



**High Intensity Drug Trafficking Areas (HIDTA) Program:  
Program Policy and Budget Guidance**

**Office of National Drug Control Policy  
April 25, 2006**

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## **SECTION 1: PURPOSE AND AUTHORITY**

### **1.01 Purpose**

This document provides program policy and budget guidance for the High Intensity Drug Trafficking Area (HIDTA) Program, a grant program administered by the Office of National Drug Control Policy (ONDCP).

### **1.02 Scope**

This policy supersedes all previous versions of the High Intensity Drug Trafficking Areas Program Policy and Budget Guidance and applies to all HIDTAs. The Southwest Border HIDTA Organization Plan, instituted in September 2000, and the Southwest Border Standard Operating Procedures of April 28, 2005, remain in effect and apply to the Southwest Border HIDTA and its constituent Regions.

### **1.03 Revisions**

The Director of ONDCP, or his designated representative in the Office of State and Local Affairs, is the sole authority for amending this document.

### **1.04 Additional Requirements**

HIDTA Executive Boards\* may establish additional requirements or place greater restrictions on activities within their HIDTAs as long as the requirements contained in this guidance are not reduced.

### **1.05 Waivers**

Individual HIDTAs may request that ONDCP waive program requirements contained in this guidance. ONDCP will consider waivers only after receiving a written request from the HIDTA Director. The waiver request must:

- indicate the Executive Board has approved the waiver request;
- identify the policy requirement for which the waiver is requested;
- explain why the policy requirement cannot be met; and
- describe the impact on the HIDTA if the waiver is not granted.

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\* Unless specifically noted otherwise, all references to "HIDTAs" include the 28 designated HIDTAs and the five regions of the Southwest Border HIDTA. Similarly, references to "HIDTA Directors" and "HIDTA Executive Boards" shall be read to include the Directors and Executive Committees of the five Southwest Border regions.

The required Program Requirement Waiver Request form is posted on the National HIDTA Assistance Center (NHAC) website.

ONDCP will grant waivers only in unusual circumstances and for limited duration, typically one year. The granting of a waiver does not convey the promise of future waivers of the same requirement.

### **1.06 Noncompliance**


Failure to comply with the requirements established in this document may result in a reduction or delay in funding or other appropriate action by ONDCP.

### **1.07 Authority**

This policy and guidance is issued pursuant to authority granted the Director of ONDCP by the Office of National Drug Control Policy Reauthorization Act of 1998 (Pub. L. 105-277, Div. C, Title VII), as codified at 21 U.S.C. 1706(b)(4), which gives the Director of ONDCP the authority to coordinate funds management activities in the HIDTA Program.

### **1.08 Effective Date**

The effective date of the policies and guidelines contained in this document is April 25, 2006.

  
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John P. Walters  
Director  
Office of National Drug Control Policy

## **SECTION 2: PROGRAM OVERVIEW**

### **2.01 Statutory Authority**

High Intensity Drug Trafficking Areas (HIDTAs) are regions designated by the Director of ONDCP, “in consultation with the Attorney General, the Secretary of the Treasury, heads of the National Drug Control Program agencies, and the Governor of each applicable State,” under the authority of the ONDCP Reauthorization Act of 1998 (P.L. 105-277).

In deciding whether to designate an area under this section as a HIDTA, the Director of ONDCP shall consider, in addition to such other criteria he/she may deem appropriate:

- the extent to which the area is a center of illegal drug production, manufacturing, importation, or distribution;
- the extent to which state and local law enforcement agencies have committed resources to respond to the drug trafficking problem;
- the extent to which drug-related activities in the area are having a harmful impact in other areas of the country; and
- the extent to which a significant increase in allocation of federal resources is necessary to respond adequately to drug-related activities in the area.

### **2.02 Mission and Goals**

#### **(A) Program Mission**

The mission of the HIDTA Program is to disrupt the market for illegal drugs in the United States by assisting federal, state, and local law enforcement entities participating in the HIDTA Program to dismantle and disrupt drug trafficking organizations, with particular emphasis on drug trafficking regions that have harmful effects on other parts of the United States.

#### **(B) Program Goals**

The HIDTA Program goals are to:

- (B)(1)** Disrupt the market for illegal drugs by dismantling or disrupting drug trafficking and/or money laundering organizations; and
- (B)(2)** Improve the efficiency and effectiveness of HIDTA initiatives.

## **2.03 Program Description**

### **(A) Scope**

The HIDTA Program provides resources to federal, state, and local agencies in each area designated as a HIDTA to carry out activities that address the specific drug threats of those areas. As of 2006, 28 HIDTAs encompass parts of 43 states and Puerto Rico, the U.S. Virgin Islands, and the District of Columbia. These HIDTAs include approximately 14 percent of all counties in the United States and approximately 53 percent of the U.S. population.

### **(B) Guidance and Direction**

At the national level, ONDCP provides general policy direction and guidance to the HIDTA Program. ONDCP ensures the overall program policy is consistent with the National Drug Control Strategy and that the Program operates in an effective and efficient manner.

At the local level, the HIDTAs are directed and guided by Executive Boards composed of equal numbers of federal law enforcement leaders and state and local law enforcement leaders. A central feature of the HIDTA program is the discretion granted to these Executive Boards to design and implement initiatives that confront the specific drug trafficking threats found in each HIDTA region. Specifically, each HIDTA Executive Board assesses the drug trafficking threat in its defined area, develops a strategy to address that threat, designs initiatives to implement the strategy, and proposes funding needed to carry out the initiatives. This level of local control and discretion has ensured that each HIDTA Executive Board can tailor its strategy and initiatives closely to local conditions and can respond quickly to changes in those conditions as they are identified.

The NHAC in Miami, Florida provides technical support to all HIDTAs. The NHAC helps HIDTAs prepare much of the standard paperwork associated with managing a federal grant, such as processing requests for reimbursement, and forwards those documents to ONDCP for approval. The NHAC also coordinates training, provides specialized training, supplies audio-visual support, and establishes web sites for HIDTAs on HIDTA.net, a nationwide information sharing system that connects all HIDTAs.

To facilitate clear and timely communication with ONDCP, the Directors of the 28 HIDTAs have informally divided the 28 HIDTAs

into six regions and have elected representatives from each region to the HIDTA Directors Committee (HDC). This Committee meets periodically to discuss matters of mutual interest, share expertise and insight, and help coordinate activities among HIDTAs. The HDC also identifies training and support needed by the HIDTAs and, through ONDCP, requests this assistance from the NHAC.

**(C) Features of the HIDTA Program**

The HIDTAs are not part of an agency and do not constitute an agency within their respective regions. HIDTAs are coalitions intended to serve as coordination umbrellas for federal, state, and local law enforcement agencies in designated areas, enabling them to combine and leverage resources and capabilities to address drug trafficking and drug-related crime.

Under the control and direction of the HIDTA Executive Boards, participating agencies work together to implement the Boards' strategies. Although the missions of each participating agency may be different, they share the same objective of reducing drug trafficking and its harmful consequences. As each agency brings its expertise to the HIDTA partnerships, new ideas and innovative approaches create opportunities for new inroads in counterdrug activities. Some approaches will fail. Others will exceed expectations, and the partner agencies will adopt them, institutionalize them, and pay for them with their own appropriated funds. This frees HIDTA funds to support other innovative approaches.

The interaction and partnership of federal, state, and local law enforcement on the Executive Boards is continued at the operational level in the HIDTAs. HIDTA-funded initiatives are carried out by collocated and jointly-staffed law enforcement task forces led by a local, state, or federal agency. These multi-agency task forces carry out the investigative, interdiction, and prosecution activities to implement the Board's Strategy in their region.

Intelligence and information sharing is viewed with such importance that a standing HIDTA Intelligence and Information Sharing Committee, comprised of selected HIDTA Directors, works with ONDCP in the development of intelligence and information sharing policies. Each HIDTA must have at least one Intelligence and Information Sharing Initiative designed to develop intelligence, share information, and provide analytical and technical support to the enforcement initiatives. These Intelligence and Information Sharing Initiatives include at least one center primarily staffed by

representatives of participating agencies who have direct on-site access to their agencies' information databases. The HIDTA Program's emphasis on information sharing goes beyond HIDTA initiatives as well. All HDTAs are encouraged to share their Threat Assessments, deconfliction processes, and criminal intelligence with any appropriate agency.

A significant amount of HIDTA funds is invested in training and related activities, both within the individual HDTAs and at the NHAC. The training provided by the HDTAs makes a significant contribution to drug law enforcement and is made available not only for agencies participating in the HIDTA program but also for all law enforcement agencies in their regions.

The HIDTA Program emphasizes performance and accountability. Each HIDTA's annual strategy now includes both standardized and individualized performance measures. ONDCP will annually assess each HIDTA's performance against targets established at the beginning of each program year using these measures. Accountability is ensured through multiple reviews by ONDCP and the HDTAs, including on-site reviews by teams of experienced law enforcement and financial management personnel.

## **SECTION 3: MANAGEMENT STRUCTURE AND PROGRAM RESPONSIBILITIES**

### **3.01 Purpose**

This section describes the management structure of the HIDTA Program and the responsibilities of the Office of National Drug Control Policy (ONDCP), HIDTA Executive Boards, and HIDTA Directors.

### **3.02 Office of National Drug Control Policy**

ONDCP is responsible for administering the HIDTA Program. The responsibilities of the Office include, but are not limited to:

- setting program priorities;
- issuing program and policy guidance;
- developing and applying performance standards;
- reviewing threat assessments, strategies, and annual budgets and reports submitted by HIDTAs;
- conducting on-site and other program reviews;
- establishing committees to assist in communication between ONDCP and HIDTAs;
- providing direction to the NHAC concerning training, financial management, and other assistance offered HIDTAs;
- determining compliance with HIDTA Program requirements; and
- designating an ONDCP policy analyst for each HIDTA to serve as the principal point of contact for all matters related to the HIDTA program.

### **3.03 HIDTA Grantees**

HIDTAs and their Executive Boards are not considered legal entities under federal law and generally lack the authority to enter into contracts, hire employees, or obligate federal funds. Rather, HIDTAs are defined geographic regions within the United States that meet certain statutory criteria allowing for the obligation of federal grant funds to coordinate counter-drug activities in the designated regions. Consequently, ONDCP must provide HIDTA Program funds to one or more legal entities, such as a federal, state, or local agency or an institution of higher education, to carry out HIDTA activities or to act as a fiduciary for other agencies participating in the HIDTA. In either case, the entity receiving HIDTA funds is accountable for the use of HIDTA funds and must comply with all applicable federal statutes and regulations governing federal grants. (Section 6.06 identifies the principal circulars and regulations affecting federal grants.) Furthermore, once the entity accepts a federal grant, the use of those funds is subject to all

local requirements pertaining to employment, procurement, and financial management.

### **3.04 HIDTA Executive Boards**

Each HIDTA shall have an Executive Board that is responsible for approving the HIDTA's strategy, initiatives and budget, providing general direction to and oversight of the HIDTA Director, and ensuring compliance with HIDTA Program requirements. The specific responsibilities of the Board are described in Section 3.04 (C) below.

#### **(A) Executive Board Membership**

Each HIDTA Executive Board shall be comprised of no less than 12 and no more than 20 voting members and shall be equally divided between representatives of federal agencies and representatives of state and local agencies participating in the HIDTA. With the exception of one member from a U.S. Attorney's Office and one member from a state or local prosecutorial office, only those agencies with a staff member assigned fulltime in a HIDTA initiative may be a voting member of the Board.

Each agency's representative to the Executive Board shall be the local head of the participating agency or a permanently designated high-ranking official of the agency who has the authority to commit the agency's resources to HIDTA initiatives and to make decisions on behalf of his or her agency.

The HIDTA Director shall be a permanent non-voting member of the HIDTA's Executive Board. In addition, Executive Boards may include representatives of other agencies or associations as non-voting members of the Board.

The composition of the Southwest Border HIDTA Executive Board is established under the SWB Standard Operating Procedures and Policy, as amended, dated April 28, 2005.

#### **(B) Executive Board Chair and Vice-Chair**

Each HIDTA Executive Board shall have a Chair and a Vice-Chair. A representative of a participating state/local agency shall fill one position and a representative of a participating federal agency shall hold the other.

##### **(B)(1) Terms and Limitations**

The Chair and a Vice-Chair shall each serve one-year terms

and both positions shall alternate annually between a state and local representative and a federal representative. No agency shall be represented in these positions (i.e., Chair and Vice-Chair combined) for more than two years consecutively.

**(B)(2) Responsibilities**

The Chair of the Executive Board chairs the Executive Board meetings and is the principal spokesperson for the HIDTA. The Vice Chair shall assume the duties of the Chair in his/her absence.

**(C) Responsibilities of the Executive Board**

The Executive Board is responsible for providing overall direction and policy oversight to the HIDTA. The specific responsibilities of the Board are described below.

**(C)(1) Selection of HIDTA Grantees to Serve as Fiduciaries**

HIDTA Executive Boards are responsible for selecting one or more entities to apply for HIDTA grant funds and to serve in a fiduciary capacity for the HIDTA. Those grantees will hire employees, issue contracts, and expend HIDTA funds as necessary to carry out the HIDTA activities approved by the Executive Board.

**(C)(2) HIDTA Operating Procedures**

The Executive Board shall establish written Standard Operating Procedures (or other administrative, financial, or operational guidelines) to ensure compliance with all HIDTA Program requirements and to guide the operation of the HIDTA. These SOPs shall be consistent with the established policies of participating agencies.

**(C)(3) Selection of the HIDTA Director**

Each Executive Board shall select an individual to serve as the HIDTA Director. That individual will be an employee or contractor of a grantee or subgrantee and will be subject to all employment, contracting, and other conditions established by that grantee. Prior to notifying the selected person, the Executive Board shall notify the Director of ONDCP of the selection through the designated ONDCP policy analyst. The Executive Board shall notify ONDCP prior to removing a HIDTA

Director or significantly limiting his/her authority.

**(C)(4) Oversight of the HIDTA Director**

The Executive Board shall provide sufficient guidance, authority, and resources to allow the HIDTA Director to carry out his/her duties and responsibilities. (The required qualifications and duties of the HIDTA Director are described in Section 3.05 below.)

**(C)(5) Meetings**

Each HIDTA Executive Board shall meet at least four times a year. Minutes of each meeting must be prepared and provided to ONDCP on request. The minutes shall be retained for a minimum of three years or until the next on-site review is completed.

**(C)(6) Advisory Bodies**

HIDTA Executive Boards may establish subordinate advisory bodies to assist the Board in carrying out its duties. Multi-state HIDTAs may establish subordinate advisory bodies in each State within their respective HIDTAs.

**(C)(7) Approval of Required Documents to ONDCP**

The Executive Board shall review and approve the annual Threat Assessment prepared by the Director for the HIDTA.

The Board shall provide guidance to the HIDTA Director for preparing the HIDTA's Strategy and its Initiative Descriptions and Budget Proposals, and shall review and approve these documents for submission to ONDCP.

The Board shall review and approve the Annual Report the HIDTA Director prepares for submission to ONDCP.

