1 percent in FY 2000, an election year, to 2.8 percent in FY 2008.²²² Other political employees have increased from 11.45 percent in FY 2000 to 20.75 percent in FY 2008 (a 9.3 percent increase). Time-limited employees have declined from 6.11 percent in FY 2000 to 2.83 percent in FY 2008 (a 3.28 percent decline). Consultant/advisory board members have declined from 6.11 percent in FY 2000 to 0 percent in FY 2008.

Figure 3
ONDCP Workforce by Appointment Type²²³
FY 2000 – FY 2008



Source: EOP Administration ONDCP Workforce Data and Academy Calculations

Comparing ONDCP to other federal agencies, in FY 2008:

- Of its 233 employees, USTR has 4 PAS and 25 Schedule C/Other Political employees, for a total number of political employees of 29;

²²¹ When consultants and advisory board members are excluded from the analysis, career employees have declined 6.9 percentage points between FY 2000 and FY 2008; PASs have increased by 2 percentage points; other political employees have increased by 8.6 percentage points; and time-limited employees by 3.7 percentage points.

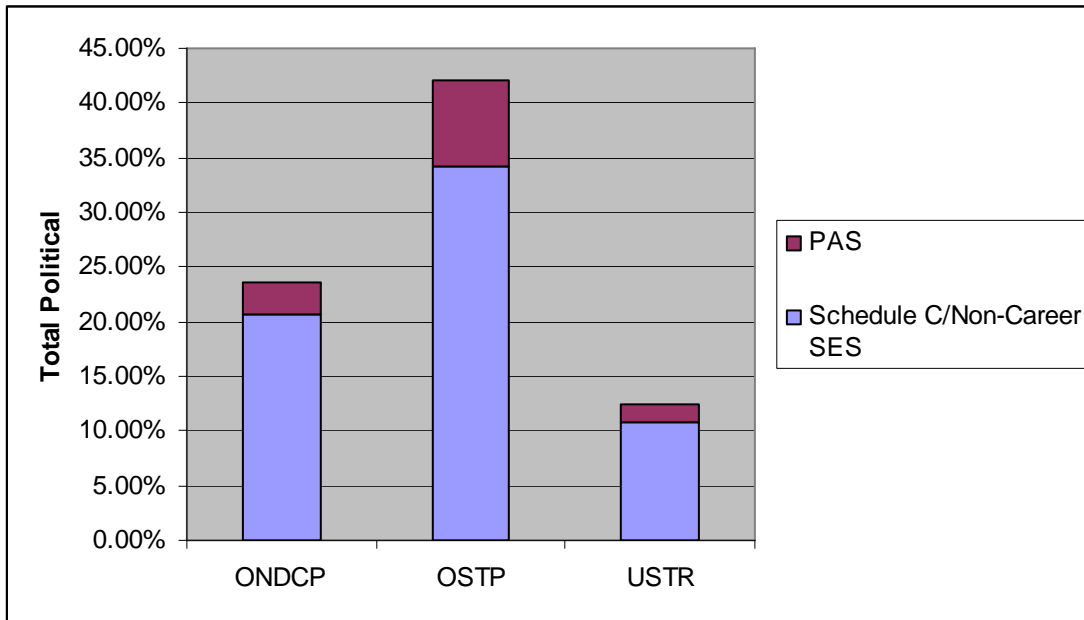
²²² Given the small number of PASs and the duration of the nomination and confirmation process, this number should be interpreted cautiously. Over the years, ONDCP’s PAS employees have ranged from a low of zero in FY 2001, which covered the beginning of a new Administration, to a high of five in FY 2006. Currently, ONDCP has five authorized PAS positions (as discussed above, 3 are filled).

²²³ ONDCP has used a limited number of non-career SES positions (a total of five employees over nine years). OPM regulation limits the number of SES non-careers an agency may have to 25 percent of an agency’s SES allocation. For purposes of this figure, non-career SES are included, along with Schedule C employees, in the category of “other political.”

- Of its 37 employees, OSTP has 3 PAS and 13 Schedule C/Other Political employees, for a total number of political employees of 16;
- Of its 106 employees, ONDCP has 3 PAS and 22 Schedule C/Other Political employees, for a total number of political employees of 25; and
- The study team is awaiting information from FTA (524 employee) and NDIC (224 employees) on the political portion of their workforce.

Figure 4 shows that, proportionate to the entire workforce, OSTP has the largest political cadre despite having a smaller number of total political appointees than the other two EOP organizations. A full 42.11 percent of OSTP’s workforce is political compared to ONDCP’s 23.58 percent and USTR’s 12.45 percent.

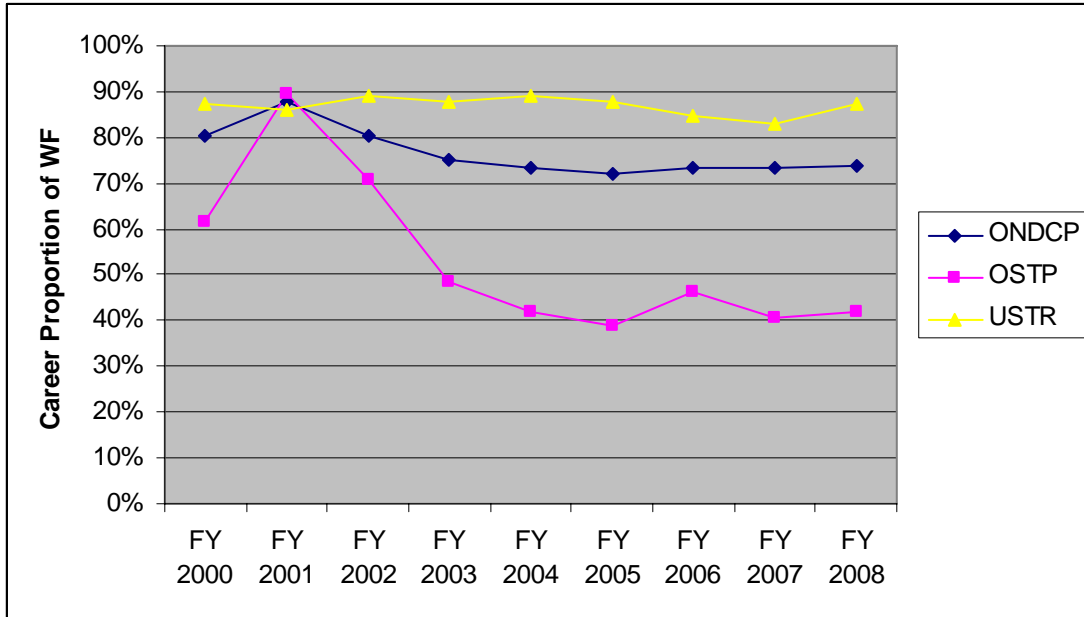
Figure 4
Political Proportion of the Workforce
FY 2008



Source: EOP’s ONDCP, OSTP, and USTR workforce data; Academy calculations

Figure 5 shows the career proportion of each organization’s workforce from FY 2000 to FY 2008. Among the EOP entities, OSTP’s career proportion has had the most variability over the years, reaching a low of 38.71 percent in FY 2005. Career employees were 61.76 percent of the OSTP workforce in FY 2000, compared to 42.11 percent in FY 2008. USTR has had the most stable career workforce over time, with their lowest point being 83.12 percent of the workforce in FY 2007. Career employees were 87.21 percent of the workforce in FY 2000, compared to 87.12 percent in FY 2008. Within ONDCP, career employees constituted 80.49 percent of the workforce in FY 2000, compared to 73.58 percent in FY 2008. They constituted the lowest proportion of the workforce in FY 2005 (72.07 percent).

**Figure 5
Career Proportion of the Workforce
FY 2000 – FY 2008**



Source: EOP’s ONDCP, OSTP, and USTR workforce data; Academy calculations

Distribution of Employees by Major ONDCP Organizational Unit

Although the internal organizational structure of ONDCP has varied widely over the past eight years, it has generally had five key program areas, a Director’s office, and five administrative support offices.

Compared to FY 2000 levels, the key program area offices’ workforces have changed in the following ways:

- Supply Reduction (15 employees in FY 2008) declined by 4.
- Demand Reduction (10 employees in FY 2008) declined by 2.
- Media Campaign (4 employees in FY 2008) had no employees in FY 2000.
- CTAC (11 employees in FY 2008) increased by 7 from a comparable program in FY 2000.
- State, Local, Tribal Affairs (11 employees in FY 2008) declined by 2.²²⁴

²²⁴ This includes a “Programs Branch” dedicated to HIDTA program oversight.

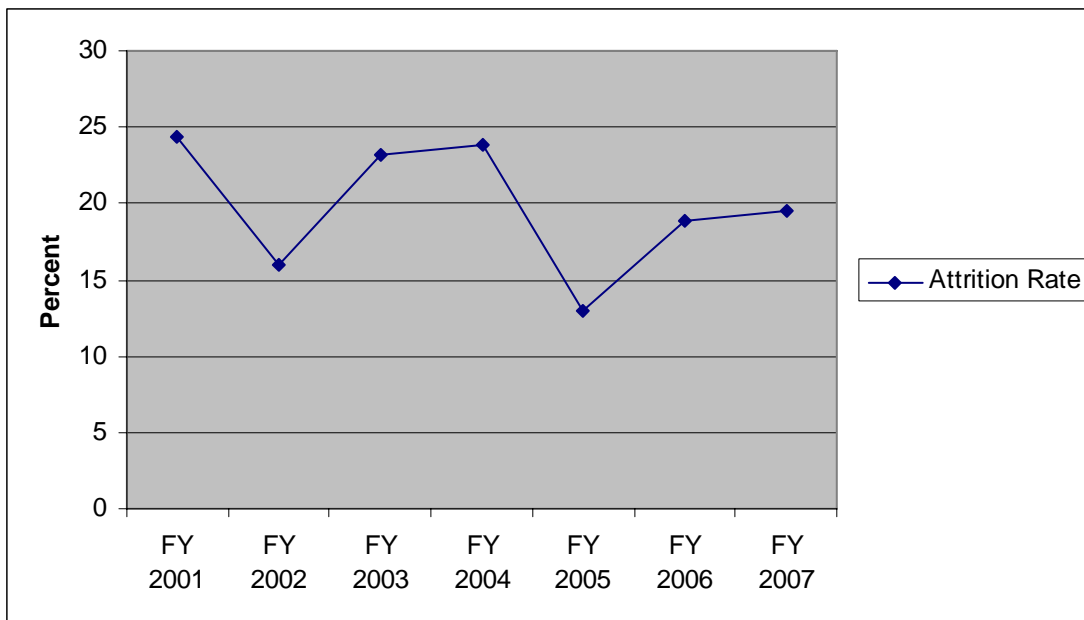
When FY 2008 is compared to FY 2000, the administrative offices have changed follows:

- Director’s Office (16 employees in FY 2008) declined by 2.
- Legislative Affairs (6 employees in FY 2008) increased by 1.
- Public Affairs (7 employees in FY 2008) increased by 1.
- Management and Administration (11 employees in FY 2008) decreased by 2.
- Legal Counsel (6 employees in FY 2008) has neither increased nor decreased.
- Performance and Budget (7 employees in FY 2008) declined by 1.

