



# Department of Justice

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**STATEMENT OF**

**ROBERT W. PATTERSON  
PRINCIPAL DEPUTY ADMINISTRATOR  
DRUG ENFORCEMENT ADMINISTRATION**

**BEFORE THE**

**COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM  
U.S. HOUSE OF REPRESENTATIVES**

**FOR A HEARING ENTITLED**

**“USE OF CONFIDENTIAL INFORMANTS AT ATF AND DEA”**

**PRESENTED**

**APRIL 4, 2017**

**Statement of  
Robert W. Patterson  
Principal Deputy Administrator  
Drug Enforcement Administration**

**Before the  
Committee on Oversight and Government Reform  
U. S. House of Representatives**

**At a Hearing Entitled  
“Use of Confidential Informants at ATF and DEA”**

**April 4, 2017**

Chairman Chaffetz, Ranking Member Cummings, and distinguished Members of the Committee: on behalf of the approximately 9,000 employees of the Drug Enforcement Administration (DEA), thank you for the opportunity to be here today to update you on DEA’s confidential source program and the enhancements we have made to our policies since our November 30, 2016 hearing resulting from several reviews and reports by the Office of the Inspector General (OIG).

Our mission is to identify, investigate, disrupt, and dismantle the world’s most significant drug trafficking organizations responsible for the production and distribution of illegal drugs. To that end, we work closely with our local, state, federal, and international counterparts by following the evidence wherever it leads.

Central to this mission is a world-wide confidential source (CS) network, one which uniquely positions DEA to act quickly, effectively, and proactively to reach beyond our borders to identify, investigate, and indict those that threaten the safety and interests of our country’s citizens at home and abroad. This informant network is vital to our operations. However, DEA recognizes that the nature of using these sources has inherent risk, something that must be carefully and regularly balanced against the benefits of utilizing these individuals in furthering investigations. Strict oversight and adherence to sound policy and procedures are paramount to ensuring both the safety of our employees and the integrity of operations.

As we discussed during the November hearing, we have updated our CS policy to fully comply with the Attorney General’s Guidelines, and in some cases even exceed the guidelines. The changes to our policy address the recommendations in OIG’s July 2015 report, as well as a similar report released by Government Accountability Office (GAO) in September 2015. Those reports have been fully closed out based on DEA’s implementation of all recommendations.

On September 29, 2016, the OIG issued a second report concerning the DEA’s CS program, with a classified addendum released on March 22, 2017. This second report contained seven recommendations for DEA, primarily regarding increased oversight of the CS program from a Headquarters level to balance the Field responsibility, CS payments, and use of “Limited

Use” sources (often referred to as “tipsters,” or sources who make information available independently without direction from DEA). DEA agreed with all seven recommendations and we have provided OIG our way forward for addressing each of the recommendations. Based on these plans and subsequent actions, OIG considers all of the recommendations resolved. Once DEA has been able to fully implement actions for the recommendations and provide documentation to the effect, OIG may close out the report.

Although DEA’s next response to OIG is not due until May 2017, I would like to take the opportunity to update you on several of the improvements we have implemented to address the recommendations.

Regarding increased oversight of the CS program, we have implemented additional review and approvals to provide increased oversight for the establishment and use of CSs. In the field, we are in the process of implementing formal policy requiring a second line supervisory (at a Senior GS-15 level) review and approval for all CSs, including Limited Use CSs, where previously only a first-line (GS-14 level) approval was necessary. Although DEA policy has not yet been updated to reflect this requirement, procedurally this change is in place. DEA’s IT system for tracking CSs must be modified to allow for this second line supervisory requirement before we can update the policy to coincide with the change. We are also enhancing staffing in the Headquarters CS Unit to provide increased review on submissions from the field to ensure complete submissions with all necessary reviews and approvals conducted, and that CSs have been properly and consistently classified.

Further adding to oversight of the program, DEA has implemented increased reviews of the CS program by DEA’s Office of Inspections (IN). Increased emphasis is being placed on the CS program as part of the yearly Division Inspection Program conducted by each division, the on-site division inspections conducted by IN, as well as an annual special review audit of the CS program conducted by IN. Through this increased scrutiny, we will identify issues early on, correct them, and assess areas that require reinforced guidance, training, or procedural modifications.

The increased oversight over the CS program will also help ensure payments made to CSs are appropriate for the quality and amount of assistance being provided to the case. While approvals for smaller, more routine payments remain in the field, DEA has revised its procedures for significant payments to CSs through the CS Award Program. The CS Award Program allows for higher payments to CSs for information and assistance in the development of an investigation and/or for information or assistance leading to a civil or criminal forfeiture. DEA has established a Headquarters CS Award Review Board comprised of Senior Executive level Special Agents, who will review all CS award submissions and assess the impact of the CS’s contribution on the investigation. The Board will review each submission and determine the award amounts based on the established criteria, comparable cases, and prior awards. Thus, awards should be consistent based on similar contributions.

In addition to implementing changes to DEA's CS policy and procedures in the past year, DEA has actively messaged the importance of these modifications and compliance with new policy and procedures. This has been done at the leadership level to DEA's executive staff both in the field and Headquarters, as well as through training for personnel at the working level. Since OIG's issuance of the second report, all CS Coordinators have been trained on the revised CS policy.

### **Conclusion**

Notwithstanding DEA's own dedicated and committed workforce, our CS program is among the most valuable assets our agency has in infiltrating, disrupting, and dismantling violent drug trafficking organizations responsible for perpetuating the deadly opioid epidemic and violent crime in our neighborhoods, as well as transnational organized crime around the world. We recognize that along with such value, this program also comes with risks and we share your concerns that the program be managed in a way that mitigates those risks as much as possible. We appreciate OIG's reviews of the program and have embraced their recommendations in an effort to improve it. We have made significant changes in the last year as a result, and we will continue our efforts to implement the remaining recommendations, as well as seek additional ways to better the program.