**(C)(8) Initiative Evaluation**

Each HIDTA Executive Board shall evaluate each HIDTA initiative at least annually to determine whether the initiative is:

- complying with HIDTA Program requirements;
- implementing the HIDTA strategy effectively;
- achieving the HIDTA's negotiated performance targets; and
- sufficiently productive to warrant continued HIDTA funding.

The Executive Board is responsible for terminating or revising initiatives that are no longer needed, are unproductive, or that do not comply with HIDTA Program requirements.

**3.05 Qualifications and Responsibilities of the HIDTA Director**

**(A) Qualifications for Directors**

HIDTA Directors must have extensive experience in the criminal justice profession at the federal, state, or local level. After his or her selection, the HIDTA Director must obtain and retain a national security clearance appropriate for the Director's anticipated duties. The costs for obtaining this clearance shall be an allowable use of HIDTA funds.

**(B) Responsibilities of the HIDTA Director**

The HIDTA Director is responsible for the successful implementation of the Executive Board's Strategy and policies. The principal responsibilities of the HIDTA Director shall be to:

- provide day-to-day administrative, financial, and program management for the HIDTA;
- facilitate and encourage the development of innovative approaches to drug law enforcement;
- determine whether HIDTA initiatives are in compliance with HIDTA Program requirements; and
- advise the Executive Board concerning the performance of HIDTA initiatives.

**(B)(1) Liaison with ONDCP**

The HIDTA Director serves as the point of contact between the Executive Board and ONDCP on all HIDTA matters, keeps the Executive Board apprised of all ONDCP policies and

requirements related to the HIDTA, and represents the HIDTA at national forums.

As part of this liaison responsibility, ONDCP may request the HIDTA Director to engage in activities or serve on committees that benefit the HIDTA Program.

**(B)(2) ONDCP- Required Documents**

The HIDTA Director is responsible for coordinating the preparation of the HIDTA's Threat Assessment, Strategy, Initiative Descriptions and Budget Proposals, and Annual Report, and for submitting these documents to the Executive Board for its approval. Section 9 describes the requirements for each of these documents.

**(B)(3) Financial Management Responsibilities**

The HIDTA Director is responsible for ensuring the HIDTA complies with all financial management guidelines and policies of the HIDTA Program and, with the approval of the Executive Board, exercises reprogramming authority as described in Section 6. The HIDTA Director is the grant recipient's point of contact for assistance and resolution of HIDTA-related financial issues.

**(B)(4) Property Control**

The HIDTA Director shall ensure that the property management requirements established in Section 8 of this guidance are met.

**(B)(5) Performance Measures**

The HIDTA Director shall help initiatives to establish adequate performance measures (as described in Section 10) and shall establish a process to verify that the reported performance data are accurate and valid.

**(B)(6) Review of HIDTA Initiatives**

Each HIDTA Director shall establish and participate in an annual internal review process, or self-inspection, to determine whether each initiative is being implemented as described in the budget submission to ONDCP, complies with all HIDTA Program requirements, and is achieving its performance targets. The Director may delegate this internal review process

to his Deputy Director with the requirement that the results or findings be provided to the Director for appropriate action.

The HIDTA Director shall ensure the findings of this internal review are provided in writing to the initiative supervisors and to the Executive Board. Upon request, the internal review shall be provided to the designated ONDCP policy analyst.

The results of these annual reviews must be retained at the HIDTA for three years or until the completion of an on-site review by ONDCP, whichever is later.

**(B)(7) Control and Coordination of HIDTA Initiatives**

The HIDTA Director shall have administrative and coordination oversight responsibility for all initiatives but shall have supervisory control only over the management and coordination initiative and training and information technology activities, including any information technology contracts, of the HIDTA. Neither the HIDTA Director nor his staff shall supervise an Enforcement or Intelligence Initiative or a Support Initiative not devoted to training. The HIDTA Director may require initiative supervisors to report information related to administrative, financial, and performance requirements.

The HIDTA Director shall develop a process for facilitating the coordination and flow of information between and among initiatives and participating agencies. This process, which may include meetings or conference calls involving initiative managers/supervisors, must be conducted at least semi-annually.

**(B)(8) Orientation Process**

The Director shall establish an orientation process for new Executive Board members, new participating agencies, and new initiative supervisors that addresses the specific responsibilities of each and the general requirements of the HIDTA Program.

**(B)(9) Other Duties**

The HIDTA Director shall perform other duties as assigned by the Executive Board. Additional duties must be consistent with HIDTA Program requirements and must contribute to the operation of the HIDTA.

**(B)(10) Acting Director**

In the absence of the HIDTA Director, the Deputy Director shall assume the Director's responsibilities. If the Deputy Director position is vacant or the HIDTA does not have a Deputy Director position, the Executive Board shall appoint an individual to serve as the Director until the position can be filled using appropriate procedures.

**3.06 HIDTA Administrative Offices**

Each HIDTA shall have a Management and Coordination Initiative staffed by a HIDTA Director and, at the discretion of the Executive Board, a Deputy Director, a financial officer, and other administrative positions approved by the Board. The Executive Board shall select individuals to fill these positions. Those individuals must be or become employees or contractors of a HIDTA grantee or subgrantee and will be subject to all employment, contracting, and other conditions established by that grantee.

The total salaries and fringe benefits for these positions shall not exceed 20 percent of the HIDTA program funds awarded to a HIDTA without prior approval from ONDCP.

**3.07 Other HIDTA Staff**

HIDTA Executive Boards authorize additional staff positions as necessary to manage or support the HIDTA, such as intelligence analysts, intelligence coordinator, and other positions that directly support the intelligence center or an operational initiative, and may select individuals to fill these positions. Persons filling these positions must be or become employees or contractors of a HIDTA grantee and will be subject to all employment, contracting, and other conditions established by that grantee.

## SECTION 4: COMPOSITION OF INITIATIVES

### 4.01 Purpose

Encouraging and facilitating collaboration between and among federal, state, and local law enforcement is a goal of the HIDTA program. To promote this collaboration, HIDTA initiatives must be multi-agency efforts comprised of federal, state, and local law enforcement personnel who are collocated and commingled. This section describes those requirements.

### 4.02 Multi-agency Participation

- (A) *Multi-agency participation* means full-time federal and full-time state or local (optimally both state and local) agency personnel participating in an initiative and any subcomponents of an initiative (i.e., task force, squad, group, or unit) under a single initiative leader or commander. Any participating federal, state, or local agency may lead an initiative.

*Full-time participation* means agency personnel are assigned to the initiative as their exclusive work assignment. A liaison position does not meet the requirement for full-time participation.

- (B) Except where indicated otherwise in this document, initiatives that combine single-agency squads, groups, or units do not meet the requirement for a full-time, multi-agency participation unless the HIDTA provides a clear explanation in the Initiative Budget Proposal of how these separate entities cooperate and coordinate their activities under a unified command structure. This justification must detail the expected benefits from combining these entities and explain how the combination will improve enforcement. ONDCP may require HIDTAs to separate these entities into different initiatives or place reprogramming or other restrictions on such initiatives.

### 4.03 Collocation and Commingling of Participants

- (A) ONDCP requires all full-time federal, state, and local law enforcement personnel assigned to HIDTA operational initiatives to be collocated and commingled. *Collocation* means working in or from the same facility, preferably with shared or contiguous workspace. *Commingling* means that all participants in a HIDTA operational initiative have free and open access and interaction with other participants in the initiative.

- (B) Whenever possible, HIDTAs should try to house multiple initiatives together, in a central location and in a space without barriers that could hinder the interaction and commingling among participants of the various initiatives.
- (C) The requirement for collocation and commingling does not apply to Management and Coordination Initiatives or Support Initiatives described below. ONDCP encourages, but does not require, that personnel assigned to demand reduction and prosecution initiatives be collocated and commingled.

#### **4.04 Types of Initiatives**

There are four types of HIDTA initiatives: Enforcement; Intelligence and Information Sharing; Support; and Management and Coordination. Each HIDTA is required to have at least one initiative of each type.

- (A) **Enforcement Initiatives:** Enforcement Initiatives include multi-agency investigative, interdiction, and prosecution activities targeting drug trafficking and money laundering organizations, drug production organizations, drug gangs, drug fugitives, and other serious crimes with a drug nexus.
- (B) **Intelligence and Information Sharing Initiatives:** Intelligence and Information Sharing Initiatives include intelligence analysis (tactical, operational, and strategic), deconfliction services (event and case/subject), information collection and dissemination, and other analytical support for HIDTA initiatives and participating agencies.
- (C) **Support Initiatives:** Support Initiatives include activities beyond the core Enforcement and Intelligence and Information Sharing Initiatives; e.g., training, treatment, prevention, crime and forensic labs, and information technology initiatives.
- (D) **Management and Coordination Initiatives:** Management and Coordination Initiatives fund the basic overhead of the HIDTA; e.g., salaries and fringe benefits for the Director, Deputy Director, and other administrative staff positions approved by the Executive Board, rent and facilities charges for administrative staff, etc.

## **SECTION 5: INTELLIGENCE AND INFORMATION SHARING**

### **5.01 Purpose**

A basic tenet of the HIDTA Program is that federal, state, and local law enforcement agencies significantly improve their ability to disrupt and dismantle drug trafficking organizations when they work together and share information. The full benefit of the HIDTA Program can be achieved only with a robust Intelligence and Information Sharing Initiative. This Section describes the basic requirements and provides guidance for such initiatives within the HIDTA program.

### **5.02 Basic Requirements**

- (A)** Each HIDTA must have at least one Intelligence and Information Sharing Initiative that is responsible for developing information and intelligence collection requirements, and for collecting, evaluating, collating, analyzing, and disseminating law enforcement information and intelligence for the entire HIDTA. The initiative must consist of commingled participants from federal and state/local agencies.
- (B)** HIDTAs should attempt to provide the intelligence and information sharing services in a single primary intelligence center. HIDTA Executive Boards have discretion to establish additional intelligence and information sharing components to suit the specific circumstances of the HIDTA region. These additional components are not subject to the requirement for commingled, multi-agency participation.
- (C)** Each participating agency shall provide on-site, direct access to its pertinent databases at the primary intelligence center unless the site or personnel cannot meet the agency's established security requirements. Each participating agency not located at the primary intelligence center must designate specific points of contact to provide access to the agency's criminal information for intelligence center personnel.
- (D)** HIDTA Intelligence and Information Sharing Initiatives must comply with applicable federal, state, and local regulations, including 28 CFR PART 23, "Criminal Intelligence Systems Operating Policies."

### **5.03 Objective**

- (A) The objectives of HIDTA Intelligence and Information Sharing Initiatives are to:
- provide actionable, accurate, detailed, and timely drug and criminal intelligence, information, and analytical support to HIDTA enforcement initiatives, HIDTA participating agencies, and to other law enforcement agencies and intelligence centers; and
  - collect, collate, analyze, and disseminate information about offenders, crimes, and/or events to law enforcement agencies.
- (B) HIDTA Executive Boards may authorize the use of the HIDTA Intelligence and Information Sharing Initiatives and the HIDTA intelligence centers to support an investigation that does not have a clear connection to a drug-related crime.

### **5.04 Functions**

#### **(A) Intelligence**

The core intelligence functions of a HIDTA include:

- performing event and case/subject deconfliction;
- providing analytical case support;
- issuing drug threat assessments; and
- developing and disseminating intelligence products such as special assessments, bulletins, and alerts.

**(A)(1) Deconfliction.** Each HIDTA shall provide event deconfliction and case/subject deconfliction no less than eight hours per day, five days a week and must be able to respond to an inquiry on the same day it is received. HIDTAs should seek to provide around-the-clock (24/7) deconfliction service, with an immediate response, to all law enforcement in the HIDTA region.

**(A)(2) Analytical Case Support.** Analytical case support includes such activities as mapping, post-seizure analysis, telephone tolls analysis, document exploitation, etc. Each HIDTA shall provide such support to significant cases and shall strive to provide full-service case support to all HIDTA cases upon request.

**(A)(3)** Threat Assessments. Each HIDTA shall publish an annual Threat Assessment documenting the drug trafficking activities within its region. A HIDTA may produce its own Threat Assessment or it may adopt, and if necessary revise, a threat assessment prepared by the National Drug Intelligence Center (NDIC). Each HIDTA shall provide a copy of any drug threat assessment it produces for its region to the NDIC and other national intelligence centers. The Executive Board has discretion to share any threat assessment more broadly, subject to the limitations imposed by the product's national security classification or law enforcement sensitivity.

**(A)(4)** Intelligence Products. HIDTAs shall seek to produce the full range of tactical, operational, and strategic intelligence products.

**(B) Information Sharing**

The core information sharing functions of a HIDTA include:

- obtaining access to and using law enforcement, proprietary, and public databases;
- establishing and maintaining electronic connectivity to other HIDTAs through the HIDTA.Net/RISS.Net; and
- sharing drug-related information with other HIDTA intelligence centers and national intelligence centers (e.g., the El Paso Intelligence Center (EPIC), NDIC, Financial Crimes Enforcement Network (FinCEN); Crime and Narcotics Center,) DEA, Regional Information Sharing Systems centers, and other law enforcement agencies.

**(B)(1)** Investigative Databases. Each participating agency shall provide collocated access to its investigative databases at the HIDTA's primary intelligence center.

**(B)(2)** Electronic Connectivity. HIDTAs are responsible for establishing and maintaining the capacity (e.g., hardware, software, policies, and procedures) to continuously and securely share information with other HIDTAs and law enforcement/intelligence components.

- (B)(3)** Sharing. HIDTAs must ensure that all participating agencies receive relevant information and intelligence products in a timely fashion. HIDTAs should also establish guidelines for disseminating information directly to other HIDTAs and law enforcement agencies that may benefit from the information.

## **5.05 Management and Staffing**

- (A)** Intelligence and Information Sharing Initiatives must be sponsored by at least one participating law enforcement agency.
- (B)** Executive Boards shall work to ensure joint federal and state or local management over Intelligence and Information Sharing Initiatives. Supervisors of such initiatives shall be sworn federal, state, or local law enforcement officers or law enforcement intelligence analysts designated by a participating agency. At least one supervisor must represent a federal agency and at least one must represent a state or local agency. Supervisors do not have to be at the same management level.
- (C)** The above provision does not preclude the use of non-sworn or non-law enforcement personnel to serve in a staff or other non-supervisory capacity. The HIDTA Director may assign a member of his/her staff to conduct administrative and coordination activities relating to the Intelligence and Information Sharing Initiative on his/her behalf. This staff position has no line supervisory authority over the supervisors or personnel of the intelligence centers and no involvement in intelligence production activities.
- (D)** Participating agencies that do not assign staff to the HIDTA's primary intelligence center must make defined commitments to the HIDTA's Intelligence and Information Sharing Initiative. This could include using HIDTA funds to support agency personnel, assigning personnel on a part-time basis, or assigning a designated point of contact for intelligence center coordination. If HIDTA funds are used to support an agency position, that person must have appropriate access to the agency's criminal information systems. If any participating agency cannot provide center personnel direct access to its databases, that agency shall designate a point of contact to ensure access to its information.