Annual Turnover

To get a sense of overall turnover from year to year at ONDCP, Figure 6 shows the total loss rate for employees from FY 2001 to FY 2007. To provide an aggregate sense of turnover each fiscal year, this figure includes all employees (including time-limited appointments), while excluding consultants and advisory board members. Detailees, who are not ONDCP employees, are not included. As shown, the highest overall loss rate was in FY 2001, when 24.4 percent of the workforce (30 employees) left at some point during the year. The lowest rate was in FY 2005, when 13 percent of the workforce (14 employees) left.

Figure 6
Total Loss Rate for ONDCP Employees²²⁵
FY 2000 – FY 2007

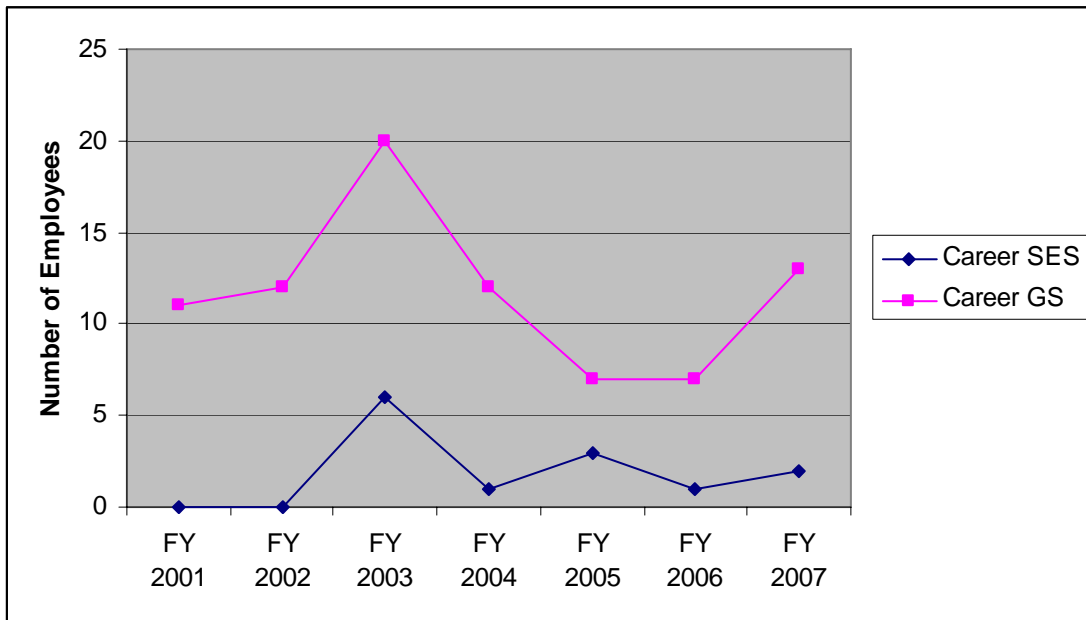


Source: EOP Administration ONDCP Workforce Data and Academy Calculations

²²⁵ This data excludes consultants and advisory board members, but includes time-limited appointments.

Because political and time-limited employees are expected to fluctuate from year to year, Figure 7 shows the total number of *career employees* in the SES and GS ranks who have left at some point during each of the analyzed years. This data excludes consultant/advisory board members as well as time-limited employees (who are expected to leave more frequently than career federal employees). ONDCP experienced the largest number of career SES exits in FY 2003, when a total of 6 left. In FY 2001 and FY 2002, by contrast, no career SES members left the agency. FY 2007 career SES exits increased to 2 from 1 the previous year. ONDCP also experienced the largest number of career GS exits in FY 2003, when a total of 20 left. The lowest number of career GS exits occurred in FY 2005 and FY 2006, with a loss of 7 each year. In FY 2007, 13 career GS and 2 career SES employees left the agency, both representing increases from the previous year. From a percentage standpoint, attrition for career SES employees has ranged from zero percent in FY 2001 and FY 2002 to 54.5 percent in FY 2003. Attrition for career GS employees has ranged from a low of approximately 10 percent in FY 2005 and FY 2006 to a high of 25.3 percent (20 employees) in FY 2003.²²⁶ In FY 2007, career GS attrition increased to 18.1 percent, and career SES attrition increased to 18.2 percent—both rising from the previous year’s rate of 10 percent.

Figure 7
Number of ONDCP Career SES and GS Employees Leaving During the Year
FY 2001 – FY 2007



Source: EOP Administration ONDCP Workforce Data and Academy Calculations

²²⁶ Because ONDCP does not conduct exit interviews, the study team has no information on why these individuals left or where they went (it is impossible to determine whether these individuals retired, went to another federal agency, or pursued opportunities in the private or not-for-profit sectors).

Based on available comparable attrition data for career employees, the study team looked at EOP components for benchmarks on attrition.²²⁷ USTR attrition for GS employees has been lower than ONDCP's, ranging from a low of 6.19 percent in FY 2008 to a high of 13.37 percent in FY 2000. OSTP attrition for GS employees ranged from a low of 7.89 percent in FY 2008 to a high of 52.63 percent in FY 2001. OSTP's FY 2001 figure is much higher than any year at ONDCP, but the very high FY 2001 number is most likely a result of political employees leaving with the start of a new Administration. USTR attrition for SES employees ranged from a low of 0 percent in FY 2002 to a high of 3.49 percent in FY 2000. OSTP attrition for SES employees ranged from a low of 0 percent in both FY 2002 and FY 2008 to a high of 21.05 percent in FY 2001. Both USTR and OSTP had lower overall rates of SES attrition than ONDCP.

ONDCP WORKFORCE FOCUS

As described in Chapter I, the Panel has characterized the work of ONDCP as falling into five basic categories:

1. National Drug Policy and Budget Formulation
2. National Drug Policy Coordination, Oversight, and Communications
3. Research, Development, and Data Collection/Dissemination
4. Program Operations
5. Administrative Infrastructure

To gain an understanding of the nature and division of ONDCP's work and the competencies required of its workforce, the study team analyzed the major mission responsibilities of each ONDCP employee and verified that analysis with senior ONDCP management. Table 1 depicts the primary and secondary emphases for each ONDCP unit.

²²⁷ NDIC and FTA did not provide attrition separate data for career and non-career GS and SES employees, but aggregated all attrition. Since this was not comparable data, the study team could not make a valid comparison with ONDCP.

Table 1
Unit Responsibility for Key Mission Responsibilities

Unit	Primary Responsibility	Other Responsibilities
IOD	1	2 and 5 ²²⁸
Office of Supply Reduction	1	2 and 3 ²²⁹
Office of Demand Reduction	1 and 3	2 ²³⁰
National Youth Anti-Drug Media Campaign	4	2 and 3
Office of Legal Counsel	5	1, 2, and 4
Office of Management and Administration	5	
Office of Performance and Budget	1	2 ²³¹
Office of Legislative Affairs	2	1

Occupational Series

Figure 8 shows that over 91 percent of ONDCP personnel in FY 2008 were in one of the following five occupational series:

- Miscellaneous Administration and Program (69.81 percent);
- Miscellaneous Clerk and Assistant (8.49 percent);
- Public Affairs (5.66 percent);
- Budget Analysis (3.77 percent); and
- Attorney (3.77 percent).

From FY 2000 to FY 2008, the proportion of the workforce in each of these major occupations changed in the following ways:²³²

- Miscellaneous Administration and Program—increase of 12.90 percent;
- Miscellaneous Clerk/Assistant—decrease of 6.14 percent ;
- Public Affairs—increase of 3.22 percent;

²²⁸ Some oversight responsibility was reported for research, development, and data collection/dissemination.

²²⁹ Some support to Public Affairs was also reported because OSR provides subject matter expertise for international engagement.

²³⁰ Some role in operational programs was also reported due to ODR's role in ONDCP demonstration programs.

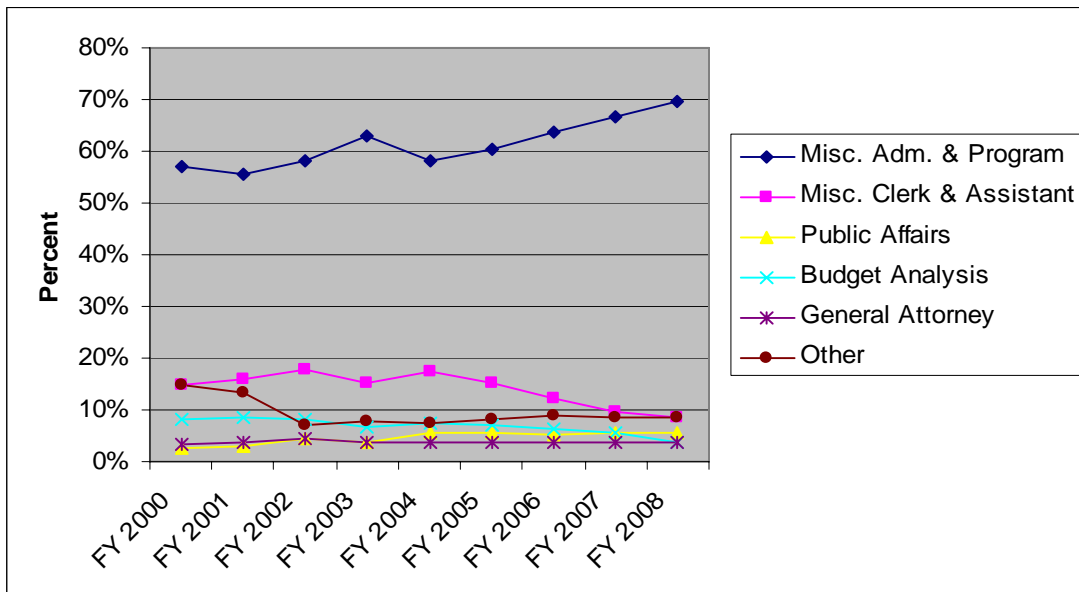
²³¹ Some role in developing performance measures for aspects of the research, development, and data collection/dissemination mission (3) and for the operational programs (4) was also reported.

²³² ONDCP has not had any employees coded in the 0600 series, which are the medical occupations. Some management personnel, however, may have medical backgrounds, yet be appropriately classified in a management series given their leadership role. For example, the team met with a PAS who is on leave from the Harvard School of Medicine. ONDCP databases show one statistician in each of the subject years.

- Budget Analysis—decrease of 4.36 percent;
- Attorney—increase of 0.52 percent; and
- Other—decrease of 6.14 percent.

It is also worth noting that ONDCP had seven secretaries (5.3 percent of the workforce) in FY 2000 and four in FY 2001 (3.4 percent of the workforce). It had no secretaries in subsequent years. This decline in the use of secretaries is consistent with government-wide trends in recent years.

