U.S. Department of Justice
Office of the Attorney General

FY 2009
PERFORMANCE & ACCOUNTABILITY REPORT

Stewards of the
American Dream

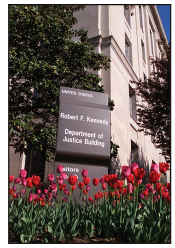
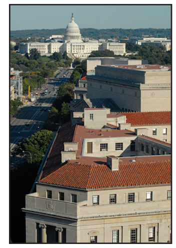
U.S. Department of Justice

DEPARTMENT OVERVIEW

www.usdoj.gov





History and Enabling Legislation

The Department of Justice, which has more than 112,000 employees and is often referred to as the largest law office in the world, began in 1789 with a staff of two: The Attorney General and a clerk. The Judiciary Act of 1789 created the Office of the Attorney General, providing for the appointment of "a person, learned in the law, to act as attorney-general for the United States." By 1870, the duties of the Office of the Attorney General had expanded so much that Congress adopted "An Act to establish the Department of Justice" with the Attorney General as its head.

Strategic Goals

Goal I: Prevent Terrorism and Promote the Nation's Security

Goal II: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People

Goal III: Ensure Fair and Efficient Administration of Justice

Mission

The Department of Justice serves to enforce the law and defend the interests of the United States according to the law; to ensure public safety against threats foreign and domestic; to provide federal leadership in preventing and controlling crime; to seek just punishment for those guilty of unlawful behavior; and to ensure fair and impartial administration of justice for all Americans.

Location

The Department is headquartered in Washington, DC, at the Robert F. Kennedy Building, occupying a city block bounded by 9th and 10th Street and Pennsylvania and Constitution Avenues, NW. The Department also has field offices in all states and territories and maintains offices in 85 countries worldwide.

Component Organizations

Attorney General
Deputy Attorney General
Associate Attorney General
Alcohol, Tobacco, Firearms and Explosives (ATF)
Antitrust Division (ATR)
Bureau of Prisons (BOP)
Civil Division (CIV)
Civil Rights Division (CRT)
Community Oriented Policing Services (COPS)
Community Relations Service (CRS)
Criminal Division (CRM)
Drug Enforcement Administration (DEA)
Environment & Natural Resources Division (ENRD)
Executive Office for Immigration Review (EOIR)
Executive Office for U.S. Attorneys (EOUSA)
Executive Office for U.S. Trustees (EOUST)
Federal Bureau of Investigation (FBI)
Foreign Claims Settlement Commission (FCSC)
Justice Management Division (JMD)
National Drug Intelligence Center (NDIC)
National Security Division (NSD)
Office of Dispute Resolution (ODR)
Office of the Federal Detention Trustee (OFDT)
Office of Information Policy (OIP)
Office of Intergovernmental and Public Liaison
Office of Legal Counsel (OLC)
Office of Legal Policy (OLP)
Office of Legislative Affairs (OLA)
Office of the Inspector General (OIG)
Office of the Pardon Attorney (OPA)
Office of Justice Programs (OJP)
Office of Professional Responsibility (OPR)
Office of Public Affairs
Office of the Solicitor General (OSG)
Office on Violence Against Women (OVW)
Professional Responsibility Advisory Office (PRAO)
Tax Division (TAX)
U.S. Marshals Service (USMS)
U.S. National Central Bureau-INTERPOL (USNCB)
U.S. Parole Commission (USPC)

U.S. DEPARTMENT OF JUSTICE

FY 2009
PERFORMANCE &
ACCOUNTABILITY REPORT

NOVEMBER 2009

Office of the Attorney General
Washington, D.C. 20530

November 9, 2009

A MESSAGE FROM THE ATTORNEY GENERAL

Every day the men and women of the Justice Department keep the country safe and bring to justice those who would do us harm. In the past year, without letting our guard down in the fight against global terrorism, the Department has refocused its traditional missions and embraced its historic role in fighting crime, promoting and upholding our most fundamental civil rights, preserving the environment, ensuring fairness in the marketplace, cracking down on corporate and mortgage fraud and corrupt public officials, and enhancing state, local, and tribal law enforcement efforts.