## **5.06 Coordination Requirements**

- (A) All HIDTA initiatives shall use the HIDTA's Intelligence and Information Sharing Initiative for complete event and case/subject deconfliction of all enforcement/operational activities. The Director must establish a mechanism to monitor deconfliction activities.
- (B) The Executive Board should strongly encourage participating agencies to use the deconfliction process in investigations not funded by HIDTA, and should invite non-participating agencies in the HIDTA to join in the deconfliction process. Each HIDTA should develop a mechanism for informing law enforcement agencies within the HIDTA region of the capabilities of the HIDTA's Intelligence and Information Sharing Initiatives.
- (C) HIDTA intelligence components should maintain working relationships with intelligence components of the participating agencies and other law enforcement agencies in the HIDTA region. HIDTAs should seek to make the exchange of information and the coordination activities with all agencies in the HIDTA region routine.

## **5.07 Information Sharing Requirements**

Applicable federal, state, or local laws, regulations or policies regarding the collection, storage, and dissemination of investigative information will govern the operation of HIDTA Intelligence and Information Sharing Initiatives. Components of Intelligence and Information Sharing Initiatives will disseminate intelligence to participating agencies, subject to legal restrictions, using the following guidelines:

### **(A) Requests from Law Enforcement Agencies**

Requests from a law enforcement agency about a criminal organization/enterprise for which an agency has a pending investigation or other significant law enforcement interest will be researched to produce an intelligence product. If there is no information from any other agency, this product will be returned to the requesting agency without further dissemination. If the research identifies relevant information held by another agency, the agency holding the information will be provided, at a minimum, pointer information. The agency holding proprietary information is responsible for disseminating the information to the requestor.

**(B) Products Initiated by the Intelligence and Information Sharing Initiative**

**(B)(1)** Intelligence products initiated by a HIDTA Intelligence and Information Sharing Initiative with a nexus to ongoing cases conducted by a HIDTA task force will be disseminated to the agency or agencies having the investigative/operational interest. Additional dissemination of the product will be at the approval of those agencies.

**(B)(2)** Intelligence products initiated by HIDTA Intelligence and Information Sharing Initiative with no specific agency operational or investigative equities will be disseminated to HIDTA initiatives and participating agencies and, when appropriate, to non-HIDTA participating law enforcement agencies. HIDTA intelligence centers shall use the NDIC National Drug Intelligence Library as a repository for final intelligence products, as appropriate. Intelligence centers are encouraged to list final and pending intelligence products in the NDIC Counternarcotics Publications Quarterly.

**5.08 Security**

**(A) Personnel**

HIDTA personnel with a requirement to access national security information or secure areas of the intelligence center must have sufficient security clearance to allow such access. Clearance should be at least at the Secret level. Supervisors must have security clearances at a level to permit them access to all areas of the intelligence center facility. Federal agencies with joint management responsibility for intelligence centers shall assist in obtaining the appropriate clearance level for personnel assigned to an Intelligence and Information Sharing Initiative. The costs for obtaining this clearance shall be an allowable use of HIDTA funds.

**(B) Facilities**

All intelligence and information sharing facilities shall meet the security requirements of the sponsoring agency, in accord with the level of information collected or stored at the facility. The costs of upgrading the facility to meet these requirements shall be an allowable use of HIDTA funds.

**(C) Information**

All HIDTA personnel are required to store all files, documents, and data storage disks in compliance with information classification and handling restrictions of the agency that originated the document or material or the sponsoring agency for the Intelligence and Information Sharing Initiative, whichever has the more secure standard. Safeguarding and handling of classified information shall comply with Executive Order 12968.

**5.09 Training**

Each HIDTA should provide training appropriate for personnel assigned to the HIDTA Intelligence and Information Sharing Initiatives and for participating agencies. If possible, this training should be extended to non-participating law enforcement agencies.

**5.10 HIDTA Intelligence and Information Sharing Committee**

ONDCP will establish a HIDTA Intelligence and Information Sharing Committee comprised of selected HIDTA Directors to consult on issues related to intelligence and information sharing matters. At the request of ONDCP, selected members may represent the HIDTA Program through service on interagency intelligence committees, boards, and other bodies. The Committee may establish such working groups to assist in its work and may request assistance from intelligence program managers, information technology specialists, and others from the HIDTAs.

## **SECTION 6: FINANCIAL MANAGEMENT**

### **6.01 Purpose**

This section describes major financial management requirements, including limitations on the use of funds, for the HIDTA program. It is intended for use by HIDTA Executive Boards and Directors who need to be familiar with federal grant management requirements but who are not responsible for day-to-day financial management. This section is not intended to be a substitute for more detailed financial management requirements and guidelines established by the Office of Management and Budget. (See Section 6.06 for a list of the relevant circulars and rules.)

### **6.02 HIDTA Awards**

ONDCP uses a threat-driven process that requires each HIDTA Executive Board to assess the drug trafficking activities in its region, design a strategy to attack those activities, plan initiatives to carry out the strategy, and develop a budget that is sufficient to carry out the planned initiatives. ONDCP awards funds to HIDTAs based on a review and assessment of the Threat Assessment, Strategy, Initiative Description and Budget Proposals that each HIDTA submits to ONDCP.

HIDTAs are not legal entities under federal law but rather a mechanism to coordinate drug law enforcement activities of federal, state, and local law enforcement agencies in designated areas. Consequently, ONDCP cannot award funds directly to a HIDTA but instead must provide the funds to one or more legal entities, such as federal, state, or local agencies to act as the fiduciaries for agencies participating in the HIDTA. In this fiduciary role, the entity receiving HIDTA funds is accountable for the use of HIDTA funds and must comply with all applicable federal statutes and regulations and with its own regulations and policies.

### **6.03 Supplanting of Funds**

HIDTA funds must be used to supplement existing activities and must not replace (supplant) funds that have been appropriated for the same purpose. ONDCP will review all HIDTA budget submissions for potential supplanting. If there appears to be supplanting, ONDCP shall require the grantee to supply a written certification, through the HIDTA Director, stating that federal funds will not be used to supplant State or local funds. ONDCP will also review for supplanting of state and local funds during on-site monitoring and financial audits.

## **6.04 Performance Period**

The initial performance period for HIDTA grants is two years. However, a HIDTA Director may request one-year extensions of these awards on behalf of the HIDTA's state and local fiduciary agencies. These requests must be submitted in the format provided by ONDCP and will be approved on a case-by-case basis.

## **6.05 Documentation for Grants to State or Local Agencies or Institutions of Higher Education**

After ONDCP approves the proposed initiatives and budgets submitted by a HIDTA, state and local agencies and institutions of higher education must submit an SF-424, "Application for Federal Assistance," and the associated certifications and representations, through the HIDTA Director to the NHAC. ONDCP will not issue a grant until the NHAC receives the completed SF-424.

ONDCP executes approved funding requests or grant modifications for state and local agencies by issuing a Grant Agreement. The grant recipient must sign a copy of the Grant Agreement and return it through the HIDTA Director to the NHAC. The Grant Agreement contains General Provisions, which describe requirements that apply to all federal grants, and Special Conditions that apply to recipients of HIDTA funds. ONDCP may impose additional reporting or monitoring requirements, or require prior approval of certain actions to grantees that fail to comply with these requirements.

## **6.06 Government-Wide Grant Requirements**

The HIDTA Program Policy and Budget Guidance incorporates by reference the provisions of the Office of Management and Budget (OMB) circulars and government-wide common rules applicable to grants and cooperative agreements. These circulars and common rules include the following:

- OMB Circular A-21 "Cost Principles for Educational Institutions."
- OMB Circular A-87 "Cost Principles for State, Local, and Indian Tribal Governments."
- OMB Circular A-102 "Grants and Cooperative Agreements with State and Local Governments." (Codified at 21 CFR 1403)
- OMB Circular A-110 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations."

- OMB Circular A-122 “Cost Principles for Nonprofit Organizations.”
- OMB Circular A-133 “Audits of States, Local Governments, and Non-Profit Institutions.”
- “Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Units of Governments,” codified at 21 CFR Part 1403, “Grants Management Common Rule for State and Local Units of Governments.”
- “Government-wide Debarment and Suspension (Nonprocurement),” codified at 21 CFR Part 1404.
- “Government-wide Requirements for Drug-free Workplace (Financial Assistance)” (codified at 21 CFR Part 1405).
- “New Restrictions on Lobbying” (codified at 28 CFR Part 69).

ONDCP has summarized pertinent provisions of these documents in the HIDTA Financial and Administration Guidelines (FMG). The FMG is merely a summary, not an authoritative document. Grantees and HIDTA Financial Managers must also keep apprised of changes in relevant government-wide regulations and OMB circulars.

## **6.07 Documentation Required for Transfers to a Federal Agency**

Federal agencies receiving HIDTA funds from ONDCP shall sign a Memorandum of Agreement (MOA) with ONDCP prior to the transfer of HIDTA funds. The MOA establishes requirements pertaining to the scope of the initiatives, reprogramming of funds, reporting requirements, and financial management standards. ONDCP may require an agency that fails to comply with the requirements of the MOA to repay the funds transferred.

Each federal agency receiving HIDTA funds shall provide to its representative in each HIDTA a copy of the MOA and an approved budget for each initiative in that HIDTA for which it has received HIDTA funds. ONDCP will provide each HIDTA Director a copy of any MOA and the approved budgets for initiatives within his/her HIDTA.

## **6.08 Restrictions on HIDTA Funds**

### **(A) HIDTA-Funded Positions**

Grantees and subgrantees may use HIDTA funds to hire employees or to enter into contracts with individuals to manage and staff the HIDTA. In either case, the individual becomes an employee of/contractor for that grantee, and the hiring agency’s employment and contracting rules and regulations apply to those positions. In addition, to the extent they do not conflict with the

hiring agency's rules and regulations, the following restrictions apply to HIDTA-funded positions.

**(A)(1) Non-Law Enforcement Positions**

**(1)(a) HIDTA Directors and Deputy Directors.**

Compensation for the HIDTA Director shall not exceed the annual salary established by the Office of Personnel Management for a GS-15 step 5 (including locality adjustments) for the location of the HIDTA office. New HIDTA Directors shall begin at a GS-15 step 1 salary (including locality adjustments) and the Executive Board may adjust that compensation in subsequent years, based upon performance.

Compensation for the HIDTA Deputy Director shall not exceed the annual salary established by the Office of Personnel Management for a GS-14 step 5 (including locality adjustments). New HIDTA Deputy Directors shall begin at a GS-14 step 1 salary (including locality adjustments) and the Executive Board may adjust that compensation in subsequent years, based upon performance.

Fringe benefits packages, or compensation in lieu of fringe benefits, for the Director and Deputy Director should not exceed 30 percent of the salary for that position. Car allowances, cell phone allowances, and liability insurance premiums are not considered compensation or fringe benefits.

**(1)(b) Other Non-Law Enforcement Positions**

**(b)(i) Positions Authorized.** In addition to the HIDTA Director position, HIDTA funds may be used to support other positions that an Executive Board determines are necessary for the efficient functioning of the HIDTA. These positions must directly and exclusively support the HIDTA, and the hiring agency must submit the certification described in Section 6.08(A)(1)(b)(ii).

Hiring agencies must document the policies and procedures for all personnel administration

issues, including compensation and advancement, for all HIDTA-funded positions .

**(b)(ii) Hiring Agency Certification.** Each agency that uses HIDTA funds to support permanent positions within that agency must submit a semi-annual certification to the HIDTA Director on agency letterhead. These certifications must be signed by a supervisory official having first-hand knowledge of the work performed by the employee. Each certification shall be maintained at the HIDTA Director's office and shall be made available to ONDCP upon request. Hiring agencies must provide semi-annual certifications for employees that are supported, wholly or in part, by HIDTA funds.

The certification must attest, verbatim, to each of the following statements:

The [Number and Title of Position(s)] does not supplant any part of the [Name of Agency] budget. HIDTA funds for this position(s) do not replace funds that have been appropriated for the same purpose.

Each of these positions is exclusively dedicated to the HIDTA and a position description is on file and will be made available on request.

The HIDTA-funded position(s) would be terminated if the funding were not available.

There is no alternative funding available to support the salary(ies) and benefits for these positions.

The Agency will be responsible for tracking overtime billing to ensure that HIDTA, Organized Crime Drug Enforcement Task Force (OCDETF), or other grant programs do not pay for the same hours worked by this officer(s) and that overtime paid to this officer(s) does not exceed the authorized limit.

**(b)(iii) Compensation Levels.** HIDTA Executive Boards shall establish compensation in accordance with the hiring agency's pay scale for defined agency positions or positions with comparable duties and responsibilities. Executive Boards may recommend the compensation levels established in the federal General Schedule where a demonstrated lack of qualified candidates makes it difficult to fill a position.

**(A)(2) Law Enforcement and Prosecutorial Positions.** HIDTAs that propose using Program funds to pay all or part of the salary of a state or local law enforcement officer, a prosecutor, or prosecutorial support staff must submit a detailed justification explaining why it is necessary to use HIDTA funds for this purpose. ONDCP reviews of such requests will consider the number and salaries of the positions to be supported, the total amount of HIDTA funds requested for this purpose, the number of officers in the agency that will be reimbursed, and other factors. If ONDCP does not approve such a request, the grantee will be notified in writing of the reasons for the disapproval.

**(B) Overtime**

**(B)(1) Eligibility for Overtime.** Only state and local law enforcement officers and uniformed federal agents (*e.g.* uniformed Customs and Border Protection and U.S. Forest Service) are eligible for HIDTA-funded overtime. In unusual circumstances, non-law enforcement personnel may receive HIDTA-funded overtime if the overtime is performed exclusively for a HIDTA-funded activity.

**(B)(2) Authorized Uses.** HIDTA funds shall be used to pay overtime only if the participant is eligible for such compensation by his/her parent agency and the overtime was performed in support of a HIDTA designated Enforcement Initiative or Intelligence and Information Sharing Initiative. HIDTA funds shall not be used to pay overtime related to training attendance, financial management, drug treatment, drug demand reduction or prevention, or non-investigative related administrative work.

**(B)(3) OCDETF Overtime.** Once an investigation receives OCDETF designation, the OCDETF Program should pay for overtime. While there is no absolute prohibition on the use of HIDTA funds for overtime related to OCDETF cases, HIDTA funds should not be considered the first source of overtime or be used routinely for OCDETF cases. Further explanation of HIDTA/OCDETF funding is provided in the joint DOJ/ONDCP memorandum dated October 1, 2004. That memorandum is posted on the NHAC website at: [WWW.NHAC.ORG/HIDTA\\_GUIDANCE/OVERTIME.PDF](http://WWW.NHAC.ORG/HIDTA_GUIDANCE/OVERTIME.PDF).

**(B)(4) Maximum Overtime Amounts.** HIDTA-funded overtime for individual state and local law enforcement personnel and uniformed federal agents shall not exceed the lower of: (1) applicable state and local regulations of officer's parent agency; or (2) 25 percent of the federal GS-12 step 1 level pay scale for Federal Law Enforcement Officers ("Rest of U.S.") in effect at the beginning of the calendar year, the parent agency's fiscal year, or other 12-month period selected by the parent agency. This amount is the maximum that an officer can receive during that 12-month period from the OCDETF and HIDTA Programs combined.