Figure 8
Trends in ONDCP Occupational Series
FY 2000 – FY 2008



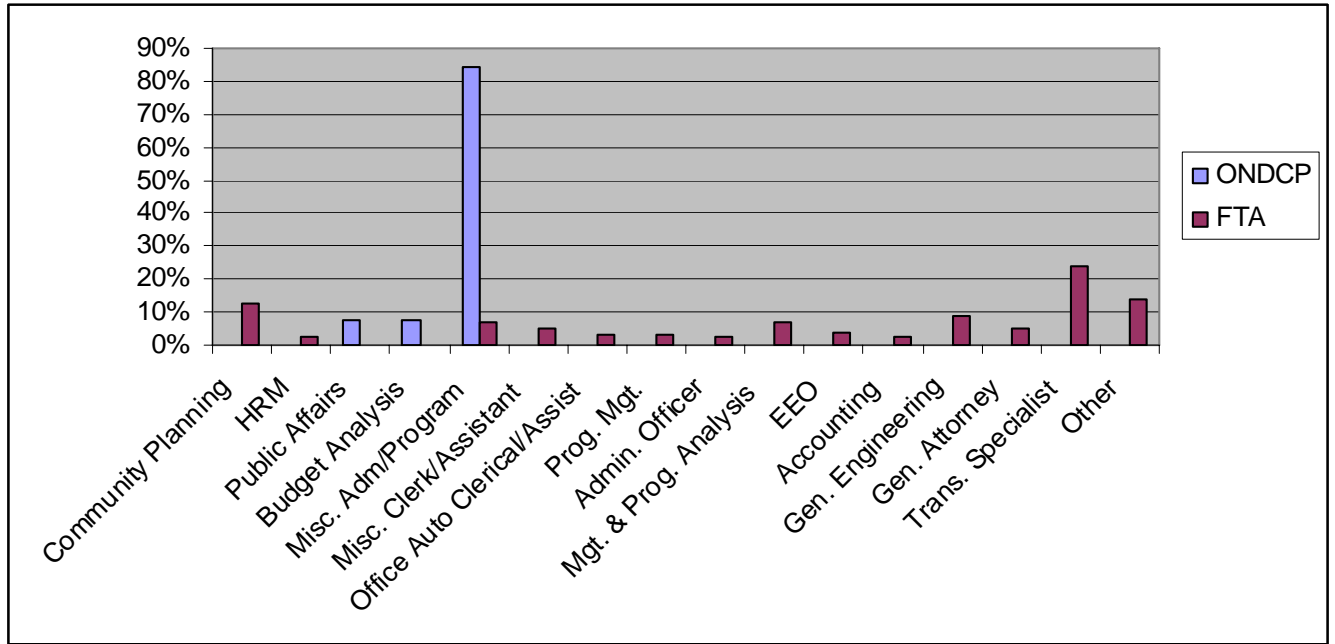
Source: EOP Administration ONDCP Workforce Data and Academy Calculations

The study team also compared the operational ONDCP employees to those at FTA, as well as the research, development, data collection/dissemination ONDCP employees to those at NDIC.

Figure 9 shows the results of the FTA comparison. Transportation Specialists constituted the largest occupational group (23.66 percent of the workforce), followed by Community Planning (12.40 percent), and General Engineering (8.59 percent). In analyzing the FTA workforce, the study team grouped occupations that each constituted below 3 percent of the workforce together

into an “Other” category (13.55 percent of the workforce).²³³ The largest ONDCP occupational categories are in Miscellaneous Administration/Program (84.62 percent).

Figure 9
Comparing ONDCP Operational Employees to FTA’s Occupational Series Profile
FY 2008

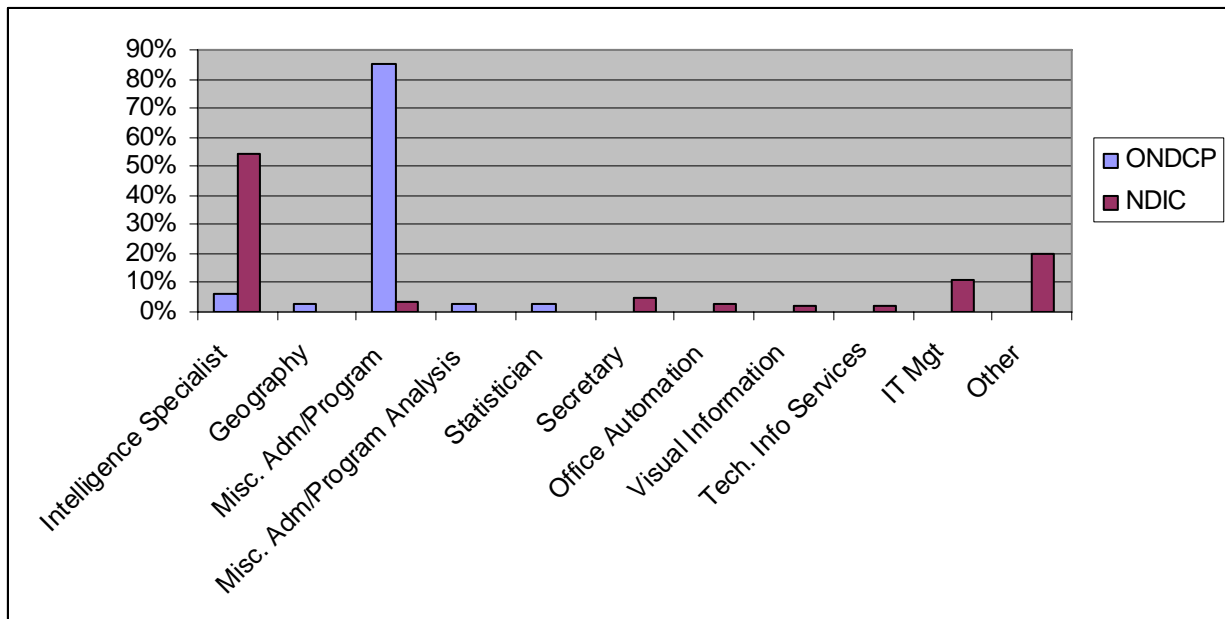


Source: EOP ONDCP workforce data and FTA workforce data; Academy calculations

²³³ The other category consisted of Secretary (1.72 percent); Environmental Protection Specialist (1.34 percent); Support Services Administration (1.15 percent); Budget Analysis (1.15 percent); and Contracting (1.15 percent). The following occupations each constituted under 1 percent of the workforce: Financial Administration and Program; Information Technology Management; Engineering/Architecture Trainee; Law Clerk; Paralegal Specialist; Legal Assistance; Public Affairs; Writing and Editing; Financial Analysis; Realty.

Figure 10 shows the results of the NDIC comparison. Intelligence Specialists constituted the largest NDIC occupational group (54.46 percent of the workforce), followed by IT Management (10.71 percent). In analyzing the NDIC workforce, the study team grouped occupations that each constituted below 3 percent of the workforce together into an “Other” category (19.64 percent of the workforce).²³⁴ Most of ONDCP’s employees engaged in research, development, and data collection/dissemination employees are occupationally classified in Miscellaneous Administration/Program (85.29 percent).

Figure 10
Comparing ONDCP Research, Development, and Data Employees
to NDIC’s Occupational Series Profile
FY 2008



Source: EOP ONDCP workforce data and NDIC workforce data; Academy calculations

²³⁴ The other category consisted of Security Administration (1.34 percent), Intelligence Aid/Clerk (1.79 percent), HRM (1.79 percent), HR Assistance (0.89 percent), Mail and File (0.45 percent), Computer Operations (1.79 percent), Program Management (0.45 percent), Support Services Administration (0.45 percent), Miscellaneous and Program Analysis (1.79 percent), Financial Management (0.45 percent), Accounting Tech (1.79 percent), Civilian Pay (0.45 percent), General Attorney (0.45 percent), General Arts and Information (0.45 percent), Technical Writing/Editing (0.89 percent), Visual Information (2.23 percent), Contracting (0.45 percent), Purchasing (0.45 percent), Cartography (0.45 percent), Librarian (0.45 percent), Library Tech (0.45 percent), Technical Information Services (2.23 percent), Education and Training Tech (0.45 percent), Instructional Systems (0.89 percent), Supply Program Management (0.45 percent), and Transportation Clerk and Assistance (0.45 percent).

Table 2 shows how ONDCP’s occupational profile compares to the two EOP units. In all three organizations, the largest occupational category is Miscellaneous Administration/Program, but the relative proportions differ. OSTP has the largest proportion in this category (84.21 percent), followed by ONDCP (69.81 percent). USTR has the lowest proportion (54.08 percent). The total in the two major miscellaneous categories (administration/program and clerk/assistant) is 78.30 percent at ONDCP, compared to 86.84 percent at OSTP and 62.66 percent at USTR.

Table 2
EOP Occupational Series
FY 2008

Occupational Series	ONDCP	OSTP	USTR
Security Administration	0.94%	None	0.86%
Economist	None	None	5.58%
Economics Assistant	None	None	0.43%
Intelligence Specialist	1.89%	None	None
Geography	0.94%	None	None
HRM	None	None	0.43%
Miscellaneous Administration/Program	69.81%	84.21%	54.08%
Miscellaneous Clerk/Assistant	8.49%	2.63%	8.58%
Secretary	None	None	6.01%
Office Automation	None	None	None
Administrative Officer	None	2.63%	None
Support Services Administration	0.94%	None	None
Miscellaneous and Program Analysis	1.89%	None	None
Telecommunications	None	None	0.43%
Financial Administration and Program	None	None	0.86%
Financial Clerical/Technical	None	None	0.43%
Financial Management	None	None	0.43%
Budget Analysis	3.77%	2.63%	None
General Attorney	3.77%	5.26%	17.17%
Paralegal Specialist	None	None	0.43%
Legal Assistance	None	None	0.43%
Public Affairs	5.66%	None	0.43%
Writing and Editing	None	None	None
Statistician	0.94%	None	None
IT Management	0.94%	2.63%	3.00%
Motor Vehicle Operations	None	None	0.43%

Overall, this analysis indicates that ONDCP’s occupational profile could be more useful from a workforce planning standpoint if expanded to provide more specific subject-matter expertise, an observation consistent with some of the results from the competency survey, discussed in

Chapter V and summarized in Appendix L. Within the Social Science, Psychology, and Welfare Group, ONDCP has no employees in the following potentially useful series:

- International Relations (0131)
- International Cooperation (0136)
- Psychology (0180)
- Sociology (0184)
- Social Work (0185)
- Social Services (0187)

Within the Natural Resources and Biological Science Group, ONDCP has no employees in the following potentially useful series:

- Pharmacology (0405)
- Physiology (0413)
- Toxicology (0415)

Within the Medical, Hospital, Dental, and Public Health Group, ONDCP has no employees in the following potentially useful series:

- General Health Series (0601)
- Pathology (0646)
- Public Health Program Specialist (0685)

While the Panel recognizes that the partner agencies are expected to be the subject matter experts, it appears that policy formulation and coordination would be more difficult without dedicated employees with expertise in some of these areas. OPM mandates that the Miscellaneous Administration and Program Series, as well as the Miscellaneous Clerk and Assistant Series, only be used for work “for which no other series is appropriate.” Some ONDCP employees in the 301 series do have some of this subject-matter expertise, but are classified as Miscellaneous Administration and Program due to their management responsibilities. Within the rank-and-file workforce, however, the occupational profile analyzed here leads the Panel to posit that ONDCP has too many generalists and not enough core subject-matter expertise. Consistent with this observation, the current PAS head of the Office of Demand Reduction said that her unit needed employees with a professional and academic background in prevention, intervention/treatment, and drug courts to enable policy development.