This year, new interagency partnerships have been established with the Department of Homeland Security to address the growing issue of drug and weapons smuggling along the Southwest Border, and with the Department of Health and Human Services to combat Medicare fraud. To coordinate interagency efforts against violent international organized crime organizations, the Department has created a new International Organized Crime Intelligence and Operations Center. In addition, the Department won a record $2.3 billion health care fraud settlement, the largest in the history of the Department of Justice, as well as a record federal recovery settlement of $540 million for the Medicaid Program.

Also this year, the Department celebrated several important anniversaries. September marked the 15th anniversary of the Violence Against Women Act, which was signed into law on September 13, 1994. This critical legislation was created in recognition of the severity of the crimes associated with domestic violence, sexual assault, and stalking. The anniversary also marks 15 years since the creation of the Department's Office on Violence Against Women (OVW), which administers financial and technical assistance to communities around the country to facilitate the creation of programs, policies, and practices aimed at preventing violence against women. The Environment and Natural Resources Division (ENRD) also celebrated its centennial anniversary this year. Founded in 1909 as the Public Lands Division, ENRD has litigated groundbreaking cases in the fields of public lands, natural resources, and environmental and administrative law, and has acquired millions of acres for conservation and other governmental purposes.

While the Department works to fulfill its vital missions of fighting terrorism, fraud, and violent crime, it is committed to maintaining strong program and fiscal management. Prepared pursuant to the Reports Consolidation Act of 2000 and guidance in Office of Management and Budget (OMB) Circulars A-11, A-123, and A-136, the FY 2009 Department of Justice Performance and Accountability Report contains: our performance report, as required by the Government Performance and Results Act; our audited consolidated financial statements, as required by the Chief Financial Officers Act and the Government Management Reform Act; and a statement of assurance regarding our internal control and financial management systems, as required by the Federal Managers' Financial Integrity Act (FMFIA).

The Department again earned an unqualified audit opinion on our FY 2009 consolidated financial statements. For the third straight year, no material weaknesses were identified at the consolidated level in the auditor's report on internal control. While we continue as a Department to demonstrate noteworthy progress, we are committed to pursuing actions to correct areas where we have deficiencies.

The Department conducted its annual assessment of the effectiveness of internal controls to support effective and efficient programmatic operations and compliance with applicable laws and regulations (FMFIA Section 2), and to determine whether financial management systems conform to government-wide requirements (FMFIA Section 4). Based on the results of this assessment, I provide qualified assurance that the Department met the objectives of FMFIA. The assessment did not identify any system's non-conformances required to be reported under FMFIA Section 4; however, the assessment identified two material weaknesses required to be reported under FMFIA Section 2 - one related to prison crowding and the other related to the Federal Bureau of Investigation's past issues with the use of National Security Letters. In addition, I provide reasonable assurance that the Department's internal control over financial reporting met the objectives of OMB Circular A-123, Appendix A.

The financial and performance data presented in this report are complete and reliable, providing timely and useful information on Department of Justice accomplishments to the American taxpayers. The Department is pleased with this past fiscal year's mission accomplishments, and we will continue to be resolute in our quest to protect our citizens by addressing terrorism and crime and working to enforce our federal laws with integrity.

Eric H. Holder, Jr.

PAR

U.S. Department of Justice – FY 2009 Performance and Accountability Report

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PAR

Introduction

This Report's Purpose and Reporting Process

This Performance and Accountability Report (PAR) for fiscal year (FY) 2009 provides financial and performance information, enabling the President, Congress, and the American public to assess the annual performance of the Department of Justice (DOJ or the Department).

This report is prepared under the direction of the Department's Chief Financial Officer (CFO). The financial statements contained within this report are prepared by the Department's Justice Management Division, Finance Staff, and audited by the Office of the Inspector General (OIG). This report includes the Department's financial statements for FY 2009 and for the preceding fiscal year (FY 2008) and reports on all accounts and associated activities of each office, bureau, and activity of the Department. The Department's FY 2009 audited financial statements have been consolidated or combined based upon the results of audits undertaken in each of the nine Departmental financial reporting entities.

The Department continues to enforce vigorously the broad spectrum of laws of the United States; notably, the fight against terrorism continues to be the first priority of the Department. In FY 2007, the then Attorney General announced the Department's Strategic Plan for FYs 2007-2012 (available electronically on the Department's website at http://www.justice.gov/jmd/mps/strategic2007-2012/index.html). The Strategic Plan includes three strategic goals and related objectives, which are mentioned throughout this report.