For non-law enforcement officers, the maximum amount shall be the lower of: (1) the applicable state and local regulations of the agency hiring or contracting with the individual; or (2) 25 percent of the federal GS-12 step 1 level pay scale in the General Schedule ("Rest of U.S.") in effect at the beginning of the calendar year, the parent agency's fiscal year, or other 12-month period selected by the parent agency. This amount is the maximum that a non-law enforcement officer can receive during that 12-month period from the OCDETF and HIDTA Programs combined.

**(B)(5) Calculating HIDTA-Funded Overtime.** HIDTA funded overtime is calculated by multiplying the individual's gross hourly overtime pay rate by the hours of overtime worked.

**(B)(6) Responsibilities for Compliance.** The parent agency or initiative commander of the individual receiving HIDTA-funded overtime shall ensure the maximum amounts are not exceeded, that the overtime is for HIDTA-related activities, and that the individual does not receive overtime compensation from another funding source for the same hours worked.

HIDTA Directors shall ensure that the parent agency or initiative commander of each individual receiving HIDTA overtime funds is tracking such funds and complying with all HIDTA requirements.

**(B)(7) Non-Compliance.** ONDCP shall require repayment by the parent agency if overtime payments to an individual exceed the maximum limit or if the hours charged to overtime are found not to be for HIDTA-related activities. If ONDCP finds that a parent agency's recordkeeping is deficient, ONDCP may impose additional reporting requirements on that agency.

**(C) Vehicles**

**(C)(1) Eligible Uses of HIDTA Funds**

**(1)(a)** HIDTA funds may be used to (1) pay the purchase price of special purpose vehicles, such as a surveillance van, for a participating agency; (2) provide vehicle allowance to a participating agency to lease or purchase a vehicle; and (3) provide a vehicle allowance for the use of privately-owned vehicles.

**(1)(b)** HIDTA funds may be used to purchase, lease, or provide a vehicle allowance only for the HIDTA Director, Deputy Director, and State and local law enforcement officers assigned fulltime to a HIDTA initiative and who are on 24-hour recall status.

**(1)(c)** HIDTA funds may be used to provide vehicles or a vehicle allowance for other positions if prior approval is obtained from ONDCP annually. ONDCP will grant approval in such cases if the HIDTA Executive Board demonstrates: (1) the position requires frequent travel to multiple locations within the HIDTA region on official HIDTA business; and (2) reimbursement of actual expenses or current IRS mileage rates would exceed the cost of the vehicle or vehicle allowance.

**(1)(d)** HIDTAs must account for HIDTA-funded vehicles assigned to specific individuals.

**(C)(2) Use of HIDTA-Funded Vehicles.** Vehicles leased or purchased with HIDTA funds shall be used only for official HIDTA-related business. Participating agencies that choose

to apply a vehicle allowance toward the purchase of a vehicle shall ensure the vehicle is assigned to investigators working fulltime in a HIDTA initiative and is used exclusively for HIDTA-related activities. For each HIDTA-funded vehicle, the agency or initiative using the vehicle must document its assignment in support of HIDTA activities.

**(C)(3) Federal Agency Prohibition.** HIDTA funds shall not be used to purchase or lease vehicles, aircraft, or watercraft for assignment to federal agency personnel, and shall not be used for fuel, repair, and maintenance for vehicles purchased, leased, or otherwise acquired by federal agencies.

**(D) Liability Insurance**

HIDTA funds may be used to purchase liability insurance for the Director and the Deputy Director of a HIDTA if liability insurance is not provided or available through the agency/contracting agent employing the HIDTA Director and Deputy Director. The coverage purchased with HIDTA funds shall be limited to the typical coverage provided for a public official in the HIDTA region.

HIDTA funds may be used to supplement existing liability insurance if that insurance is inadequate. In such cases, HIDTA funds may be used to acquire only the additional coverage needed to provide typical coverage for a public official in the HIDTA region.

If HIDTA funds are used to purchase liability insurance, the cost of that insurance shall be listed as a line item expense in the budget submission for the HIDTA's Management and Coordination Initiative.

**(E) Costs Related to Prosecutions**

HIDTA funds may not be used for salaries of attorneys, paralegals, or other staff involved in prosecuting criminal offenders or providing other legal assistance unless the activity clearly contributes to the Strategy of the HIDTA.

**(F) Foreign Travel**

HIDTA funds may not be used for foreign travel costs without the prior approval of ONDCP. Each separate foreign trip must receive such approval. For purposes of this provision, "foreign travel"

includes any travel outside Canada, Mexico, the United States, and any United States territories and possessions.

## **6.09 Prohibited Uses of HIDTA Funds**

OMB Circular A-87 and 21 CFR 1403 contain federal regulations governing the expenditure of federal funds. In addition to the disallowable items listed in OMB Circular A-87 Attachment B, ONDCP prohibits the use of HIDTA funds for the following purposes:

- Clothing or clothing allowances
- Food and beverage items, including coffee makers
- Personal hygiene or medication items
- Professional association or bar dues
- Promotional or representational items (e.g., hats, pins, T-shirts, or other memorabilia)
- Gifts
- Real property
- Travel that does not clearly benefit the HIDTA Program
- Weapons and holsters
- Ammunition
- Standard issue departmental-type raid/tactical gear

## **6.10 Reprogramming**

ONDCP awards funds to HIDTAs based on a review and assessment of the HIDTA's strategy and the initiatives described in the annual budget proposals that each HIDTA submits to ONDCP. Consequently, with the exception of funds reprogrammed following the procedures described below, HIDTA program funds must be used by recipients to carry out only those activities approved by ONDCP.

There are two levels of reprogramming: Level A reprogramming, which requires approval from ONDCP before the proposed reprogramming can be executed; and Level B, reprogramming, which can be approved by the HIDTA Director subject to procedures established by the HIDTA's Executive Board. Only ONDCP and HIDTA Directors are authorized to approve a reprogramming. Participating agencies and initiative commanders do not have approval authority for reprogramming of HIDTA funds.

### **(A) Approval Authority**

#### **(A)(1) Level A Reprogramming -- ONDCP Approval Required**

**(1)(a) Changes to Grant or Transfer Totals.** Approval from ONDCP is required for any proposed reprogramming that would require an amendment to the total amount of funds awarded to a grantee or the amount of funds transferred to a federal agency. Because both of these actions require changes to account balances established by ONDCP with the Department of the Treasury, any such reprogramming, regardless of the amount involved, must be approved by ONDCP.

**(1)(b) Substantial Changes to Initiative Budgets**

**(b)(i) Initiatives with budgets of \$100,000 or more.** Approval from ONDCP is required for any reprogramming of an amount equal to or greater than twenty (20) percent of the initiative's currently approved budget.

**(b)(ii) Initiatives with budgets of less than \$100,000.** Approval from ONDCP is required for any reprogramming of an amount equal to or greater than thirty-five (35) percent of the initiative's currently approved budget.

**(A)(2) Level B Reprogramming – HIDTA Director Approval/  
ONDCP Notification Required**

HIDTA Directors and SWB Regional Directors, subject to procedures established by the Executive Board, may approve any reprogramming not subject to the requirements for a Level A reprogramming.

**(B) Reprogramming Limitations**

Due to limitations enacted in Section 706 of the ONDCP Reauthorization Act of 1998 (P.L.105-277), no HIDTA funds shall be used to establish or expand a drug treatment program that was not in existence on October 21, 1998. In addition, ONDCP's FY 2000 Appropriations Act (P.L. 106-58) requires that HIDTA funds obligated or expended for treatment and prevention of drug use shall not be less than the funds obligated or expended for such activities during FY 1999 without the approval of the Congressional Appropriations Committees.

**(C) Reprogramming Deadlines**

HIDTAs shall submit all requests to reprogram funds from one federal agency to another to ONDCP by June 30 of the federal fiscal year following the appropriation of the funds.

Requests to reprogram funds from a federal agency to a state or local agency or between state and local grantees must be submitted to ONDCP by July 31 of the federal fiscal year for which the funds were appropriated.

**(D) Terminated Initiatives**

If a HIDTA terminates an initiative that has not expended all funds budgeted for that initiative, the HIDTA shall reprogram the remaining funds within 90 days of the termination. The Annual Report shall identify any outputs that were accomplished by the initiative before it was terminated. Reprogrammings of terminated initiatives shall be considered Level A reprogrammings.

**(E) Administrative Requirements**

**(E)(1)** Each HIDTA Executive Board shall establish procedures to ensure that all reprogramming requests comply with administrative and financial requirements of participating agencies and with all HIDTA Program requirements established by ONDCP.

**(E)(2)** All reprogramming requests must be submitted to ONDCP by the HIDTA Director using the format established by ONDCP.

- (E)(3)** Each request for a reprogramming shall include sufficient detail to enable ONDCP to assess the request; e.g., a request to reprogram funds into equipment must include a list of equipment to be purchased.
- (E)(4)** In those instances where the HIDTA Director has reprogramming authority, full details should be provided to NHAC as the reprogrammings take place. Copies shall be sent to ONDCP within 15 days of the reprogramming action.
- (E)(5)** Until the Everest-Based Financial Management System (FMS) becomes fully functional and reliable, HIDTA Directors must maintain up-to-date records reflecting all approved reprogramming.

## **6.11 Forfeiture Proceeds**

Asset forfeiture proceeds generated by the HIDTA-funded initiatives shall not be considered as program income earned by HIDTA grantees. ONDCP encourages HIDTA Executive Boards to establish procedures for using asset forfeiture proceeds generated by HIDTA activities to supplement HIDTA-funded activities.

## **6.12 Confidential Payments**

HIDTA Program funds may be used by participating agencies for the confidential purchase of services, evidence, and information subject to the requirements of this subsection. These provisions apply to all grantees, subgrantees, and HIDTA staff involved in the use of HIDTA grants for confidential funds.

### **(A) Definition.**

Confidential funds are those monies allocated to:

#### **(A)(1) Purchase of Services (P/S).**

This category includes travel or transportation of an informant; the lease of an apartment, business front, luxury-type automobiles, aircraft or boat, or similar effects to create or establish the appearance of affluence; and/or meals, beverages, entertainment, and similar expenses (including buy money and flash rolls, etc.) for undercover purposes, within reasonable limits.

**(A)(2) Purchase of Evidence (P/E).**

This category is for the purchase of evidence and/or contraband, such as narcotics and other dangerous drugs, firearms, stolen property, counterfeit tax stamps, documents, etc., required to determine the existence of a crime or to establish the identity of a participant in a crime.

**(A)(3) Purchase of Specific Information (P/I).**

This category includes the payment of monies to an informant for specific information. All other informant expenses would be classified under P/S and charged accordingly.

**(B) Written Procedures**

Special accounting and control procedures should govern the use and handling of HIDTA Program funds for confidential expenditures. It is important that expenditures are accurately reported as PE/PI/PS. It is only in this manner that these funds may be properly accounted for and accurate forecasts of projected need be made. Each agency authorized to disburse confidential funds must develop and follow written procedures that incorporate the elements listed below. This information must be made available to the HIDTA Director or his representatives, or to representatives of ONDCP upon request. If an agency does not have such procedures, the HIDTA Director is responsible for working with that agency to develop adequate procedures.

**(B)(1) Transaction records that clearly reflect:**

- Case identifier
- The date of payment(s) of confidential funds
- The name of the payer and a witness to the payment
- The name of the person approving the payment
- The purpose for which the funds were used.
- Informant number or other non-sensitive identifier
- Adequate explanation to allow an auditor to determine that the funds were properly categorized

**(B)(2) Confidential records (for agency use only) documenting informant identities, actual receipts, and other information that the agency deems appropriate.**

**(C) Documentation**

Purchase of Service expenditures, when not endangering the safety of the officer or informant, must be supported by canceled tickets, receipts, lease agreements, etc. If not available, the office head, or his immediate subordinate, must certify that the expenditures were necessary, and justify why supporting documents were not obtained.

**6.13 Financial Reporting**

Officials requesting HIDTA funds must assist in coordinating the administration of HIDTA funds with their agency's administrative offices, the HIDTA Director, the NHAC for state and local agencies, and ONDCP.

**(A) Financial Status Report (SF 269)**

State and local agencies are required to submit OMB SF 269, "Financial Status Report," on a quarterly basis during the performance period. SF 269s shall be submitted through the HIDTA Director to ONDCP.

**(B) Request for Reimbursement)**

In accordance with the Grant Agreement, state and local agencies are required to submit a Detailed Expenditure Worksheet (DEW) and supporting documentation quarterly to request reimbursement payments. Requests for Reimbursement shall be submitted through the HIDTA Director to the NHAC. All other provisions for submission of Requests for Reimbursement are contained in the Attachment to the Grant Agreement.

**(C) Federal Agency Quarterly Expenditure Reporting**

In accordance with the HIDTA MOA, federal agencies are required to submit quarterly of initiative obligations and expenditures to each HIDTA Director within 30 days of the end of each federal fiscal quarter covered by a Memorandum of Agreement. The expenditure reports must contain comparisons of approved budgets and obligations and expenditures organized by the budget categories detailed in the approved ONDCP/HIDTA budget.

## **SECTION 7: TRAINING**

### **7.01 Purpose**

One of the HIDTA Program's goals is to improve the efficiency and effectiveness of HIDTA initiatives. Individual HIDTAs invest significant funding in training and related activities that contribute to accomplishing this goal, which, in turn, enhances the ability of HIDTAs to disrupt and dismantle DTOs. This Section describes program requirements for the use of HIDTA funds for training.

### **7.02 Training Responsibilities**

#### **(A) HIDTA Responsibilities**

Each HIDTA must establish a training initiative as part of its Strategy. The training initiative does not have to be sponsored or led by a law enforcement agency and is not subject to the policy requirement for collocation and commingling of full time federal and state/local participants.

HIDTAs are strongly encouraged to fund all training activities in a single training initiative but may request training-related funding in other initiatives. If training is requested as part of a non-training initiative, the amount of funds and the expected training outputs from the initiative must be specifically identified in the Initiative Description and Budget Proposal for that initiative.

Each HIDTA shall designate a Training Coordinator who will work in concert with the HIDTA Director regarding training matters. The position of Training Coordinator may be filled by a HIDTA-funded member of the HIDTA Director's staff or by an agency representative, and may be performed as a collateral duty of another position.

Funding for the Training Coordinator position shall be requested in the Training Initiative. The responsibilities of the Training Coordinator include:

- coordinating and facilitating training activities in the HIDTA;
- assessing training needs and requirements for the HIDTA;
- coordinating training-related requirements with the NHAC;
- maintaining a liaison with training components and personnel in law enforcement agencies within the HIDTA's region; and

- documenting all training activities and statistics for HIDTA Program reporting purposes.