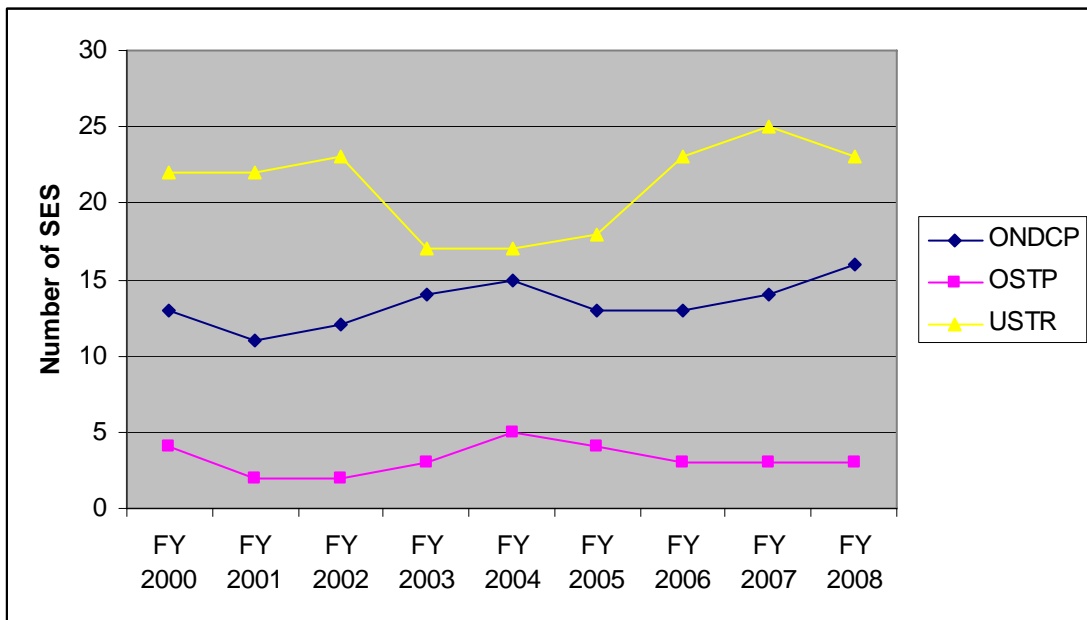
Number of SES and Grade Structure

The study team analyzed each organization’s number of SES positions in FY 2008—both in absolute terms and as a percentage of the total workforce. As Figure 11 details, USTR had the largest number of SES (23), followed by ONDCP and FTA (each with 16); OSTP had 3 SES; NDIC had 2 SES in FY 2008. In FY 2008, SES constituted 15.09 percent of ONDCP’s workforce, 9.87 percent of USTR’s, 8.11 percent of OSTP’s, 3.05 percent of FTA’s, and 0.89 percent of NDIC’s. USTR also has one SL—the only one of these organizations to use this alternative pay plan. Figure 11 also presents historical information on SES in the EOP

organizations (FTA and NDIC did not provide historical SES data). It shows that the number of SES in each organization has ranged as follows:

- OSTP—low of 2 (FY 2001 and FY 2002) and a high of 5 (FY 2004);
- USTR—low of 17 (FY 2003 and FY 2004) and a high of 25 (FY 2007); and
- ONDCP—low of 11 (FY 2001) and a high of 16 (FY 2008).

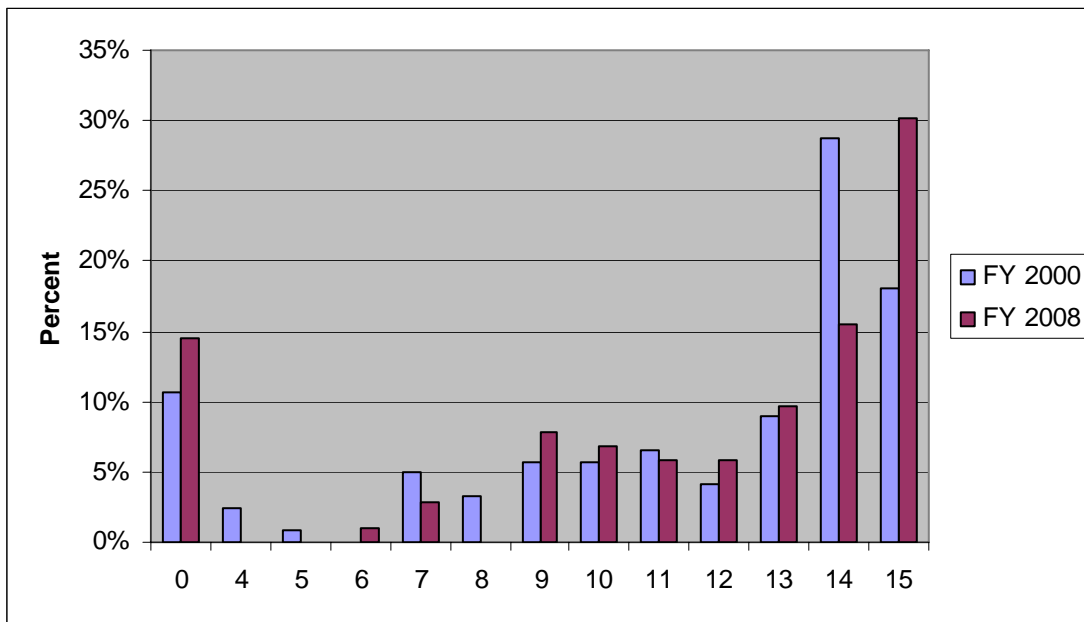
Figure 11
Number of SES in the EOP Organizations
FY 2000 – FY 2008



Source: EOP’s ONDCP, OSTP, and USTR workforce data; Academy calculations

Figure 12 presents trends in ONDCP grade structure from FY 2000 to FY 2008. Currently, ONDCP has 49 employees at the PAS, SES, and GS-15 levels. Individuals at these levels constitute more than 46 percent of the ONDCP workforce. From FY 2000 to FY 2008, the proportion of the workforce in GS-14 positions has declined by 13.15 percent, while those in GS-15 positions have increased by close to that amount (12.06 percent).²³⁵ Similarly, SES employees as a proportion of the workforce increased by 3.91 percent (from 10.66 percent to 14.56 percent).

Figure 12
Trends in ONDCP Grade Structure for GS and SES Employees
FY 2000 and FY 2008

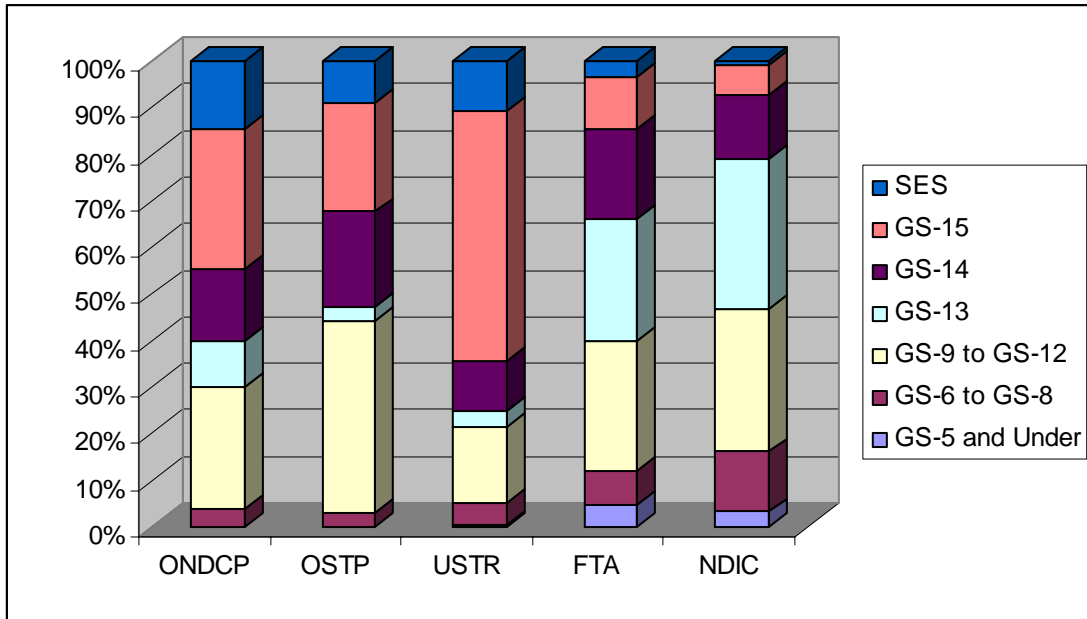


Source: EOP Administration ONDCP Workforce Data and Academy Calculation

²³⁵ ONDCP officials stated that they are focusing recruitment efforts on lower-graded professionals to counter-balance this rise in GS-15s.

Figure 13 compares the grade structures of each organization in FY 2008. As shown, USTR has the largest proportion of GS-15 and SES (64.49 percent), followed by ONDCP (44.66 percent). The other organizations had lower proportions at this level than ONDCP. OSTP had 32.35 percent at the GS-15 and SES levels; FTA had 14.53 percent; and NDIC had 7.14 percent.