Organization of the Report

Message from the Attorney General: This report begins with a message from the Attorney General. In it, the Attorney General provides his assessment of the completeness and reliability of the performance and financial data, as required by Office of Management and Budget (OMB) Circulars A-11 and A-136.

Section I – Management's Discussion and Analysis: This section includes summary information about the mission and organization of the Department; resource information; an analysis of the Department's financial statements; an analysis of performance information for the Department's key performance measures; and assurances and information related to internal control and financial management systems conformance with government-wide requirements, as required by the Federal Managers' Financial Integrity Act (FMFIA) and OMB Circular A-123.

Section II – FY 2009 Performance Report: This section provides the Department's FY 2009 Performance Report, which presents how the Department is working toward accomplishing its mission. The Performance Report provides a summary discussion of the Department's three strategic goals. It also reports on key performance measures by detailing program objectives and FY 2009 target and actual performance, as well as whether target performance levels were or were not achieved. In addition, this section provides an update on the Department's progress toward achieving the FY 2012 long-term outcome goals set forth in its FYs 2007-2012 Strategic Plan.

Section III – Financial Section: This section begins with a message from the Department's CFO and is followed by the OIG's Commentary and Summary on the Department's FY 2009 Annual Financial Statements. This section also includes the reports of the Independent Auditors and the Department's consolidated financial statements and associated notes.

Section IV – Management Section: This section includes the OIG-identified Top Management and Performance Challenges in the Department of Justice, the Department of Justice Management's response to those challenges, and the corrective action plans required by FMFIA for the internal control weaknesses.

Appendices: (A) OIG Analysis and Summary of Actions Necessary to Close the FY 2009 Annual Financial Statement Audit Report; (B) Improper Payments Information Act reporting details; (C) FY 2009 Financial Management Status Report; (D) Major Program Evaluations Completed During FY 2009; (E) Intellectual Property Report; (F) Acronyms; and (G) Department Websites.

This report is available at http://www.justice.gov/ag/annualreports/pr2009/TableofContents.htm.

Compliance with Legislated Reporting Requirements

This report meets the following legislated reporting requirements:

Inspector General (IG) Act of 1978 (Amended) – Requires information on management actions in response to Inspector General audits

Federal Managers' Financial Integrity Act of 1982 (FMFIA) – Requires a report on agency internal controls that protect the integrity of federal programs and whether agency financial systems conform with related requirements

Government Performance and Results Act of 1993 (GPRA) – Requires performance reporting against all established agency goals outlined in current strategic planning documents

Government Management Reform Act of 1994 (GMRA) – Requires an audit of agency financial statements

Federal Financial Management Improvement Act of 1996 (FFMIA) – Requires an assessment of agency financial systems for adherence to government-wide requirements and standards

Reports Consolidation Act of 2000 (RCA) – Authorizes the consolidation of certain financial and performance management reports of federal agencies in an annual Performance and Accountability Report

Improper Payments Information Act of 2002 (IPIA) – Requires reporting on agency efforts to identify and reduce improper payments

SECTION I
Management's Discussion and Analysis
(UNAUDITED)

Section I Management's Discussion and Analysis (Unaudited)

Established July 1, 1870 (28 U.S.C. § 501 and 503), the Department of Justice (DOJ or the Department) is headed by the Attorney General of the United States. The Department was created to control federal law enforcement and all criminal prosecutions and civil suits in which the United States has an interest. The structure of the Department has changed over the years, with the addition of a Deputy Attorney General, Assistant Attorneys General and the formation of Divisions and components; however, unchanged is the commitment and response to securing equal justice for all, enhancing respect for the rule of law, and making America a safer and more secure Nation.

Mission

The mission of the Department of Justice, as reflected in its Strategic Plan for fiscal years (FY) 2007-2012, is as follows:

> *To enforce the law and defend the interests of the United States according to the law, to ensure public safety against threats foreign and domestic, to provide federal leadership in preventing and controlling crime, to seek just punishment for those guilty of unlawful behavior, and to ensure fair and impartial administration of justice for all Americans.*

In carrying out the Department's mission, we are guided by the following core values:

Equal Justice Under the Law. Upholding the laws of the United States is the solemn responsibility entrusted to us by the American people. We enforce these laws fairly and uniformly to ensure that all Americans receive equal protection and justice under the law.

Honesty and Integrity. We adhere to the highest standards of ethical behavior.

Commitment to Excellence. We seek to provide the highest levels of service to the American people. We are effective and responsible stewards of the taxpayers' dollars.