**(B) National HIDTA Assistance Center Responsibilities**

Under the direction of ONDCP, the NHAC will serve as the central training information clearinghouse and coordination element for the HIDTA Program by:

- developing and maintaining a catalog of training sources and evaluating and recommending sources of training;
- assisting Training Coordinators in coordinating and facilitating training in the HIDTAs, including assisting in contracting for training courses;
- developing training courses if needed courses are not available, or if developing the course in-house would be more cost-effective;
- standardizing the format and content for annual reporting to ONDCP by each HIDTA; and
- preparing and submitting to ONDCP an annual report, by June 15 of each year, describing the use of HIDTA funds for training on a HIDTA-by-HIDTA basis in the previous calendar year, proposing training courses for the following calendar year, and providing any additional information requested by ONDCP.

**7.03 Use of HIDTA Resources**

- (A)** Participants in HIDTA-funded initiatives shall have first priority for HIDTA Program training funds. HIDTAs may use any funds that remain after meeting the training needs of HIDTA initiatives for training of personnel from (in priority order): (1) HIDTA participating agencies; and (2) other law enforcement agencies within the HIDTA region.
- (B)** HIDTA-funded training must be designed to enhance the skills of the HIDTA participant and must be directly related to the drug enforcement or other HIDTA duties of the trainee.
- (C)** HIDTAs must take advantage of existing training programs and courses, rather than develop or duplicate training that is reasonably available from other sources.

## **SECTION 8: PROPERTY MANAGEMENT**

### **8.01 Purpose**

HIDTA grantees, HIDTA Directors, participating agencies, and initiative participants share responsibility for ensuring that equipment purchased with HIDTA funds is used to the maximum benefit of the HIDTA and that its use complies with all ONDCP requirements pertaining to equipment management. This section describes the minimum standards for meeting those requirements.

### **8.02 General Requirements**

The requirements established in this section apply to all tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$1,000 or more per unit at the time of purchase.

Each HIDTA grantee that acquires or holds HIDTA-purchased equipment must have a property management system that meets the requirements of this section.

If a HIDTA grantee or subgrantee does not have an adequate system for meeting the requirements of this section, the HIDTA Director shall work with the initiative to establish a system that meets these requirements.

HIDTA-purchased equipment shall be retained at the initiative for which it was purchased, unless there are compelling reasons to do otherwise. The HIDTA Director must authorize off-site storage in writing.

### **8.03 Use of HIDTA-Purchased Equipment**

- (A)** Equipment purchased with HIDTA funds is intended for use in HIDTA-funded initiatives. HIDTA Executive Boards may authorize the use of such equipment in non-HIDTA activities if those activities: are consistent with the HIDTA's strategy; do not interfere with the work of HIDTA initiatives; and do not become the primary use of the equipment.

- (B) HIDTA Directors are required to establish a mechanism for sharing HIDTA-purchased equipment among HIDTA initiatives and for tracking the location of shared equipment. Prior to disposing of any HIDTA-funded equipment, all HIDTA grantees must make the equipment available to the HIDTA Director for possible use by another HIDTA participant.

#### **8.04 Equipment Tracking System**

(A) **Tracking System Required**

Each HIDTA grantee or subgrantee that acquires or holds HIDTA-purchased equipment must maintain a tracking system to account for all HIDTA-purchased equipment, vehicles, and other items valued at \$1,000 or more at the time of purchase. Grantees are encouraged to include lower-cost, high-risk items such as digital cameras, palm pilots, and GPS devices, in this tracking system.

(B) **Required Information**

The HIDTA inventory list shall include for each piece of HIDTA-purchased equipment:

- (1) a description of the property;
- (2) a serial number or other identification number;
- (3) the source of property (manufacturer);
- (4) who holds title (purchasing agency);
- (5) the acquisition date and the cost of the property (from invoice);
- (6) the percentage of the purchase price that came from HIDTA funds;
- (7) the location, use, and condition of the property;
- (8) any reported loss, damage, or theft of the equipment; and
- (9) the date of and reason for disposal, transfer to another HIDTA participant, or sale of the equipment; including, if relevant, the sales price of the equipment.

#### **8.05 Identification of HIDTA Equipment**

All HIDTA-purchased equipment must be clearly marked as HIDTA property and have a unique identifier that links the equipment to the HIDTA's inventory tracking system.

## **8.06 Inventory Requirements**

Grantees or subgrantees that use HIDTA funds to purchase equipment must maintain a current inventory of HIDTA-purchased equipment and must provide that inventory to the HIDTA Director or an ONDCP employee upon request.

HIDTA Directors must be able to provide a copy of each such inventory upon request.

Each HIDTA grantee must conduct a 100-percent physical inventory of HIDTA-purchased equipment at least every two years and provide a copy of that inventory to the HIDTA Director. An inventory conducted by the HIDTA Director is adequate for this purpose.

As part of the HIDTA's annual internal review, the HIDTA Director shall perform a physical inventory of a sample of equipment purchased by each HIDTA grantee.

The results of the most recent 100 percent inventory and the most recent internal review, along with all supporting documentation, shall be retained for Program Review purposes.

## **8.07 Disposition of Equipment**

The purchasing agency should use its own policies for determining the end of the useful life of HIDTA-purchased equipment and for disposing of and accounting for any HIDTA-purchased equipment. Purchasing agencies must document the disposition of any HIDTA equipment and provide that documentation to the HIDTA Director.

## **8.08 Protection of Sensitive Information**

Initiative supervisors shall ensure that all sensitive information is removed from the hard drives of a computer before it leaves the HIDTA premises for repair or disposal.

## **8.09 Accountability for Equipment**

Initiative commanders shall immediately report any item that is lost, stolen, or otherwise unaccounted for to the HIDTA Director. The purchasing agency's procedures shall be followed to investigate the loss or theft of any equipment. The initiative commander must also inform the HIDTA Director of efforts to find the item.

## **SECTION 9: PROGRAM REPORTING**

### **9.01 Purpose**

Each HIDTA must produce four closely-related documents that describe the drug trafficking activities in the HIDTA and the measures the HIDTA proposes to address those activities. These four documents are the Threat Assessment, the Strategy, the Initiative Description and Budget Proposals, and the Annual Report. Collectively, these documents are referred to as the “budget package.” This section provides an overview of each document, of the preparation and approval process, and of each document’s relationship to the others. More detailed instructions are included in Appendix III for the completion of each document.

### **9.02 Submission Due Dates**

The HIDTA Program is based on a calendar year format. The first three pieces of the budget package (Threat Assessment, Strategy, and Initiative Description and Budget Proposals) are due to ONDCP by June 15 of the year prior to the start of the program year the documents describe.

The Annual Report for a program year is due to ONDCP by May 15 following the end of the program calendar year.

### **9.03 Threat Assessment**

- (A)** The Threat Assessment is an annual analysis of drug trafficking and related activities taking place in the HIDTA. Its primary purpose is to provide a basis for the development of the HIDTA Strategy by identifying and describing the organizations that manufacture, cultivate, import, transport, or distribute illegal drugs in the HIDTA. The Threat Assessment must specifically identify and describe those drug trafficking activities that affect other parts of the United States. The HIDTA Threat Assessment may be written at the unclassified level in order to ensure wide local distribution, with an appropriately classified supplemental Annex to provide the necessary detail required by this paragraph.
- (B)** HIDTA Threat Assessments are primarily concerned with the counties that constitute the HIDTA. HIDTAs may expand the scope of their Threat Assessments to include other areas if that expansion provides a clearer picture of the factors affecting the HIDTA.
- (C)** The National Drug Intelligence Center (NDIC) will prepare an

annual Market Area Analysis for each HIDTA that will describe the attributes of illegal drug trafficking within the HIDTA\*. The document will be prepared using information from surveys, interviews, and other sources within the HIDTA. The Market Area Analysis will focus on the major drug markets within the HIDTA but will also include a discussion of drug trafficking outside those areas. NDIC will clear these documents through the HIDTA and the relevant DEA and OCDETF field offices prior to release or publication.

- (D) HIDTAs are free to supplement the NDIC analyses with any additional information they believe merits inclusion. If supplementary information is submitted, the format described in Appendix III must be used.
- (E) With the approval of their Executive Boards, HIDTAs should share Threat Assessments broadly within their regions. HIDTAs shall also forward their Threat Assessments to the National Drug Intelligence Library (NDIL) maintained by NDIC.

#### **9.04 Strategy**

- (A) The HIDTA Strategy will describe the HIDTA's plans to respond to the drug trafficking activities identified in its annual Threat Assessment. Using the two HIDTA Program goals as a starting point, each HIDTA will design an individual Strategy that reflects the drug threats identified in its Threat Assessment and the HIDTA's capacity to confront these threats. Resource constraints may require Executive Boards to prioritize strategic goals.
- (B) There must be a clear and direct relationship between the drug trafficking activities and organizations identified in the Threat Assessment and the HIDTA initiatives proposed to diminish those activities. The Strategy should articulate the HIDTA's role in helping federal, state, and local agencies shape their drug control efforts to reduce drug trafficking, eliminate unnecessary duplicative efforts, maximize resources, and improve information and intelligence sharing under the coordinating umbrella of the HIDTA Program.

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\* NDIC will prepare five Market Area Analyses for the Southwest Border HIDTA, one for each of the five regions.

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- (C) The Strategy must contain the required performance targets specific to each Program goal and any additional performance targets the Executive Board establishes. Section 10 describes the required performance targets.
- (D) A description of all HIDTA-funded initiatives must be included in the Strategy.
- (E) The specific format and detailed requirements for the Strategy are included in Appendix III.

### **9.05 Initiative Descriptions and Budget Proposals**

- (A) Each HIDTA must submit annual Initiative Description and Budget Proposals identifying the activities that will be undertaken to implement the HIDTA Strategy. These documents must provide: (1) realistic annual funding needs for each Initiative; (2) specific quantitative performance targets; and (3) sufficient detail for ONDCP to assess, along with the descriptions submitted in prior years, whether the proposed initiatives are consistent with the HIDTA's strategy and are likely to achieve the performance targets proposed by the HIDTA. The formats for the Initiative Descriptions and Budget Proposals are posted on the NHAC website at: [WWW.NHAC.ORG/HIDTA\\_GUIDANCE/IDBP.PDF](http://WWW.NHAC.ORG/HIDTA_GUIDANCE/IDBP.PDF).
- (B) Agencies may propose new Initiatives after a program year budget has been approved. To request approval of an initiative outside of the usual budget review period, the HIDTA must submit an Initiative Description and Budget Proposal to ONDCP for approval. The proposal must describe how the new initiative will be funded. Proposing a new initiative may also require submitting a reprogramming request to ONDCP. (See Section 6 for reprogramming requirements.) Requests for new initiatives should be accompanied by a revised Strategy that reflects the proposed new initiative.
- (C) If an Initiative undergoes a major change in organization, staffing, or investigative focus, the HIDTA must submit a revised Initiative Description and Budget Proposal to ONDCP explaining the change. Revising an initiative may also require submitting a reprogramming request to ONDCP.

## **9.06 Annual Report**

Each HIDTA must produce an Annual Report that describes its activities, reports its progress implementing the HIDTA Strategy, and documents how it met the annual performance targets for the preceding calendar year. The format for the Annual Report is included in Appendix III.

## **SECTION 10: PROGRAM PERFORMANCE**

### **10.01 Purpose**

The purpose of this section is to describe the process ONDCP will use to assess the performance of HIDTAs and the overall performance of the HIDTA program. Each HIDTA must propose initiatives that are based on its respective Threat Assessment and Strategy; must articulate how the initiative's funding request directly addresses the threat; must set specific measurable and realistic performance measures; and must eventually provide specific information on how the funding has enabled each HIDTA to meet its desired outcomes. Using data drawn from the Performance Management Process (PMP), ONDCP will assess the performance of each HIDTA and the HIDTA Program as a whole.

### **10.02 Individual HIDTA Vision and Mission Statements**

Each HIDTA is encouraged to develop its own vision and mission statements that reflect and support the HIDTA Program goals. A vision statement is a declaration that articulates the direction a HIDTA is going to take in a specified period to achieve its mission. A HIDTA's Vision Statement should be shared with, and understood, by all those within or affected by the HIDTA. A vision statement will periodically change to keep pace with internal and external events. An example of a vision statement is: "We envision that within five years all HIDTA participating agencies will electronically share sensitive case information."

A mission statement is a management tool that declares the rationale for the HIDTA's existence. It must support the vision in terms of the core services that the HIDTA provides and must tell how it is going to support the vision. All initiatives and their goals and targets must derive from the vision and mission statements.

### **10.03 HIDTA Goals**

The HIDTA Program goals are to:

1. Disrupt the market for illegal drugs by dismantling or disrupting drug trafficking and/or money laundering organizations; and
2. Improve the efficiency and effectiveness of HIDTA initiatives.

To demonstrate its efforts to accomplish Goal One, each HIDTA must collect and enter information on drug trafficking organizations (DTOs) and money laundering organizations (MLOs) known to operate in the HIDTA's region into the HIDTA PMP Database. The DTO information to be

reported must include every DTO and MLO that HIDTA initiatives have identified within the HIDTA region and must specify those the HIDTA has targeted. The HIDTA Annual Report, Threat Assessment, and Strategy must be based on DTOs and MLOs identified in the PMP Database. Each DTO must be assigned a unique identifier that will enable HIDTA staff to link that identifier to an actual DTO. It is not necessary, however, to include law enforcement sensitive information such as the actual name of the DTO or the name of any target member of the DTO. The information in the PMP Database must be updated at least quarterly to keep the database current and accurate and must indicate when a DTO has been disrupted or dismantled or when some other change in its status occurs.

To demonstrate its efforts to accomplish Goal Two, each HIDTA must report how and to what degree it improved the efficiency and effectiveness of its HIDTA initiatives. Every HIDTA must address information sharing and training. HIDTAs are required to identify their needs, address the needs they deem critical and reasonable to achieve given available resources, and report their outcomes for Goal Two.

#### **10.04 Defining the Threat**

HIDTA's PMP requires an accurate, thorough, and quantitative description of the HIDTA's regional drug threats. An acceptable threat description must clearly articulate a connection to the HIDTA Program mission statement, as well as to the HIDTA's mission. Each HIDTA initiative must clearly support the HIDTA's mission and program goals. Threats must be prioritized and listed according to one or both of the two HIDTA Program goals.

#### **10.05 Data to Define the Threat**

Data used for performance measurement must be valid and reliable (i.e., the data must correlate with the threat or need, measure what it is supposed to measure, and be dependable over time). Data validity and reliability must be addressed before a program's effectiveness can be evaluated. ONDCP will provide technical assistance to every HIDTA to assist in identifying valid and reliable data used to define its threats and initiative needs, establish its performance targets, and report its outcomes.

#### **10.06 Performance Targets**

The Performance Management Process requires each HIDTA to use those measures that quantify each threat and develop performance targets indicating what it expects to change based on its initiatives' efforts. All initiatives addressing a targeted threat are expected to contribute to

attaining the performance target. It is the combined achievement of all initiatives addressing a threat that is reported as an outcome.

ONDCP recognizes that smaller and recently-designated HIDTAs may not be able to have a substantial and immediate impact in terms of the number of DTOs disrupted or dismantled. Each year ONDCP will negotiate performance targets for each HIDTA that take into consideration the funding levels and experience of the HIDTA.