Figure 13
Comparative Grade Structure
FY 2008

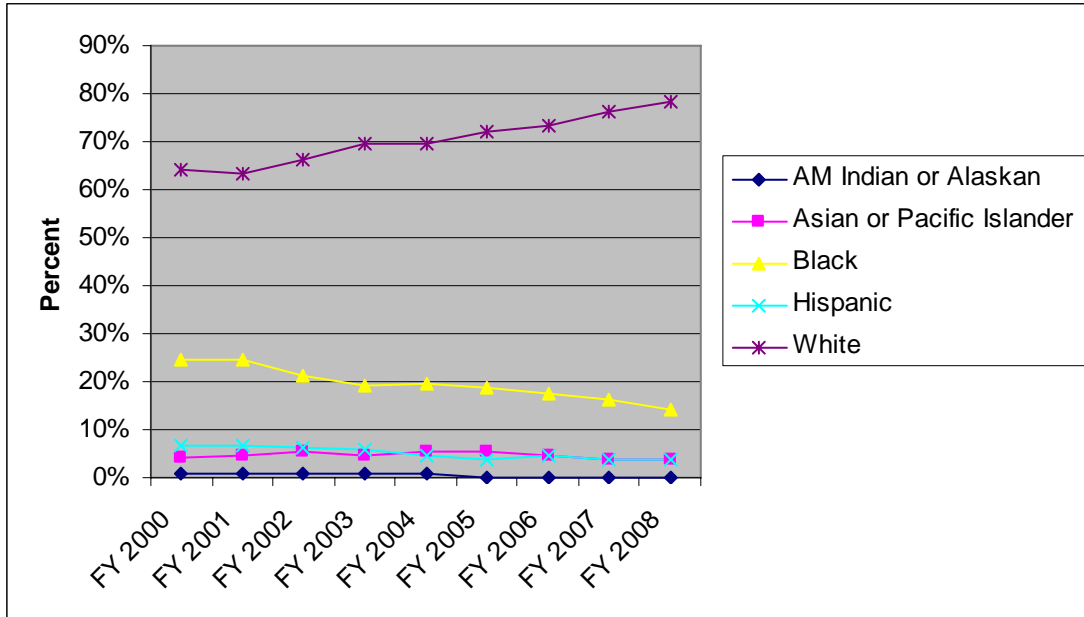


Source: EOP’s ONDCP, OSTP, and USTR workforce data; FTA’s and NDIC’s workforce data; and Academy calculations

Racial/Ethnic Diversity

Figure 14 shows that the proportion of Whites in the ONDCP workforce (excluding consultants and advisory board members) has increased from 64.23 percent in FY 2000 to 78.30 percent in FY 2008, causing total ethnic minority representation to decline by 14.07 percentage points. Over this nine-year period, as a proportion of the total workforce, Black representation declined 10.24 percentage points; Hispanics decreased by 2.73 percentage points; Asians/Pacific Islanders decreased by 0.29 percentage points; and American Indians/Alaskans, who have not been represented in the workforce since FY 2004, decreased by 0.81 percentage points. As of September 2008, ONDCP has no ethnic minority SES employees.

Figure 14
Racial/Ethnic Representation in ONDCP Workforce
FY 2000 – FY 2008



Source: EOP Administration ONDCP Workforce Data and Academy Calculations

By comparison, the other organizations’ total ethnic minority representation is as follows:

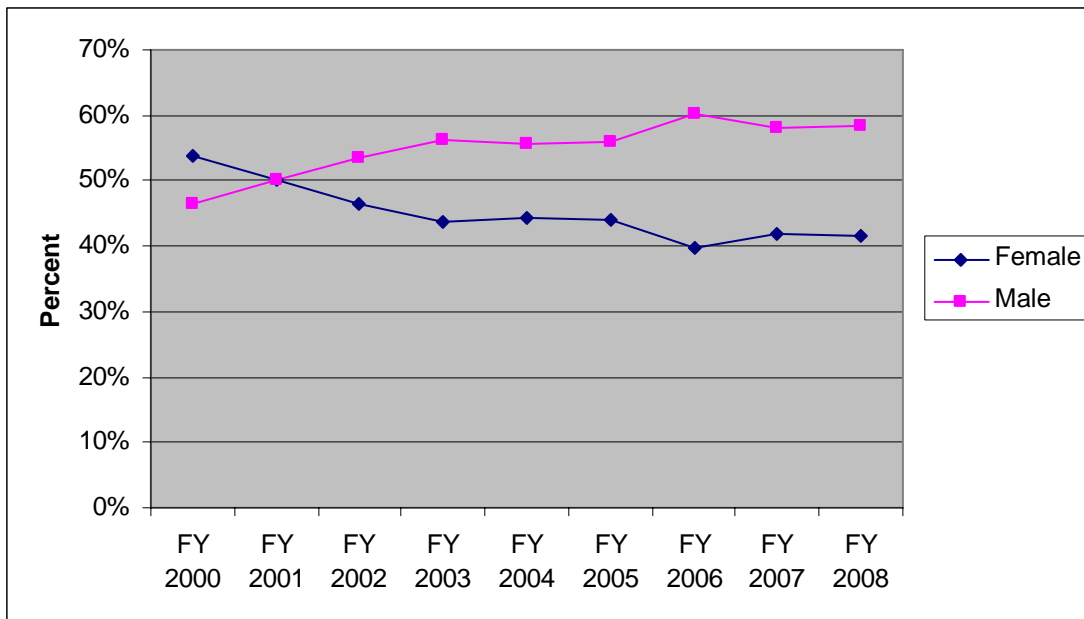
- FTA has the most racially/ethnically diverse workforce, with the proportion of ethnic minorities in FY 2008 totaling 52.67 percent. Over the past nine years, its ethnic minority proportion has ranged from a low of 50.61 percent in FY 2004 to a high of 55.03 percent in FY 2000.
- USTR’s FY 2008 workforce is 31.33 percent racial/ethnic minority. Over the past nine years, its ethnic minority proportion has ranged from a low of 24.76 percent in FY 2004 and a high of 31.40 percent in FY 2000.
- OSTP’s FY 2008 workforce is 21.05 percent racial/ethnic minority. Over the past nine years, its ethnic minority proportion has ranged from a low of 12.90 percent in FY 2004 and a high of 26.32 percent in FY 2001.
- NDIC’s FY 2008 workforce, the only year for which the study team has data, is 4.01 percent ethnic minority.

OSTP and NDIC have lower rates of ethnic minority in their workforces than ONDCP; FTA and USTR have higher rates.

Female Representation

Figure 15 shows that the balance between male and female employees at ONDCP (excluding consultants and advisory board members) has shifted over the past nine years. In FY 2000, a majority of ONDCP employees (53.66 percent) were female, a balance that changed in FY 2002, when the majority were male (53.57 percent). In FY 2008, 58.49 percent of ONDCP employees were male; 41.51 percent were female. As of September 2008, ONDCP has two female SES employees.

**Figure 15
ONDCP Employees by Gender
FY 2000 – FY 2008**



Source: EOP Administration ONDCP Workforce Data and Academy Calculations

By comparison, the other organization’s female representation is as follows:

- FTA has the largest representation of women, who constitute 58.78 percent of the FY 2008 workforce. Female representation has ranged from a low of 56.29 percent in FY 2005 to a high of 58.78 percent in FY 2000.
- USTR’s FY 2008 workforce is 51.50 percent female. Female representation has ranged from a low of 50.43 percent in FY 2007 and a high of 59.88 percent in FY 2000.
- OSTP’s FY 2008 workforce is also 51.50 percent female. It has ranged from a low of 48 percent in FY 2006 and a high of 63.16 percent in FY 2001.
- NDIC’s female representation in FY 2008 is 50.89 percent.

ONDCP has lower levels of female representation than any of these organizations.

Other Workforce Data

- **Average Years Served.** Another important issue is employee retention, which can be measured by looking at the average number of years served at ONDCP by GS and SES employees.²³⁶ In FY 2000, GS employees had served an average of slightly more than two years at ONDCP, a number that increased to over five years by FY 2007. SES employees had served an average of over four years in FY 2000, a number that increased to almost seven years by FY 2007.
- **Average Salary.** The average salary for all ONDCP employees (excluding consultants and advisory board members, who are paid, if at all, on a per-day basis) increased from \$73,050 in FY 2000 to \$107,901 in FY 2008. This 32.30 percent increase is to a considerable extent attributable to federal pay increases granted to all employees and to inflation. For example, cost-of-living pay raises for GS employees totaled 20.9 percent over this period. At ONDCP, GS employees' average salary increased from \$66,452 in FY 2000 to \$96,859 in FY 2008; SES employees from \$121,909 to \$159,457; PAS employees from \$157,000 to \$174,000. There were no PAS employees in FY 2001.

ONDCP'S PERFORMANCE APPRAISAL AND AWARDS SYSTEMS

The study team did an overall analysis of the distribution of performance ratings from FY 2000 to FY 2007, along with a more detailed analysis of FY 2007 award decisions by appointment type.

Figure 16 shows, for FY 2000 to FY 2007, the overall distribution of ratings²³⁷ (Fully Successful, Exceeds Fully Successful,²³⁸ and Outstanding),²³⁹ as well as those who are in employment categories typically eligible to receive a performance rating who had no recorded rating in the EOP data. (Excluded from the data set are Presidential appointees and consultant/advisory board members, none of whom receive annual performance ratings.)²⁴⁰ The proportion of unrecorded/unrated employees was the largest in FY 2000 (58.20 percent) and, with some

²³⁶ This data includes Schedule C, career, and time-limited appointments.

²³⁷ Although ONDCP has a five-tier rating system, during the period from FY 2000- FY 2007, the ratings of the employees on-board at the end of the fiscal year that EOP made available to the study team did not show any rating below Fully Successful. Because, as shown in Figure 16, many ratings were missing from this spreadsheet, it is possible that one of the "not recorded or unrated" employees did receive a lower rating that was not input into the EOP data system.

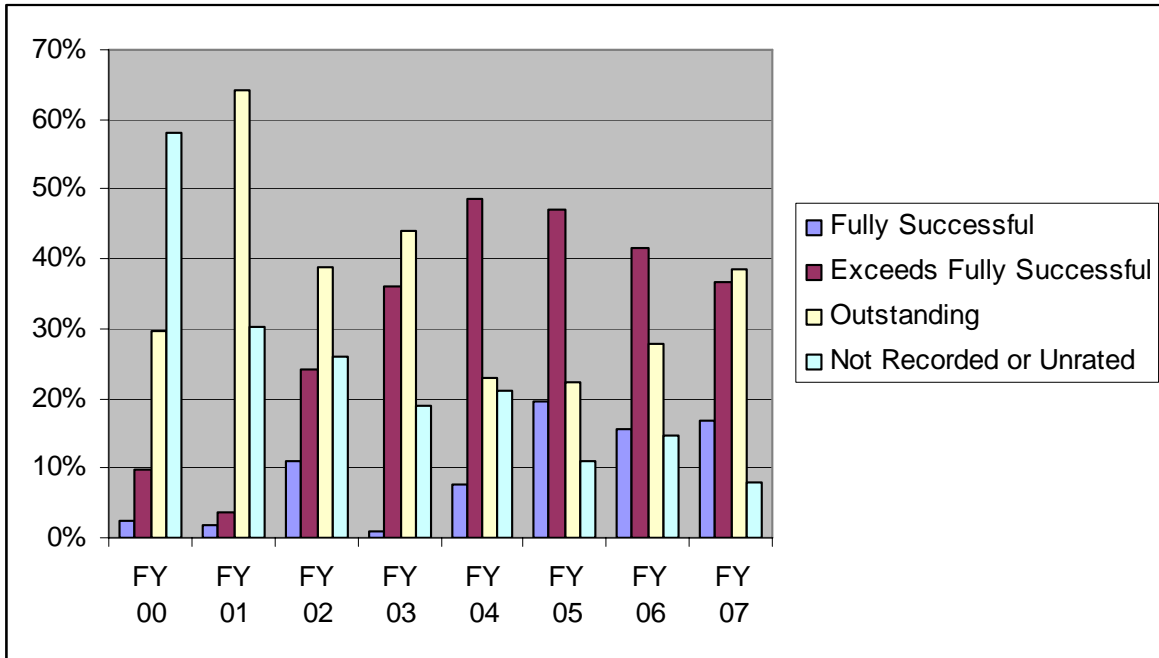
²³⁸ The Exceeds Fully Successful level of performance was previously termed "Excellent."