Respect for the Worth and Dignity of Each Human Being. We treat each other and those we serve with fairness, dignity, and compassion. We value differences in people and ideas. We are committed to the well-being of our employees and to providing opportunities for individual growth and development.

Strategic Goals and Objectives

From our mission and core values stem the Department's strategic and annual planning processes. The Department embraces the concepts of performance-based management. At the heart of these concepts is the understanding that improved performance is realized through greater focus on mission, agreement on goals and objectives, and timely reporting of results. In the Department, strategic planning is the first step in an iterative planning and implementation cycle. This cycle, which is the center of the Department's efforts to implement performance-based management, involves setting long-term goals and objectives, translating these goals and objectives into budgets and program plans, implementing programs, monitoring performance, and evaluating results. In this cycle, the Department's Strategic Plan provides the overarching framework for component and function-specific plans as well as annual performance plans, budgets, and reports. The

Strategic Plan is available electronically on the Department's website at: http://www.justice.gov/jmd/mps/strategic2007-2012/index.html. The Department expects to issue an updated Strategic Plan in 2010.

The table below provides an overview of the Department's strategic goals and objectives.

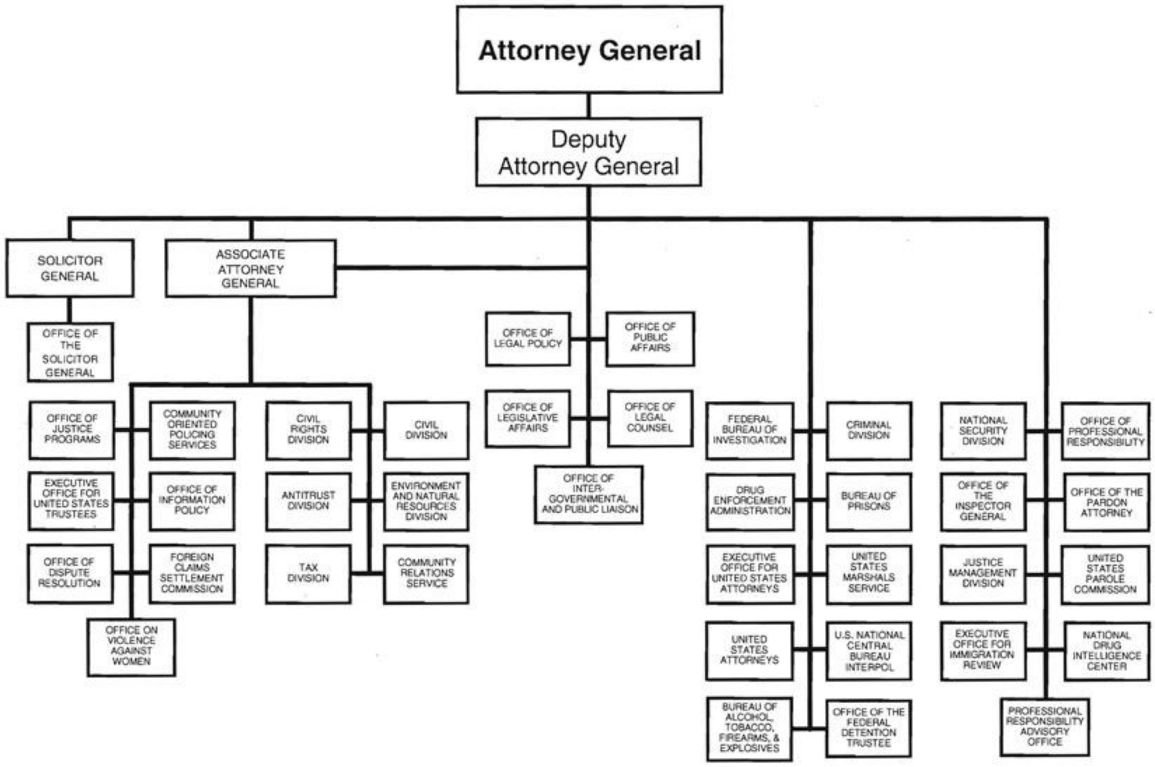
Strategic Goal		Strategic Objectives
I	Prevent Terrorism and Promote the Nation's Security	**1.1** Prevent, disrupt, and defeat terrorist operations before they occur **1.2** Strengthen partnerships to prevent, deter, and respond to terrorist incidents **1.3** Prosecute those who have committed, or intend to commit, terrorist acts in the United States **1.4** Combat espionage against the United States
II	Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People	**2.1** Strengthen partnerships for safer communities, and enhance the Nation's capacity to prevent, solve, and control crime **2.2** Reduce the threat, incidence, and prevalence of violent crime **2.3** Prevent, suppress, and intervene in crimes against children **2.4** Reduce the threat, trafficking, use, and related violence of illegal drugs **2.5** Combat public and corporate corruption, fraud, economic crime, and cybercrime **2.6** Uphold the civil and Constitutional rights of all Americans **2.7** Vigorously enforce and represent the interests of the United States in all matters over which the Department has jurisdiction **2.8** Protect the integrity and ensure the effective operation of the Nation's bankruptcy system
III	Ensure the Fair and Efficient Administration of Justice	**3.1** Protect judges, witnesses, and other participants in federal proceedings, and ensure the appearance of criminal defendants for judicial proceedings or confinement **3.2** Ensure the apprehension of fugitives from justice **3.3** Provide for the safe, secure, and humane confinement of detained persons awaiting trial and/or sentencing and those in the custody of the Federal Prison System **3.4** Provide services and programs to facilitate inmates' successful reintegration into society, consistent with community expectations and standards **3.5** Adjudicate all immigration cases promptly and impartially in accordance with due process **3.6** Promote and strengthen innovative strategies in the administration of state and local justice systems **3.7** Uphold the rights and improve services to America's crime victims