### **10.07 HIDTA Program Performance Measures**

ONDCP will analyze data sets used to determine threats, performance targets, and performance measures for each HIDTA and will publish a set of threat specific and core measures for the HIDTA Program. Unless otherwise indicated by ONDCP, Calendar year 2004 will serve as the baseline year for the PMP.

## **SECTION 11. PROGRAM REVIEW**

### **11.01 Purpose**

ONDCP and HIDTA Executive Boards have a shared responsibility for oversight within the HIDTA Program. ONDCP is responsible for assessing the performance of each HIDTA and for determining how that performance affects the overall HIDTA Program. HIDTA Executive Boards are responsible for assessing the performance of each of the HIDTA's initiatives. These responsibilities require a thorough review process that examines the full range of HIDTA operations. This section outlines the review process.

### **11.02 Overview**

- (A)** ONDCP reviews of individual HIDTAs will be conducted in three complementary phases:
  - (A)(1)** Phase 1: Annual reviews by ONDCP of the budget package (Threat Assessment, Strategy, Initiative Description and Budget Proposals, and Annual Report) each HIDTA submits.
  - (A)(2)** Phase 2: Annual Internal Program Reviews that each HIDTA is required to conduct.
  - (A)(3)** Phase 3: Periodic ONDCP-led reviews conducted on-site at the HIDTAs.
- (B)** The program review process addresses the HIDTA's:
  - (B)(1)** success in meeting performance targets negotiated with ONDCP;
  - (B)(2)** effectiveness in accomplishing its mission;
  - (B)(3)** efficiency in the use of HIDTA resources;
  - (B)(4)** accountability in the use of HIDTA resources; and
  - (B)(5)** compliance with ONDCP program policy and guidance.

## **11.03 Responsibilities**

### **(A) ONDCP**

The program review responsibilities of ONDCP include:

- (A)(1)** Establishing and promulgating program policies, including guidelines for program reviews.
- (A)(2)** Establishing review teams at ONDCP and completing Phase 1 review, including providing a written assessment (the “passback”) of each HIDTA’s annual budget package by September 30 of each year.
- (A)(3)** Withholding funding or setting special funding conditions if a HIDTA Director’s response to the Passback is inadequate.
- (A)(4)** Establishing and leading teams to conduct Phase 3 Reviews of HIDTAs.
- (A)(5)** Overseeing actions required or recommended by the Phase 3 reviews.
- (A)(6)** Arranging for special reviews when a new HIDTA Director is selected or if unusual problems develop in a HIDTA.

### **(B) HIDTA Executive Boards**

The program review responsibilities of HIDTA Executive Boards include:

- (B)(1)** Approving the budget packages and forwarding them to ONDCP for review.
- (B)(2)** Overseeing HIDTA Directors in the conduct of Phase 2 reviews.
- (B)(3)** Evaluating each HIDTA Initiative at least annually.
- (B)(4)** Overseeing the responses to Phase 3 reviews.

**(C) HIDTA Directors**

The program review responsibilities of HIDTA Directors include:

**(C)(1)** Presenting annual budget package to the Executive Board and forwarding the approved package to ONDCP.

**(C)(2)** Responding to Phase 1 passback.

**(C)(3)** Developing a Phase 2 review process, conducting a review of each initiative at least once a year, and reporting the results to the HIDTA Executive Board.

**(C)(4)** Responding to ONDCP requests for information needed to prepare for Phase 3 reviews, facilitating the work of the on-site review team, and responding to the team's report.

**(D) Initiative Commanders and Grantees**

The program review responsibilities of initiative commanders and HIDTA grantees include:

**(D)(1)** Providing the HIDTA Director with data needed to conduct reviews.

**(D)(2)** Making facilities, staff, and data available, within agency regulations, for the Program Review process.

**(D)(3)** Responding to Phase 1, 2, or 3 review reports or passbacks at the HIDTA Director's request.

**11.04 Phase 1: Annual Review of the Budget Package (Threat Assessment, Strategy, Initiative Description and Budget Proposals, and Annual Report)**

The review of these documents allows an initial assessment of the HIDTA's performance, effectiveness, efficiency, accountability, and compliance with Program Policy. The information developed in Phase 1 is used to inform the program review efforts of Phases 2 and 3.

**(A) Scope and Level of Detail**

During Phase 1 of the review process, ONDCP-led teams will review:

**(A)(1)** and compare the most recent Annual Report to the HIDTA's

Strategy for that program year;

- (A)(2) all documents in the budget package for compliance with ONDCP policy and guidance; e.g., interagency participation, collocation of personnel, etc.;
- (A)(3) the Threat Assessment to determine whether it appears consistent with other information regarding the HIDTA region;
- (A)(4) the Strategy for its potential to address the drug-related concerns identified in the Threat Assessment;
- (A)(5) Each Initiative Description and Budget Proposal to determine whether the proposed initiative helps carry out the HIDTA's strategy and the proposed funding level it is appropriate for the proposed initiative; and if the past performance of the initiative suggests it can make a significant contribution to the HIDTA's Strategy.

**(B) Passback**

- (B)(1) The Phase 1 review team leader will report the results of each team's review to the respective HIDTA Director by September 30 and, if necessary, request clarifications or additional material.
- (B)(2) Passback from ONDCP may include recommendations for: additional or revised documentation modifying the structure, administration, or funding of individual initiatives or the HIDTA as a whole; and changes to performance targets proposed by the HIDTA's Executive Board.
- (B)(3) Some passback comments may be verbal. Issues that require detailed responses shall be provided to the HIDTA Director in writing and shall require a written response.
- (B)(4) HIDTA Directors shall conduct all negotiations concerning Passback issues with ONDCP staff serving as the Team Leader.
- (B)(5) ONDCP may withhold funding or set special funding conditions based on a HIDTA Director's response to the Passback.

**11.05 Phase 2: Annual Internal Review by the HIDTAs**

- (A) Each HIDTA must conduct annual internal reviews to determine if each initiative and grantee is achieving its stated targets, is complying with all HIDTA programmatic and fiscal policies, and is efficient and accountable in its use of HIDTA resources.
- (B) Each HIDTA may perform the annual internal review on whatever schedule is most convenient for the HIDTA. HIDTAs have the option to schedule the review in phases, as long as the equivalent of an entire review is conducted at least once per year.
- (C) The HIDTA Director will have the primary responsibility for conducting the internal reviews. He or she may create review teams in any manner approved by the Executive Board. The Executive Board and the initiative commander shall receive copies of the review report.
- (D) Each internal review shall be documented in a report that includes an overall summary of findings for the HIDTA and individual summaries for each initiative and program element that was reviewed. A copy of each internal review shall be made available to ONDCP upon request.
- (E) HIDTAs must retain all guidelines, completed checklists, reports, and other documents used for the internal review for at least three years or until a Phase III review is conducted, whichever is later.
- (F) If an internal review reveals an especially urgent, critical, or sensitive situation, the HIDTA Director should discuss it immediately with the designated ONDCP policy analyst for that HIDTA.

**11.06 Phase 3: Periodic ONDCP-Led On-Site Reviews****(A) Schedule**

Each HIDTA shall be subject to periodic on-site reviews. In January of each year, ONDCP will provide HIDTA Directors a proposed schedule for on-site reviews for the year. ONDCP may adjust the proposed schedule to accommodate unforeseen issues or if the schedule creates an unreasonable burden on a HIDTA.

**(B) Participants**

**(B)(1)** ONDCP will assemble each review team and provide a staff member to serve as Review Team Leader. Review teams may include personnel from: ONDCP; the Departments of Justice, the Treasury, and Homeland Security; other HIDTAs; a state or local agency; contract staff provided through the NHAC; contract audit personnel from an independent accounting firm, who may conduct fiscal audits of the HIDTA, and/or HIDTA grantees.

**(B)(2)** ONDCP may designate a Review Team Coordinator to be responsible for coordinating all aspects of the on-site review. This includes pre-review preparation, coordination with HIDTA management, assignment of review tasks to team members, coordination of review activities, and preparation and presentation of review findings.

**(C) Duration of Reviews**

The duration of an on-site review is a function of the geographical and organizational size of the HIDTA, the complexity of the HIDTA's Strategy and initiatives, the thoroughness of the HIDTA's annual internal reviews, and any special considerations that might require additional time. The review team should generally be able to complete the review activities at the HIDTA within a five-day workweek.

**(D) Review Procedures**

**(D)(1)** The on-site review will involve interviews of the HIDTA Director, Executive Board members, initiative commanders, and others, including staff from HIDTA grantees. The review will use detailed procedures and checklists covering all aspects of HIDTA performance, management, and operation. Copies of the checklists and other information will be provided to the HIDTA Director prior to the review.

**(D)(2)** Before the review team arrives on site, the ONDCP team leader will inform the HIDTA Director of the aspects of the HIDTA to be reviewed and discuss with the HIDTA Director the proposed areas of emphasis, the team's approach to interviewing persons and requesting records, and any areas of the HIDTA that might be particularly sensitive. The HIDTA Director may be asked to make advance preparations for availability of certain documents, arrangements for

interviews and visits, etc.

**(D)(3)** At the beginning of the on-site review, the ONDCP team leader and members of the team will meet with the HIDTA Director and the Executive Board to discuss the review.

**(E) Scope and Level of Detail of Reviews**

The on-site review is designed to cover all aspects of a HIDTA's management and operations. On-site reviews will include success in addressing the identified threat and the negotiated performance targets, management practices, compliance with ONDCP policy and program guidance, success in addressing the identified threat and the negotiated performance targets, and fiscal controls and accountability. However, the scope and level of detail of an on-site review will vary according to the thoroughness of the HIDTA's internal review.

**(F) Reporting**

**(F)(1)** Before the review team departs the HIDTA, it shall present preliminary results to the HIDTA Director and, if requested, to members of the Executive Board.

**(F)(2)** Within 60 days of completing the on-site review, ONDCP will provide a final written report to the HIDTA Director describing the conclusions of the review team. If this requirement cannot be met, ONDCP will notify the HIDTA Director in writing.

**(F)(3)** In addition to describing the overall results of the review, the final report of the on-site review will document specific positive and negative areas identified as Observations, Findings, Instructions, or Recommendations.

**(3)(a)** An Observation is a positive comment about the HIDTA's performance, progress, coordination, or cooperative nature that enhances the mission of the HIDTA and embodies the overall concept of the HIDTA Program.

**(3)(b)** A Finding describes a serious deficiency in compliance with HIDTA programmatic or fiscal guidelines that significantly impedes the HIDTA's ability to achieve its desired outcomes. A Finding requires corrective action to be initiated by the HIDTA

within 30 days of ONDCP notification of the deficiency.

**(3)(c)** An Instruction mandates remedial action to correct a lapse in programmatic or fiscal compliance that does not significantly impede the ability of the HIDTA to achieve its desired outcomes. An Instruction requires a report of corrective action to ONDCP within 90 days of the final report.

**(3)(d)** A Recommendation is a suggestion to correct an identified deficiency or lapse, or a proposed improvement to the HIDTA operation in order to enhance its efficiency or effectiveness. A Recommendation is a non-binding suggestion that can be accepted or rejected by the Executive Board and/or the HIDTA Director.

**(G) Follow-up**

ONDCP shall monitor Findings and Instructions and assist the HIDTA in addressing the problems identified. The HIDTA and ONDCP will establish mutually acceptable milestones and/or reporting dates for correction of the problem(s) and will monitor the corrective actions until the identified problem is resolved.

**(H) Retention of Reports**

ONDCP shall retain all working papers, interim reports, and final reports of the on-site review until at least the next on-site review of the HIDTA is completed.

**Appendix I**  
**HIDTA Authorizing Statute**

**21 U.S.C. Sec. 1706. High Intensity Drug Trafficking Areas Program**

(a) Establishment

There is established in the Office a program to be known as the High Intensity Drug Trafficking Areas Program.

(b) Designation

The Director, upon consultation with the Attorney General, the Secretary of the Treasury, heads of the National Drug Control Program agencies, and the Governor of each applicable State, may designate any specified area of the United States as a high intensity drug trafficking area. After making such a designation and in order to provide Federal assistance to the area so designated, the Director may—

- (1) obligate such sums as appropriated for the High Intensity Drug Trafficking Areas Program;
- (2) direct the temporary reassignment of Federal personnel to such area, subject to the approval of the head of the department or agency that employs such personnel;
- (3) take any other action authorized under section 1703 of this title to provide increased Federal assistance to those areas;
- (4) coordinate activities under this subsection (specifically administrative, recordkeeping, and funds management activities) with State and local officials.

(c) Factors for consideration

In considering whether to designate an area under this section as a high intensity drug trafficking area, the Director shall consider, in addition to such other criteria as the Director considers to be appropriate, the extent to which—

- (1) the area is a center of illegal drug production, manufacturing, importation, or distribution;
- (2) State and local law enforcement agencies have committed resources to respond to the drug trafficking problem in the area, thereby indicating a determination to respond aggressively to the problem;
- (3) drug-related activities in the area are having a harmful impact in other areas of the country; and
- (4) a significant increase in allocation of Federal resources is necessary to respond adequately to drug-related activities in the area.

(d) Use of funds

The Director shall ensure that no Federal funds appropriated for the High Intensity Drug Trafficking Program are expended for the establishment or expansion of drug treatment programs.