²³⁹ In addition to these top three rating categories, ONDCP's current rating system includes Minimally Successful and Unacceptable, as the lowest ratings.

²⁴⁰ There are several explanations for an employee to not have a recorded rating, such as (1) being a recent hire without the required 120-day minimum performance period; (2) extended leave without pay; (3) a recent reassignment to a new position and/or new supervisor; or (4) the extension of the rating period due to any of these reasons. Unrecorded ratings may also reflect administrative or data input errors/omissions.

incremental variations, has generally declined over the years. It was the lowest in FY 2007 (7.92 percent).

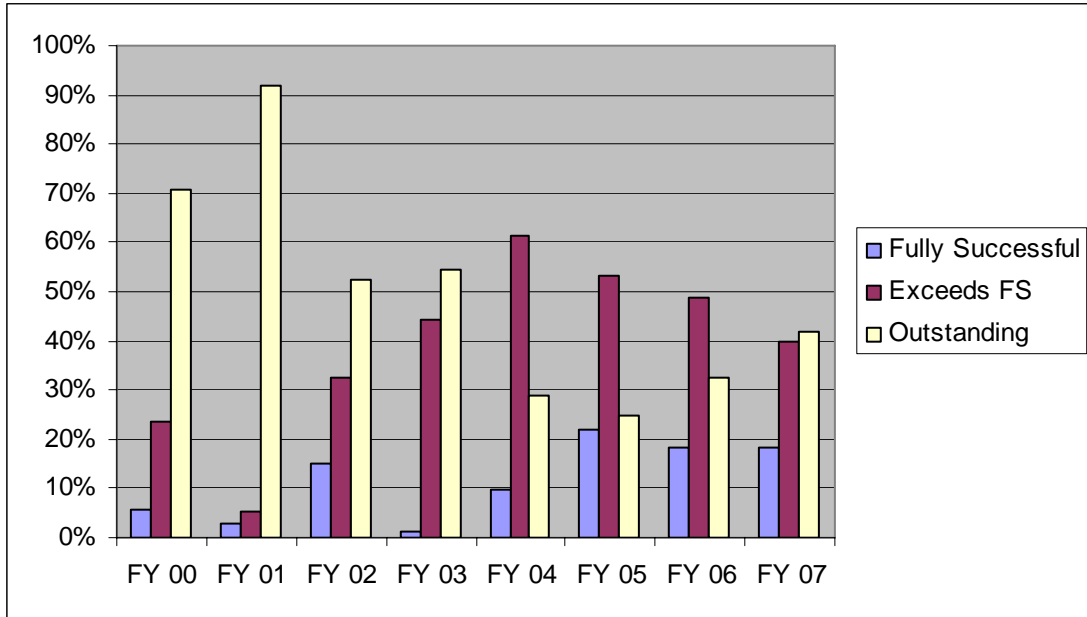
Figure 16
ONDCP Performance Rating Information
FY 2000 – FY 2007



Source: EOP Administration ONDCP Performance Rating Data and Academy Calculations

Figure 17 shows the distribution of performance ratings for those with ratings in the EOP-provided data. It supports ONDCP’s assertion that it has developed a more rigorous performance appraisal process over the past nine years. For those employees for whom the study team has ratings, the percent receiving an Outstanding has fallen from a high of 91.89 percent in FY 2001 to a low of 25 percent in FY 2005. In FY 2007, the most recent appraisal period with assigned ratings, the percent receiving an Outstanding rose to 41.94 percent—lower than over 52 percent receiving this top rating in both FY 2003 and FY 2004.

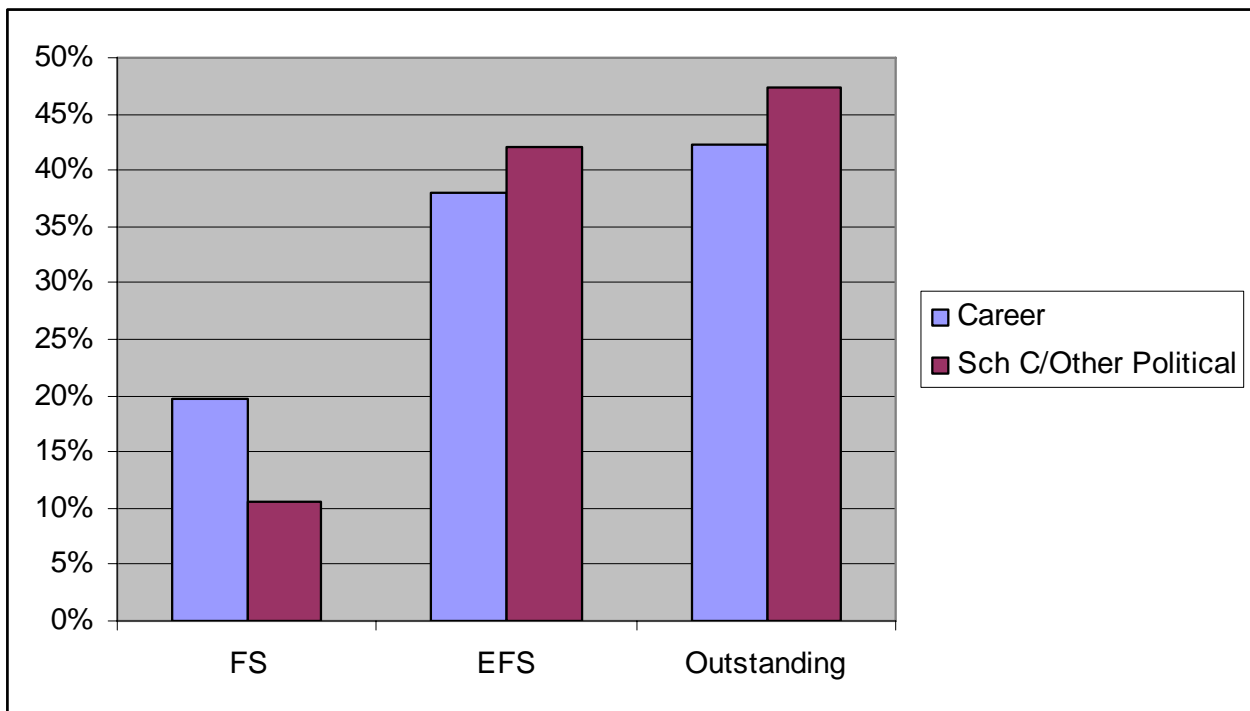
Figure 17
ONDCP Performance Rating Distribution
FY 2000 – FY 2007



Source: EOP Administration ONDCP Performance Rating Data and Academy Calculations

Figure 18 shows the analysis of FY 2007 performance ratings by appointment type. This shows that the Schedule C/Other Political staff received higher ratings, on average, than the career staff. Approximately twice as many career staff (19.72 percent) received the lowest rating given at ONDCP, a Fully Successful rating, as the political staff (10.53 percent). Compared to the career staff, a larger percentage of the political staff received an Exceeds Fully Successful rating (42.11 percent compared to 38.03 percent) and an Outstanding rating (47.37 percent to 42.25 percent).²⁴¹

Figure 18
ONDCP Ratings by Appointment Type
FY 2007



Source: EOP Administration ONDCP Workforce/Performance Rating Data and Academy Calculations

Monetary and non-monetary awards can be useful tools in helping agencies recruit, retain, and develop the highly qualified workforce required to fulfill their mission. Although the primary motivation of most employees is the mission, it is important for agencies to meet a threshold of total compensation—at least within a certain range of market rates—to ensure that it is not disadvantaged when recruiting and retaining employees whose highly specialized skills are aggressively sought by private and not-for-profit organizations. If properly designed and implemented, incentive awards programs can have a positive effect on organizational climate

²⁴¹ Given the small number of time-limited staff in FY 2007 (a total of three), they are not included in this analysis for privacy reasons.

and employee motivation. Given the challenges with the award type coding,²⁴² as well as the anomalies produced when looking at award utilization by fiscal year, the study team determined that the most appropriate way to proceed would be not to focus on award type or FY. Instead, the analysis focused on total numbers of awards and total expenditures for each *calendar year* (CY) from 2000 – 2007 and in aggregate, regardless of award type.

The results of this analysis showed:

- ONDCP relies substantially on performance-rating based awards and does not use Special Act or Service awards extensively, granting nine awards \$2500 or higher over a two-year period;
- From 2000 to 2007, ONDCP spent \$2,429,819 on 852 monetary awards for its GS and SES employees. Over this same period, it gave eight time-off awards that totaled 108 hours;
- The largest number of awards (130) was in 2001; the lowest number (83) was in 2007;
- ONDCP's lowest award expenditure (\$91,204) was in 2000, while the highest was in 2006 (\$421,534);
- ONDCP's average total award expenses per year from 2000 to 2007 were \$295,815; and
- The average amount of each monetary award has increased from \$1,086 in 2000 to \$4,427 in 2007. The highest average award was in 2006 (\$4,484).

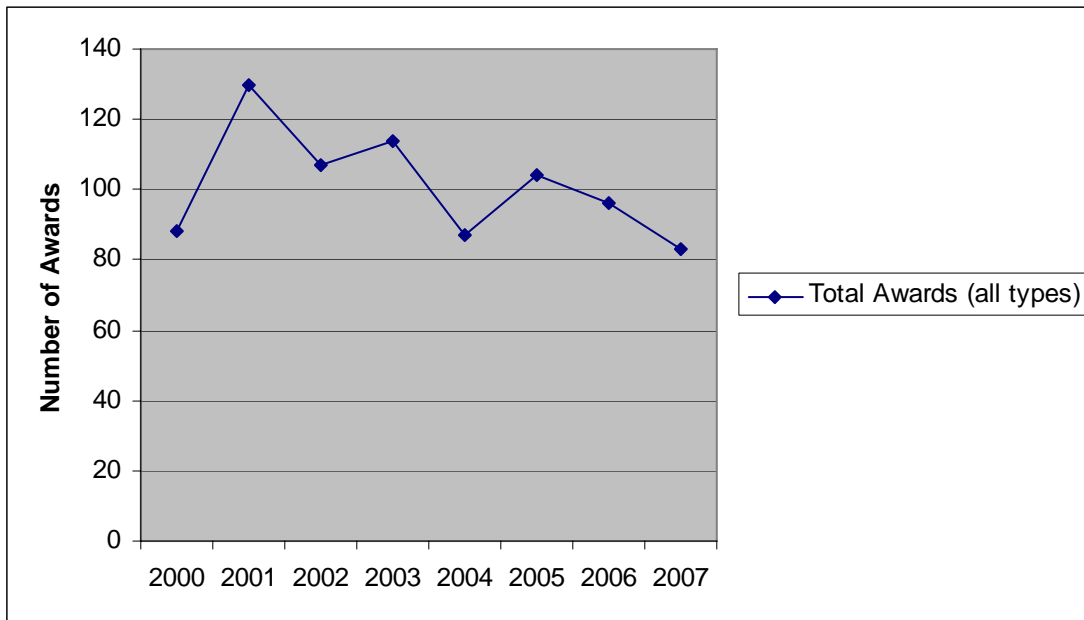
Total Award Utilization

From 2000 to 2007, ONDCP spent \$2,429,819 on 852 monetary awards for its employees. Over this same period, it gave eight time-off awards that totaled 108 hours. Figure 19 shows the total number of annual awards from CY 2000 – CY 2007. The largest number of awards (130) was in 2001; the lowest number (83) was in 2007. See Figure 19 for the number of awards received by