**APPENDIX II:  
HIDTA PROGRAM GLOSSARY**

## HIDTA PROGRAM GLOSSARY

|  |   |
|--|---|
| Analytical support                                 | Assistance by an intelligence analyst to analyze and prepare information for HIDTA task forces and investigations and/or other Federal, State and local law enforcement agencies within the region. Examples include mapping, post seizure analysis, telephone tolls analysis, and document exploitation.   |
| Benchmarking                                       | A computed value from alternate sources to serve in the place of missing comparison data. Benchmark data can serve as a substitute for the missing baseline value.  |
| Consolidated Priority Organization Targets (CPOTs) | A DTO known to be linked to or affiliated with major international drug trafficking organization and/or money laundering enterprise that is included on the Department of Justice's Consolidated Priority Organization Target (CPOT) list. The CPOT list consists of the command and control element of a major international drug trafficking organization and/or money laundering enterprise that significantly affects the drug supply in the United States. |
| Core measures                                      | The performance measures that ONDCP identifies and selects for all HIDTAs to report.  |
| Deconfliction                                      | The process or system used to determine if multiple law enforcement agencies are investigating the same person, crime, or organization and providing notification and contact information to each agency having a shared interest in the case determined to be in conflict.   |
| Desired outcome                                    | In performance measurement, an objective within a possible range of outcomes.   |
| Dismantlement                                      | Destroying the organization's leadership, financial base and supply network such that the organization is incapable of operating and/or reconstituting itself.  |
| Disruption   | Impeding the normal and effective operation of a targeted organization, as indicated by changes in organizational leadership and/or changes in methods of operation, including, for example, financing, trafficking patterns, communications or drug production.  |

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| Drug Trafficking and/or Money Laundering Report | This report collects pertinent information about DTOs and Money Laundering Organizations. This report is commonly called the DTO Report.  |
| Drug Trafficking Organization (DTO)             | An organization consisting of five or more persons that (1) has a clearly defined hierarchy or chain-of-command and (2) whose principal activity is to generate income or acquire assets through a continuing series of illegal drug production, manufacturing, importation, or distribution activities. The definition is based on 21 USC 848 (c), <i>Continuing Criminal Enterprise</i> .   |
| Effective                                       | Producing an intended or expected outcome or output according to some quantitative or qualitative standard.   |
| Efficient                                       | Exhibiting a high output to input ratio; a reduction in response time; or a reduction in the costs associated with a process.   |
| Expenditures                                    | An outlay of HIDTA program funds.   |
| Extension                                       | A change in the performance period to allow a longer period of time over which grant money can be spent.  |
| Federal law enforcement agency                  | For purposes of the HIDTA Program, a Federal law enforcement agency includes the: Drug Enforcement Administration (DEA); Federal Bureau of Investigation (FBI); Immigration and Customs Enforcement (ICE); Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF); U.S. Attorneys (USA); Customs and Border Protection (CBP); U.S. Postal Inspection Service; U.S. Coast Guard; Criminal Investigation Service of the Internal Revenue Service (IRS/CI); and law enforcement components of the U.S. Forest Service and the National Park Service. |
| Fiduciary                                       | A HIDTA Program grantee or subgrantee designated to handle the money transactions (accounts receivable and accounts payable) for one or more other entities participating in a HIDTA. A fiduciary serves as an independent “bookkeeping” office to receive and disburse the money from the grant to state and local agencies, and sometimes federal agencies.   |

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| Gang  | A group or association of five or more persons with a common identifying sign, symbol, or name, the members of which, individually or collectively, engage in criminal activity that creates an atmosphere of fear and intimidation. A gang may also be a DTO providing it meets the requirements set forth in the DTO definition. A gang differs from a DTO in that while the principal criminal activities of a DTO are directly related to drug trafficking the criminal activities of a gang are more diverse. |
| General Counter-Drug Intelligence Plan (GCIP) | A document issued by seven federal agencies that proposes specific action items intended to improve how the law enforcement and intelligence communities share intelligence related to drug trafficking.   |
| Grant   | An award of financial assistance by the Federal Government to an eligible grantee. The term grant only applies to funds provided to state and local agencies and institutions of higher education; federal agencies receive “transfers.”   |
| Grant Letter                                  | The official letter informing a grantee that a grant has approved. This document obligates and reserves federal funds for use by the recipient agency in execution of the program or project covered by the grant. The Grant Letter includes information such as the name of the grant recipient, award period, and amount of federal funds, and the award number. The Grant Letter also describes any special conditions that ONDCP has placed on the grant.  |
| Grantee                                       | The government, institution of higher education, or other entity to which a HIDTA Program grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity (e.g., city government) even if only a particular component of the entity (e.g., the Police Department) is designated in the grant award document. Grant recipients sometimes act as a fiduciary for other participants in a HIDTA.  |
| HIDTA Program                                 | The High Intensity Drug Trafficking Areas Program. The Program created by the Congress to provide targeted federal assistance to specific areas of the United States that are deemed to be centers of illegal drug production, manufacturing, importation, or distribution and that meet three other statutory criteria. Codified at 21 U.S.C. 1706.   |
| HIDTA   | One of the areas designated under the HIDTA Program.   |

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| Information                        | Raw, unanalyzed, descriptive data that identifies persons, evidence, events, or other characteristics related to a criminal event.  |
| Information dissemination          | The release of information about offenders, crimes, and/or events, usually under certain protocols, to law enforcement agencies inside and outside the HIDTA boundaries.  |
| Initiative                         | Activities that implement portions of a HIDTA's Strategy as opposed to an organization of activities/investigative efforts.   |
| Initiative commander or supervisor | A person appointed to lead a HIDTA initiative.  |
| Intelligence                       | Information compiled and analyzed to determine its meaning and relevance for efforts to anticipate, prevent, impede, or monitor criminal activity.  |
| Intelligence assessment            | A written report that provides comprehensive knowledge or tactical knowledge of a topic.  |
| Intelligence-driven task forces    | A HIDTA law enforcement initiative that develops and selects its enforcement targets based upon information derived from an agency's and/or the HIDTA's intelligence component. Can also mean the intelligence provided after a target is selected by the task force to ensure proper investigative direction and focus.  |
| Interdiction                       | The process of interrupting the flow of drugs or money, either while in route to the United States or from point-to-point within the United States.   |
| International DTO                  | An organization that regularly conducts illegal drug trafficking or money laundering activities in more than one country or that is based in one country and conducts or coordinates illegal activities in another.   |
| Local DTO                          | An organization whose illegal drug trafficking or money laundering activities are generally, but not always, limited to the same metropolitan area, or—for non-metropolitan areas—are limited to an easily defined region or small number of geographically proximate counties. If a DTO's activities regularly take place within a single metropolitan area, it should be considered a local DTO even if that metropolitan area includes parts of more than one state. |

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| MOA                           | Memorandum of Agreement between the ONDCP and a federal agency. This is the equivalent of the Grant Letter provided to the state or local grant recipient.   |
| Money laundering organization | A hierarchy of individuals engaged in processing illegal drug profits through a continuing series of illegal activities to make those illegal profits appear to be legitimate income.  |
| Multi-state DTO               | An organization that regularly carries out illegal drug trafficking or money laundering activities in more than one state. A DTO is not a multi-state DTO if the organization's activities regularly take place within a single metropolitan area or region, even if that metropolitan area includes parts of more than one state.   |
| NHAC                          | National HIDTA Assistance Center. This center provides accounting assistance and training services to HIDTA program participants.  |
| Obligation                    | An amount that requires future payment.  |
| OCDETF                        | The Organized Crime Drug Enforcement Task Force program.   |
| ONDCP                         | Office of National Drug Control Policy. The office established within the Executive Office of the President of the United States to develop and coordinate the Nation's anti-drug policy. ONDCP also administers the HIDTA program.  |
| Operational intelligence      | Intelligence that details patterns, modus operandi, and vulnerabilities of criminal organizations, but that is not tactical in nature.   |
| Outcome                       | Actual changes in the population or problem targeted by a HIDTA. Outcomes are the HIDTA's actual accomplishments and are predicated on outputs. For example, the percentage of DTOs dismantled or disrupted compared to the number targeted and the return on investment for money laundering investigations are both outcome measures. (See <i>performance measure</i> .) |
| Outcome measures              | The data used to determine what actually was achieved.   |
| Outputs                       | The result of the HIDTA's work or activities such as amount of drugs seized or number of DTOs dismantled.  |
| Parent agency                 | The employer of personnel assigned to a HIDTA initiative.  |

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| Participating agency                           | A federal, state, or local agency or other entity that takes part in a HIDTA initiative by providing staff or in-kind resources.  |
| Payment Management System (PMS)                | A web-based program that allows grant recipients to request payments online (although supporting documents must still be sent to NHAC).   |
| Performance Management Process                 | A set of successive steps designed to assist in determining the efficiency and effectiveness of the National HIDTA Program and individual HIDTAs. The PMP requires the individual HIDTAs to quantify their threats using reliable data, establish performance targets, develop initiatives to achieve the performance targets, and report their outcomes. |
| Performance measure                            | An outcome or efficiency measure used to report performance. Performance must be reported quantitatively, directly, or through assessment-based measures.   |
| Performance target                             | An objective expressed as a number that the HIDTA expects to achieve for each performance measure.  |
| Regional priority organization targets (RPOTs) | A DTO known to be linked to or affiliated with a major regional/national drug trafficking organization and/or money laundering enterprise that is designated as an RPOT by the Organized Crime and Drug Enforcement Task Force Program's Regional Coordination Committee.   |
| Reimbursable agreement                         | An official agreement between two HIDTA participating agencies in which one agency agrees to pay a second agency for goods acquired or services provided.   |
| Reprogramming                                  | The shifting of budget amounts between previously approved activities or cost categories.   |
| Strategic Intelligence                         | Intelligence related to the structure and movement of organized criminal elements, patterns of criminal activity, activities of criminal elements, projection of criminal trends, or projective planning.   |

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| Subgrantee              | Agencies that do not receive HIDTA funds directly from ONDCP but rather receive them from a HIDTA grantee. For example, the Johnson County Sheriff's Office participates in the HIDTA, with the Jackson County Sheriff's Office acting as the fiduciary. The fiduciary is the grant recipient (the agency actually receiving the funds) that reimburses the expenditures made by the participating agencies such as the Johnson County Sheriff's Office. |
| Supplant                | The use of HIDTA funds by an agency in lieu of funds that have been appropriated or would be appropriated for the same purpose.  |
| Tactical Intelligence   | Time sensitive information regarding a specific criminal event that can be used immediately by operational units to further a criminal investigation, plan tactical operations, and provide for officer safety.  |
| Task force              | A group of law enforcement and investigative people who work together to carry out an initiative. Task force members remain employees of their respective agencies.  |
| Threat                  | The capability and intent of an individual or group or an existing or impending condition that potentially can do or cause harm.   |
| Threat-specific measure | A performance measure that is specific to an individual HIDTA's drug threat, rather than a measure that applies to all HIDTAs.   |
| Transfer                | To move HIDTA Program funds from ONDCP to another federal entity (e.g., DEA) to carry out HIDTA-program activities.  |

## **APPENDIX III: HIDTA Program Reporting Requirements**

## **HIDTA REPORTING REQUIREMENTS: OVERVIEW**

ONDCP requires each HIDTA to submit four closely related documents that describe the drug trafficking activities in the HIDTA (Threat Assessment), the approach the HIDTA proposes to use to address those activities (Strategy), the specific measures to execute that approach and the funding needed to carry out those measures (Initiative Description and Budget Proposals), and the accomplishments of the previous year (Annual Report). The following pages describe the required content of each of these four documents in more detail. Nothing precludes a HIDTA from reporting additional information that the Executive Board believes to be important and that accurately reflects activities designed to further the HIDTA mission. See Sections 9.03, 9.04, 9.05 and 9.06 of the HIDTA Program Policy and Budget Guidance (dated XXX) for a detailed explanation of the purpose of each document.

The Threat Assessment, Strategy, and Initiative Description and Budget Proposals are due to ONDCP by June 15 of the year prior to the start of the program year the documents describe. The Annual Report for a program year is due to ONDCP by May 15 following the end of the program calendar year.

## **HIDTA THREAT ASSESSMENT FORMAT**

The National Drug Intelligence Center (NDIC) will prepare an annual Market Area Analysis for each HIDTA that will describe the attributes of illegal drug trafficking within the HIDTA. (NDIC will prepare five Market Area Analyses for the Southwest Border HIDTA, one for each of the five regions.) The document will be prepared using information from surveys, interviews, and other sources within the HIDTA. The Market Area Analysis will focus on the major drug markets within the HIDTA but will also include a discussion of drug trafficking outside those areas. NDIC will clear these documents through the HIDTA and the relevant DEA and OCDETF field offices prior to release or publication.

HIDTAs are free to supplement the NDIC analysis with any additional information they believe merits inclusion. If supplementary information is submitted, the following format, which parallels the organization of the NDIC documents, should be used.

### **I. Preface**

The Preface should describe the methodology used in preparation of the Threat Assessment. For example, your HIDTA may send out questionnaires to collect information. Others may have teams visit various agencies for the collection. Whatever method you used to consolidate the NDIC data with your own should be described here.

### **II. Table Of Contents**

### **III. Executive Summary**

The summary should be a succinct synopsis of the entire report highlighting the important nature of the threat itself...the who, what, where, when and how answers. It is intended to provide an overview of the magnitude of the illegal drug problem within the HIDTA so that participating law enforcement agencies may coordinate their counter-drug resources most effectively.

### **IV. Overview**

This section, which can be lengthy, provides a ranking of the illegal drug threats and all other information that is not specific to the production, transportation, distribution, or illicit finance of illegal drugs and is not addressed elsewhere in the report. The Overview should specifically (1) explain how the drug trafficking in the HIDTA region affects other parts of the United States and (2) describe any recent significant changes that have taken place in drug trafficking activities in the region. More detailed descriptions of these effects must be included in the Production, Transportation, Distribution, or Illicit Finance section of the Threat Assessment.

**V. Production\***

How are drugs cultivated, produced or converted in the market area, and how does that production affect other parts of the United States?

**VI. Transportation\***

How are drugs transported into, within or through the market area, and how does this affect other parts of the United States?

**VII. Distribution\***

How are drugs distributed in the market area? What is the impact on other parts of the United States?

**VIII. Illicit Finance\***

How are drug assets laundered in the market area? Is the money that is laundered primarily local, or is the HIDTA region a major money laundering area on a national scope?

**IX. Outlook**

A predictive analysis of what might happen in the 6-12 months ahead. The Threat Assessment should describe what is going on now and project what the HIDTA expects to happen in the next year, including the expected DTO reactions to the proposed HIDTA strategy.

**X. Appendices**

Any attachments that support the HIDTA Threat Assessment, if deemed necessary, should be included in this section. For example, a list of the agencies that participated in a threat assessment questionnaire could be placed here.

**XI. Endnotes**

A collection of footnotes, if applicable.

## **HIDTA STRATEGY FORMAT**

### **TABLE OF CONTENTS**

#### **I. Executive Summary**

The purpose of the Executive Summary is to present a concise summary of all key points contained in the full body of the Strategy. (This section should be no more three pages long.)

#### **II. Introduction**

The Introduction should succinctly state the purpose of the HIDTA Strategy and how that Strategy relates to the two goals of the HIDTA program. In four paragraphs or less, explain to the reader that the HIDTA Strategy is the Executive Board's plan to reduce the identified drug threat in the HIDTA region. The Strategy should delineate the relationship between the region's drug threat and the HIDTA initiatives created to diminish it. The Strategy contains the performance targets that should be realized after the Strategy is implemented.

This section should also describe how the Executive Board maintains oversight and provides direction to the HIDTA. The Strategy embodies the spirit of the HIDTA Program by demonstrating how federal, state, and local agencies have shaped their drug control efforts to reduce drug trafficking, eliminate unnecessary duplicative efforts, maximize resources, and improve information and intelligence sharing under the coordinating umbrella of the HIDTA Program.

#### **III. Summary of Threat Assessment for Budget Year \_\_\_\_**

Using information from the Threat Assessment this section should briefly summarize the drug threat to the HIDTA region and highlight the regional needs that the HIDTA intends to address by implementing this Strategy.

#### **IV. Vision and Mission Statements**

Insert the HIDTA's Mission Statement and Vision Statement and concisely explain how those Statements support the HIDTA Program's two goals.

## V. Concept of the Strategy

This section explains the Strategy as it relates to the HIDTA Threat Assessment and the HIDTA's goals. It should describe how the federal, state, and local agencies participating in the HIDTA unite to respond to the Threat Assessment. In particular, the section should explain how the proposed initiatives complement, rather than duplicate, one another to provide a comprehensive approach to the identified drug threat in the HIDTA. The section should also briefly describe the process the HIDTA used for building and implementing its Strategy, including a description of how the performance targets were established. This section should be limited to two pages.

## VI. HIDTA Goal 1: Dismantle and Disrupt Drug Trafficking Organizations

The Strategy must identify the HIDTA's performance targets that are expected to be achieved with successful implementation of the proposed initiatives. Performance targets should include, but are not limited to, identifying, targeting, and disrupting/dismantling the various types of drug trafficking and money laundering organizations, seizing drug profits and assets, and permanently removing illicit drugs from the marketplace. Prevention and treatment-related outputs and outcomes may include, but are not limited to, child endangerment referrals and reducing recidivism rates.

### A. Goal 1 Performance Targets

Goal 1 Performance Targets project what each HIDTA expects to accomplish. Selected targets have been designated for mandatory reporting by all HIDTAs. HIDTA Program Core Performance Tables have been created for use by all HIDTAs to report these targets and their associated outcomes in the Annual Report. Only the targets themselves are reported in the Strategy. Each HIDTA has the option to publish additional threat-specific or need-specific tables as they deem appropriate. The mandatory Goal 1 Performance Targets include the following:

- 1. Number of DTOs and MLOs targeted for disruption or dismantlement, by year**—(This performance target will be reported in Core Table 1 and Core Table 2 when the Annual Report is prepared.)
- 2. Number of Money Laundering Organizations targeted for disruption or dismantlement, by scope**—(This performance target will be reported in Core Table 3 when the Annual Report is prepared.)
- 3. Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives**—(This performance target will be reported in Core Table 6 when the Annual Report is prepared.)

4. **Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives**—(This performance target will be reported in Core Table 7 when the Annual Report is prepared.)
5. **Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives**—(This performance target will be reported in Core Table 8 when the Annual Report is prepared.)
6. **Prosecution Outputs and Outcomes**—(These performance targets will be reported in Core Table 9 when the Annual Report is prepared.)
7. **Value of Clandestine Methamphetamine Labs Identified and Targeted for Dismantlement**—(This performance target will be reported in Core Table 10 when the Annual Report is prepared.)
8. **HIDTA Clandestine Laboratory Activities**—(These performance targets will be reported in Core Table 11 when the Annual Report is prepared.)
9. **Other Threat Specific Targets**—(These performance targets will be reported in Threat Specific tables when the Annual Report is prepared.)

#### **B. Goal 1 Initiatives**

List those initiatives that have responsibility for achieving the performance targets for Goal 1. HIDTA Goal 1 includes Enforcement Initiatives and prevention and treatment activities of Support Initiatives.

### **VII. HIDTA Goal 2: Increase the Efficiency of Law Enforcement Agencies Participating in HIDTAs**

In this section, briefly describe the conditions that justify budgetary and/or resource allocations dealing with intelligence and information sharing, training, and other support provided to the initiatives that seek to improve their efficiency. Briefly discuss regional needs in the context of what the HIDTA intends to address in the next budget cycle. The discussion also may touch on conditions that are worthy of addressing, but for which funding is insufficient at the time to correct.

#### **A. Goal 2 Performance Targets**

Goal 2 Performance Targets project what each HIDTA expects to accomplish. Goal 2 performance targets should include those efforts to improve intelligence and information sharing, training, information technology, etc. Selected targets have been designated for mandatory reporting by all HIDTAs. Core Performance Tables have been created for use by all HIDTAs to report these targets and their associated outcomes in the Annual Report. Only the targets themselves are reported in the Strategy. Each HIDTA has the option to publish additional threat-specific

or need-specific tables as they deem appropriate. The mandatory Goal 2 performance targets include the following:

1. **HIDTA Training Efficiency and Type of Training**—(This performance target will be reported in Core Table 12 when the Annual Report is prepared.)
2. **Percentage of HIDTA Initiatives Using Event and Case Deconfliction Services**—(This performance target will be reported in Core Table 13 when the Annual Report is prepared.)
3. **Event and Case Deconflictions Submitted**—(This performance target will be reported in Core Table 14 when the Annual Report is prepared.)
4. **Cases Provided Analytical Support**—(This performance target will be reported in Core Table 15 when the Annual Report is prepared.)
5. **HIDTA Initiative Cases Referred to Other HIDTAs and Other Agencies**—(This performance target will be reported in Core Table 16 when the Annual Report is prepared.)
6. **Other Threat Specific Targets**—(These performance targets will be reported in Threat Specific tables when the Annual Report is prepared.)

#### **B. Goal 2 Initiatives**

List those initiatives that have responsibility for achieving the performance targets listed for Goal 2. The two types of initiatives that address Goal 2 are Intelligence and Information Sharing Initiatives and Support Initiatives.

1. **Intelligence and Information Sharing Initiatives**
2. **Support Initiatives**— training, information technology activities, etc.

#### **VIII. Appendix or Appendices**

Detailed information that is not critical to the main report belongs in an Appendix. This benefits the reader by focusing the main report on critical information and makes the report easier to read. The Appendix should include the HIDTA PMP Matrix for the year covered by the Strategy. Other documents can be included or the reader can be referred to the HIDTA web site that contains the documents used to prepare this report. If multiple appendices are appropriate for completeness or clarity, they may be added here.

**IX. List of Tables and Charts**

This section lists Table and Chart titles and page numbers for the reader's convenience.

**X. Endnotes**

Cite the sources of essential information referenced in this report.

**INITIATIVE BUDGET DESCRIPTION AND PROPOSAL FORMATS**

Beginning in 2006, these documents will be completed using a web-based system, developed as part of the PMP Database. This system will generate hard copies of documents in four formats. Those formats are:

- Enforcement Initiatives; i.e. investigative, interdiction, prosecution, and fugitive capture efforts.
- Intelligence and Information Sharing Initiatives; i.e., intelligence analysis (tactical, operational and strategic), deconfliction services (event and case/subject), information dissemination, and other analytical support to HIDTA initiatives and participating agencies.
- Support Initiatives; i.e., initiatives beyond the direct enforcement, and intelligence initiatives, such as crime/forensic labs, technical support, training, treatment, prevention, and information technology.
- Management and Coordination Initiatives; i.e., that fund the basic overhead of the HIDTA; e.g., salaries for the Director and other administrative staff.

**HIDTA ANNUAL REPORT FORMAT****TABLE OF CONTENTS****I. Executive Summary**

The purpose of the Executive Summary is to present a concise summary of all key points contained in the full body of the Annual Report. This section should be no more than 3 pages long.

**II. Introduction**

This section states the purpose of this report and, in doing so, explains the purpose of the HIDTA Program as embodied in the activities of each HIDTA. The section introduces the reader to the HIDTA Mission Statement and the individual HIDTA's Vision and Mission statements. This section contains a map showing the boundaries of the HIDTA region. Any geographic areas that will be discussed individually later in the report should be identified. This section also reports the HIDTA designation date (month and year), period covered by the report, and funding received for reporting period.

**III. HIDTA Goals**

This section lists and explains the two HIDTA Program goals that guide all HIDTA activities during the calendar year. Briefly discuss the importance of each goal and how the HIDTA addresses its precepts. Explain how the threat and needs summarized in the report tie to the two goals.

**IV. Summary of Threat Assessment for Budget Year \_\_\_\_**

This section very briefly summarizes the drug threat to the HIDTA region that the HIDTA addressed during the reporting period.

**V. HIDTA Strategy Summary**

This section provides a brief summary of the HIDTA's Strategy to accomplish the outcomes for its two goals.

*Note: Sections IV and V combined should not exceed one page.*

**VI. HIDTA Performance Measures**

This Annual Report section is dedicated to reporting the performance measures set for the HIDTA initiatives during the previous year, and evaluating whether these targets were accomplished efficiently and effectively.

**A. Performance Measures for Goal 1**

Using charts, tables, graphs, surveys, questionnaires, etc. this section shows the outcomes from the work of all initiatives addressing this goal. Narrative comments should focus on explaining the most salient points that can be gleaned from the charts, tables, graphs, etc. Core Performance Tables have been created for use by all HIDTAs to report mandatory targets and their

associated outcomes in the Annual Report. Each HIDTA has the option of publishing additional threat-specific or need-specific tables as they deem appropriate. The following tables are mandatory:

- 1. Core Table 1—DTOs and MLOs Disrupted or Dismantled for Year**—Table 1 is a core table that illustrates the number of DTOs and MLOs identified, targeted, disrupted and dismantled during the calendar year. The desired outcome is to identify, target, and disrupt or dismantle DTOs. The Table provides for year-by-year comparisons of the HIDTA's productivity.
- 2. Core Table 2—Percentage of DTOs and MLOs Disrupted or Dismantled by Scope for Year**—Table 2 is a core table that presents the DTOs and MLOs identified and targeted according to their operational scope (i.e., international, multi-state, local) and calculates the percent disrupted and dismantled according to each type. The desired outcome is to identify, target, and disrupt or dismantle DTOs and MLOs of significance.
- 3. Core Table 3—Percentage of Money Laundering Organizations Disrupted or Dismantled by Scope for Year**—Table 3 is a core table that addresses performance targets for MLOs targeted, disrupted and dismantled. The desired outcome is to identify, target, and disrupt or dismantle MLOs of significance.
- 4. Core Table 4—Operational Scope of All DTO Cases Initiated for Year**—Table 4 is a core table that presents the characteristics of the HIDTA case workload by quantifying the number of cases opened and the number of CPOT, RPOT, and OCDEF cases, respectively. It also automatically calculates the percentage of OCDEF cases.
- 5. Core Table 5—Drugs Removed from the Marketplace for Year**—Table 5 is a core table that quantifies the wholesale value of the drugs seized during the requisite calendar year. The drug pricing is derived by using the midpoint of published wholesale price ranges for each drug type seized and reported. The desired outcome is to remove drugs and drug assets from the marketplace, thereby increasing the Return on Investment (ROI) for HIDTA budget dollars expended.
- 6. Core Table 6—Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives for Year**—Table 6 is a core table that reports Return on Investment (ROI) for drugs removed. Each HIDTA sets an ROI target and then provides aggregate data to quantify the actual wholesale value removed from the marketplace. The desired outcome is to remove drugs and drug

assets from the marketplace, thereby increasing the Return on Investment (ROI) for HIDTA budget dollars expended.

- 7. Core Table 7—Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives for Year—** Table 7 is a core table that presents ROI Performance Targets and Measures for drug assets seized. Each HIDTA sets an ROI target, and then provides aggregate data to quantify the actual asset values removed from the marketplace. The desired outcome is to remove drugs and drug assets from the marketplace, thereby increasing the Return on Investment (ROI) for HIDTA budget dollars expended.
- 8. Core Table 8—Total Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives for Year—** Table 8 is a core table that presents ROI Performance Targets and Measures combining the wholesale value for drugs seized, with the value for drug assets seized. Each HIDTA should sets a total ROI target and then provide aggregate data to quantify the combined drug and asset values removed from the marketplace. The desired outcome is to permanently remove drugs and drug assets from the marketplace, thereby increasing the Return on Investment (ROI) for HIDTA budget dollars expended.
- 9. Core Table 9—Prosecution Outputs and Outcomes for Year—** Table 9 is a core table that provides information about the activities of the HIDTA funded prosecutor. It must be completed by all HIDTAs that fund a prosecutor to support their initiatives. The desired outcome is to prosecute and convict drug traffickers.
- 10. Core Table 10—Value of Clandestine Methamphetamine Labs Dismantled by Size for Year –** Table 10 is a core table that calculates the estimated value for a dismantled clandestine methamphetamine laboratory based on the wholesale price of an ounce of methamphetamine in a HIDTA region.
- 11. Core Table 11—HIDTA Clandestine Laboratory Activities, 2004 -** Table 11 is a core table that reports information about laboratory dump sites, chemical/glassware seizures and children affected by exposure to lab sites.

### **Performance Measures for Goal 2**

Using charts, tables, graphs, surveys, questionnaires, etc. this section shows the outcomes from the work of all initiatives addressing this goal. Narrative comments should focus on explaining the most salient points that can be gleaned from the charts, tables, graphs, etc. Core Performance Tables have been created for use by all HIDTAs to report these targets and their associated

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outcomes in the Annual Report. Each HIDTA has the option to publish additional threat-specific or need-specific tables as they deem appropriate. The following tables are mandatory:

1. **Core Table 12—HIDTA Training Efficiency and Type of Training for Year**— Table 12 is a core table that reports the number of students that attended, training hours, and associated costs by the type of the training course. This table refers to ALL trainings conducted by HIDTA staff and other sources and should be completed by all HIDTAs.
2. **Core Table 13—Percentage of HIDTA Initiatives Using Event and Case Deconfliction Services for Year**—Table 13 is a core table that quantifies the number of HIDTA initiatives using event and case/subject deconfliction services. The desired outcome is to implement a system for real-time exchange of information that all HIDTA law enforcement initiatives routinely use. It should be completed by all HIDTAs.
3. **Core Table 14—Percentage of Event and Case Deconflictions Submitted for Year** – Table 13 is a core table that reports the number of event and case/subject deconflictions submitted to the HIDTA. It should be completed by all HIDTAs.
4. **Core Table 15—Percentage of Investigations Provided Analytical Support for Year**—Table 15 is a core table that quantifies the amount of analytical support being provided by the HIDTA. The desired outcome is to implement a system for the real-time exchange of information and for providing analytical support for HIDTA cases. It should be completed by all HIDTAs.
5. **Core Table 16—HIDTA Initiative Cases Referred to Other HIDTAs and Other Agencies for Year**—Table 16 is a core table that examines the extent to which information is shared within the law enforcement community. The table provides a means to account for investigations referred both to other HIDTAs as well as to outside agencies. The desired outcome is to implement a system for real-time exchange of information. It should be completed by all HIDTAs.

Other tables may be added as appropriate to the HIDTA Annual Report to illustrate Threat-Specific or Need-Specific measures that are deemed to be important. These tables are optional. HIDTAs are encouraged to include additional tables or other visuals that enhance their message. Optional Threat-Specific and Need-Specific tables include formats related to efforts to disrupt and dismantle firearms trafficking organizations, marijuana eradication, fugitive apprehension, treatment outcomes, and other activities.

**VII. Conclusions**

Using the information contained in the previous sections, provide conclusions as to whether the HIDTA Strategy is producing its intended outcomes. If trends are evident, the HIDTA may project the impact of such trends on the region. This is an extremely important Annual Report section where the HIDTA should explain its outcomes by interpreting the data contained in the tables and charts. In particular, this section should explain why any performance targets established by the HIDTA were not met.

**VIII. Appendices**

Detailed information that is not critical to the main report belongs in an Appendix. This benefits the reader by focusing the main report on critical information and makes the report easier to read. A typical appendix can be used or the reader can be referred to the HIDTA web site that will contain the documents used to prepare this report. If multiple appendices are appropriate for completeness or clarity, they may be added here. Required appendices include the following:

- A. Table of Organization for the HIDTA.
- B. Table listing composition of Executive Board showing local, state and federal affiliation.
- C. List of participating agencies.
- D. List of counties participating in the HIDTA

**IX. List of Tables and Charts**

**X. Endnotes** - Cite the sources of essential information referenced in this report.