²⁴² Before submitting awards spreadsheets to the team, EOP Administration-HR Management officials acknowledged that some of this data was miscoded. Upon reviewing the data, the study team determined that some On-the-Spot and Special Act Awards were not categorized correctly. According to ONDCP policy, On-the-Spot Awards can be no more than \$500, but the data provided by EOP designated many awards over this amount as On-the-Spot. EOP said that, as part of data entry, some Special Act or Service Awards were input as On-the-Spots. To correct this error, the study team recoded any award over \$500 designated as "On-the-Spot" as a Special Act or Service Award. For FY 2005, the EOP spreadsheet had an award category "ON THE SPOT SPECIAL ACT CASH AWARD" for 11 awards. The study team coded all of these as Special Act Awards. From FY 2000 to FY 2002, a total of 32 Quality Step Increases had an award amount attached to them. It is possible that these were miscoded performance awards. In addition, the study team received potentially erroneous results when the data are analyzed by fiscal year. For example, the data showed a huge spike in awards for FY 2002 (from 97 awards in FY 2001 to 202 in FY 2002, back to 94 in FY 2003). It appears that some FY 2001 awards were approved late, which increased FY 2002 numbers. A large number of Special Act Awards were approved on December 2, 2001; many of these may be performance awards. The fiscal year spike was alleviated when awards were analyzed by the calendar year in which they were approved (CY 2002 numbers were 107, consistent with CY 2003 numbers of 114). Other anomalies were that FY 2004 showed only 9 performance awards, which sharply contrasted with both the previous and the next fiscal year (70 in FY 2003, 72 in FY 2005). A total of 57 Special Act Awards are identified in FY 2004; some of these could be performance awards. Converting to calendar year does not solve the 2004 problem (CY 2004 shows eight performance awards and 55 Special Acts).

recipients. ONDCP officials have noted that recent increases in expenses, such as rent, have forced the agency to trim costs in other, more discretionary areas, such as awards.

Figure 19
Annual Number of ONDCP Monetary and Non-Monetary Awards
2000 – 2007²⁴³



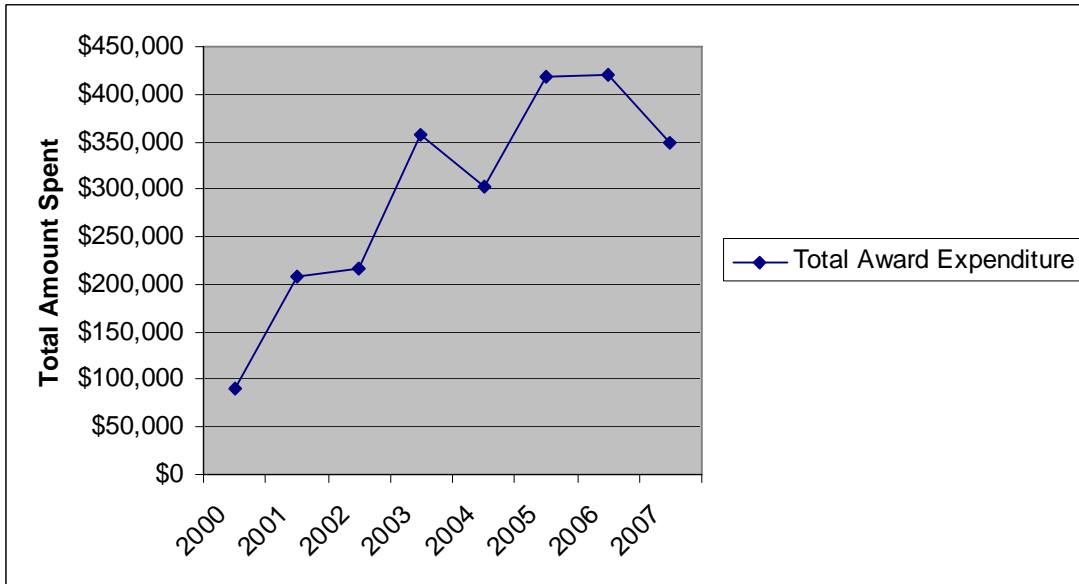
Source: EOP Administration Awards Data and Academy Calculations

²⁴³ This is all award types: (1) On-the-Spot Awards, (2) Performance Awards, (3) Quality Step Increases, (4) Separation Incentives, (5) SES Bonus Awards, (6) Special Act or Service Awards, and (7) Time-Off Awards.

ONDCP Award Expenditures

Figure 20 shows total monetary award expenditure from 2000 to 2007. It shows that the lowest award expenditure (\$91,204) was in 2000, while the highest was in 2006 (\$421,534). ONDCP's average total award expenses per year from 2000 to 2007 were \$295,815.

Figure 20
Total ONDCP Monetary Award Expenditures²⁴⁴
2000 – 2007

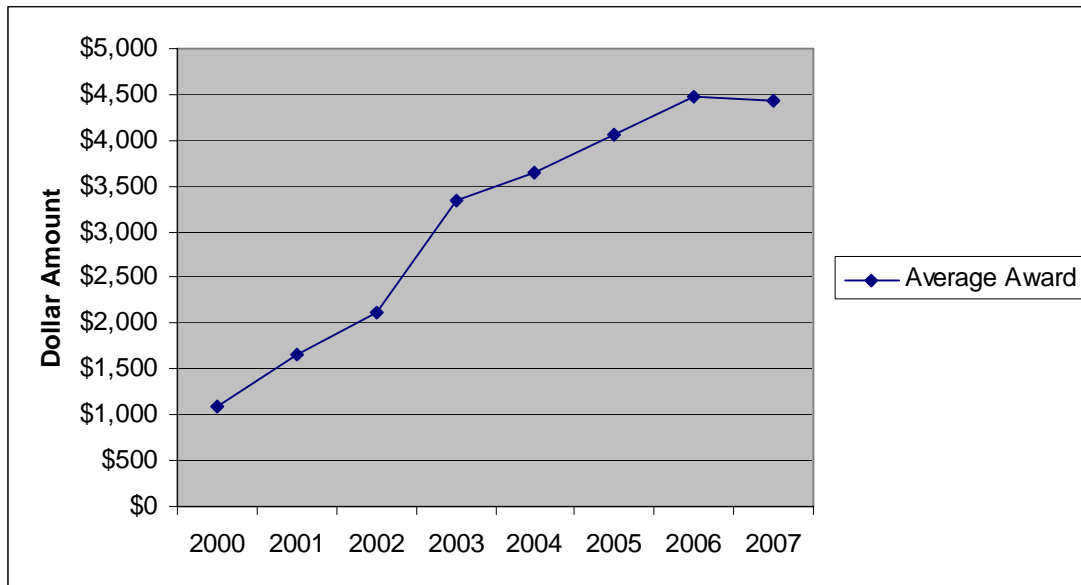


Source: EOP Administration Awards Data and Academy Calculations

²⁴⁴ This figure excludes the value of time-off awards because they are non-monetary.

Figure 21 shows that the average amount of each monetary award has increased from \$1,086 in 2000 to \$4,427 in 2007. The highest average award was in 2006 (\$4,484).

Figure 21
Average Dollar of Monetary Awards
2000 – 2007

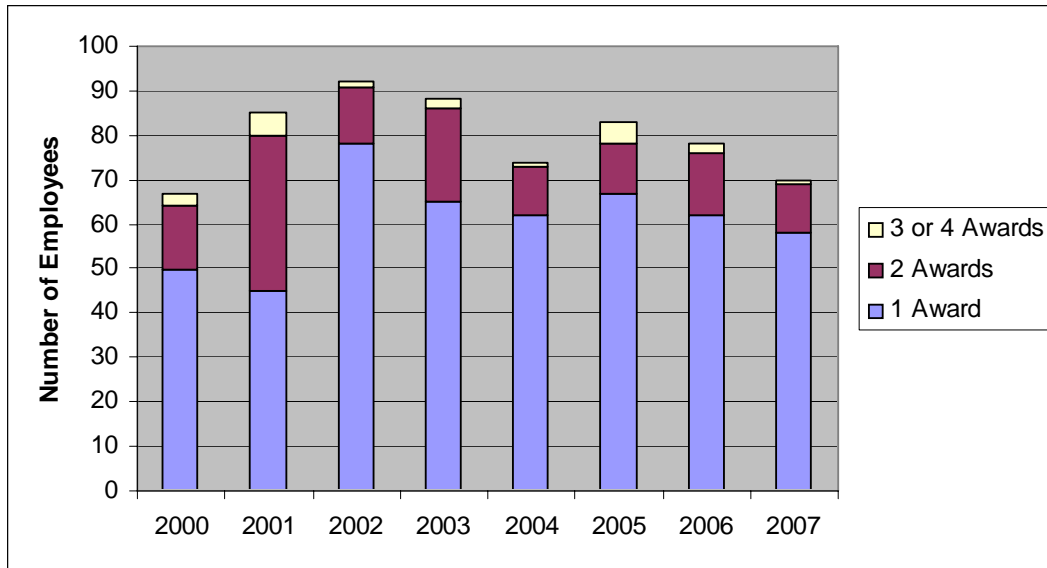


Source: EOP Administration Awards Data and Academy Calculations

Award Recipients

Analyses of the characteristics of award recipients cannot be conducted because the data did not include information on such factors as pay plan, grade, or race/national origin. Employees can receive more than one award in a given year, and the study team was able to conduct a preliminary analysis of how many employees received one, two, three, and four awards. Figure 22 shows the number of awards granted to recipients for each year from 2000 to 2007. Most employees received just one award. The most multiple recipients were found in 2001 (35 received two awards; 5 received three or more). The study team believes that these numbers should be interpreted with caution given the coding issues discussed above. From 2000 to 2007, only two employees received four awards in a given year; no one received more than four awards.

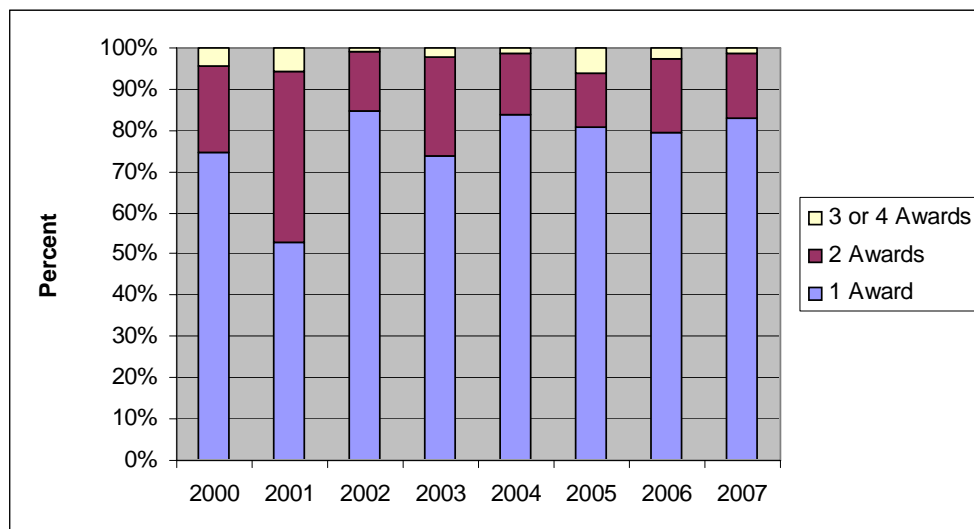
Figure 22
Number of Awards Received by Recipients
2000 – 2007



Source: EOP Administration Awards Data and Academy Calculations

Figure 23 converts these raw numbers into percentages. The percent of recipients granted more than one award ranged from a low of 15.2 percent in 2002 to a high of 47.1 percent in 2001. Again, the study team expects that this clustering of awards is partly the result of delayed approvals and receipt.

Figure 23
Percentage of Employees Receiving More than One Award
2000 – 2007



Source: EOP Administration Awards Data and Academy Calculations

METHODOLOGICAL NOTES ON EOP PROVIDED DATA

The study team received ONDCP workforce data from the Executive Office of the President's Office of Administration (Human Resources Management Division). This data covered FY 2000 to FY 2008, but the first three fiscal years do not have all the information included for FY 2003 – FY 2008.

The FY 2003 – FY 2008 data contained the following fields:

- Name
- Agency
- Agency Code
- Division
- Division Code
- Pay Plan
- Grade
- Series
- Pay Basis
- Salary
- Title
- Sex
- EIN
- DOB
- Agency Employee Date
- Appointment Type
- Translate
- Geographic Location
- Race/National Origin
- Bargaining Unit Status
- PPE

All of these fields were populated with data. The only missing data were the few cases where individuals did not have an EIN (employee identifier). In those cases, the value in the spreadsheet read "NULL."

Initially, the FY 2000 – FY 2002 data contained the following fields:

- Name
- Agency
- Agency Code
- Division
- Division Code
- Pay Plan
- Grade

- Series
- Pay Basis
- Salary
- Title
- Sex
- DOB
- Agency Employment Date
- Geographic Location
- RNO
- Bargaining Unit Status
- PPE

In addition to these fields, a field for Appointment Type had no data. Initially, therefore, a few of the analyses done for FY 2003 – FY 2007 could not be done for the first three years. When EOP provided information on these variables for FY 2000 – FY 2002 on April 30th, comparable analyses for all fiscal years were conducted.

Data Conversions

Consolidating all Fiscal Years into One Spreadsheet

Each fiscal year was in a separate workbook. In order to be able to make comparisons easily across fiscal years, they were all consolidated into one spreadsheet that contained all the data from FY 2000 to FY 2007.

Deleting Duplicate Records

Seven employees had duplicate records across a number of fiscal years. The study team deleted these duplicates.

Appointment Type Variable

For Appointment Type, the study team created a variable using the following coding:

- 1A (Competitive Career) = Career
- 1C (Excepted Career) = Career
- 2A (Competitive-Career Conditional) = Career
- 2C (Excepted-Conditional) = Career
- 2F (Veterans' Readjustment) = Time-Limited Staff
- 3C (Excepted Appointment-NTE) = Time-Limited Staff or Paid Consultant/Advisory Board Member or Unpaid Consultant/Advisory Board Member depending upon the individual's Pay Basis. If the pay basis is (1) per-annum, they are counted as time-limited staff member; (2) per-day, paid consultant/advisory board member; (3) without compensation, unpaid consultant/advisory board member.
- 3F (Term Appointment-NTE) = Temporary

- 4C (Excepted Indefinite) = either PAS or Other Political/Schedule C. If the 4C individual's pay plan is "EX," they are appointed by the President and confirmed by the Senate—labeled PAS. If the 4C individual is not in the "EX" pay plan, they are a Schedule C appointee.
- 5A (SES-Career) = Career
- 5B (SES-Non-Career-Perm) = Counted as Other Political/Schedule C.
- 5C (SES-Limited Term Appointment NTE) = Counted as Other Political/Schedule C.
- 5E (SES-Non-Career-Indefinite) = Counted as Other Political/Schedule C.

Missing Appointment Type Variable

Only one individual was missing an Appointment Type variable (this occurred in FY 2003). Because this individual was coded as a career official in FY 2000 – FY 2002, as well as in FY 2004 – FY 2006, the study team counted him/her as career in FY 2003.

Developing a Consistent Division Structure across Fiscal Years

Based on the current (FY 2008) organizational chart, employees were tracked across divisions over time to identify changes in workforce allocation and utilization. This data was converted as follows:

- **Director**—the "Director," "Deputy Director," and "Chief of Staff" were combined. The current organizational chart has two sub-offices within the Director's Office ("Major Cities and Critical Areas Initiative" and "Drug-Free Communities Program"), but these are not coded separately in the EOP Administration spreadsheet.
- **Legislative Affairs**—counted "Office of Legislative Affairs."
- **Public Affairs**—counted "Office of Public Affairs."
- **Performance and Budget**—"Budget," "Office of Performance and Budget," "Office of Planning and Budget," "Office of Programs, Budget, and Evaluation," and "Performance Branch" were combined.
- **Management and Administration**—"Office of Management and Administration" and "Financial Management" were combined.
- **Legal Counsel**—counted "Office of General Counsel."
- **CTAC**—"CTAC," "Counter-Narcotics Technology," "Technology Assessment Branch," "Office of Technology," and "Research" were combined.
- **Supply**—"Office of Supply Reduction," "Latin America," "International Policy and Interdiction," "Intelligence," "Justice and Law Enforcement," "Source Control Support," and "Specific Drugs" were combined.
- **Demand**—"Office of Demand Reduction," "Prevention," and "Treatment Branch" were combined.
- **State, Local, and Tribal**—"Office of State and Local Affairs," "Office of State, Local, and Tribal Affairs," "Programs Branch," and "HIDTA" were combined.

- **National Youth Anti-Drug Media Campaign**—counted “National Youth Anti-Drug Media Campaign.”
- **Other**—all remaining divisions (“Asia,” “DFC,” “Education,” “Evaluation,” “Policy Formulation and Support,” “Strategic Planning,” and the few for which there was no division code) were combined.

Attrition Rate

The annual attrition rate was calculated by doing a cross-tabulation that showed the total number of employees from the previous fiscal year no longer on the rolls at the end of the next fiscal year. This was calculated for all employees (including time-limited employees) for FY 2000 – FY 2007. It was calculated for career SES/GS employees for FY 2000 – FY 2007.

GLOSSARY

TERM	DEFINITION
Anti-Drug Abuse Act of 1988	The Anti-Drug Abuse Act of 1988, which created ONDCP, tasked the Director of ONDCP to establish a National Drug Control Policy, promulgate an annual National Drug Control Strategy, and coordinate and oversee policy implementation by the NDCP agencies of the National Drug Control Policy.
Budget Restructuring	The FY 2004 ONDCP reduction, from 57 to 17, of the number of agencies and programs recognized within the National Drug Control Budget Summary.
Counter-Narcotics Technology Act of 1990	Public Law No. 101-510, which established CTAC, aimed to strengthen national counterdrug efforts through technological improvements.
Consolidated Appropriations Act of 2008	The FY 2008 Consolidated Appropriations Act authorized this study to be conducted by an independent Panel of the National Academy of Public Administration (the Academy).
Counterdrug Technology Assessment Center (CTAC)	An ONDCP program, established by the Counter-Narcotics Technology Act of 1990, which serves as the central counterdrug technology research and development organization, and until 2008 included a technology transfer program to local law enforcement agencies.
Demand Reduction	Activities intended to decrease the market for illicit drugs and reduce illicit drug consumption through education, treatment, prevention, and research.
Drug-Free Communities	A grant program funded by ONDCP and administered by the Substance Abuse and Mental Health Services Administration at HHS. Created by the Drug Free Communities Act of 1997.
High Intensity Drug Trafficking Area (HIDTA) Program	An ONDCP operational program that provides oversight, funding, and support to federal, state, local, and tribal law enforcement agencies operating in areas determined to be critical drug trafficking regions of the United States.
Monitoring the Future Study	An ongoing study of behaviors, attitudes, and values of American secondary school students, college students, and young adults. Funded by grants from National Institute on Drug Abuse and conducted by the University of Michigan.
National Drug Control Budget Summary	ONDCP's central financial document that summarizes resources and performance indicators of the associated NDCP agencies.
National Drug Control Strategy	Required by statute, the Director of ONDCP must develop an annual comprehensive strategy that establishes the direction for the nation's anti-drug efforts.
National Survey on Drug Use and Health (NSDUH)	Formerly the National Household Survey on Drug Abuse (NHSDA). An annual federal survey of the civilian, non-institutionalized population of the United States aged 12 years or older on substance use and abuse.

APPENDIX N

TERM	DEFINITION
National Youth Anti-Drug Media Campaign	Created by the Drug-Free Media Campaign Act of 1998. Directs the ONDCP Director to conduct a national media campaign to reduce and prevent drug abuse among young people.
NDCP Agencies	Federal agencies included in the National Drug Control Budget Summary. ²⁴⁵
Performance Measurement System	First required in the 1998 Reauthorization Act to monitor and determine the progress of NDCP agencies in achieving specific targets spelled out in the Act.
Performance Measures of Effectiveness	System developed by ONDCP and used from 1998 through 2002 to measure agency performance against five goals and thirty-one supporting objectives.
Supply Reduction	Activities intended to decrease the availability of illicit drugs through counterdrug intelligence systems, law enforcement, and interdiction.

²⁴⁵ This includes the Department of Defense, Department of Education, Department of Health and Human Services, Centers for Medicare and Medicaid Services, Indian Health Services, National Institute on Drug Abuse, Substance Abuse and Mental Health Services Administration, Department of Homeland Security, Office of Counternarcotics Enforcement, Customs and Border Protection, Immigration and Customs Enforcement, U.S. Coast Guard, Department of the Interior, Bureau of Indian Affairs, Department of Justice, Bureau of Prisons, Drug Enforcement Administration, Interagency Crime and Drug Enforcement, Office of Justice Programs, Small Business Administration, Department of State, Bureau of International Narcotics and Law Enforcement Affairs, United States Agency for International Development, Department of Transportation, National Highway Traffic Safety Administration, Department of the Treasury, Internal Revenue Service, Department of Veterans Affairs, and Veterans Health Administration.

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