Organizational and Financial Structure

Led by the Attorney General, the Department is comprised of more than forty separate component organizations. These include the U.S. Attorneys (USAs) who prosecute offenders and represent the United States government in court; the major investigative agencies – the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), which deter and investigate crimes and arrest criminal suspects; the U.S. Marshals Service (USMS), which protects the federal judiciary, apprehends fugitives, and detains persons in federal custody; the Bureau of Prisons (BOP), which confines convicted offenders; and the National Security Division (NSD), which brings together national security, counterterrorism, counterintelligence, and foreign intelligence surveillance operations under a single authority.

The Department's litigating divisions represent the rights and interests of the American people and enforce federal criminal and civil laws. The litigating divisions are comprised of the Antitrust (ATR), Civil (CIV), Civil Rights (CRT), Criminal (CRM), Environment and Natural Resources (ENRD), and Tax (TAX) divisions. The Office of Justice Programs (OJP) and the Office of Community Oriented Policing Services (COPS) provide leadership and assistance to state, local, and tribal governments. Other major Departmental components include the U.S. Trustees (UST), the Office of the Federal Detention Trustee (OFDT), the Justice Management Division (JMD), the Executive Office for Immigration Review (EOIR), the Community Relations Service (CRS), the Office on Violence Against Women (OVW), the National Drug Intelligence Center (NDIC), the Office of the Inspector General (OIG), and several offices that advise the Attorney General on policy, law, legislation, Tribal justice matters, external affairs, and oversight. Headquartered in Washington, D.C., the Department conducts its work in offices located throughout the country and overseas.

U.S. DEPARTMENT OF JUSTICE



Approved by: ______________________ Date: Mar. 2, 2009

ERIC H. HOLDER, JR.
Attorney General

Department of Justice Financial Structure

The Department's financial reporting structure is comprised of the following nine principal components:

- Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Bureau of Prisons (BOP)
- Drug Enforcement Administration (DEA)
- Federal Bureau of Investigation (FBI)
- Federal Prison Industries, Inc. (FPI)
- Office of Justice Programs (OJP)
- Offices, Boards and Divisions (OBDs)
- U.S. Marshals Service (USMS)

Offices
Office of the Attorney General
Office of the Deputy Attorney General
Office of the Associate Attorney General
Community Relations Service
Executive Office for Immigration Review
Executive Office for U.S. Attorneys
Executive Office for U.S. Trustees
National Drug Intelligence Center
Office of Community Oriented Policing Services
Office of Dispute Resolution
Office of Information Policy
Office of Intelligence Policy and Review
Office of Intergovernmental Affairs and Public Liaison
Office of Legal Counsel
Office of Legal Policy
Office of Legislative Affairs
Office of Professional Responsibility
Office of Public Affairs
Office of the Federal Detention Trustee
Office of the Inspector General
Office of the Pardon Attorney
Office of the Solicitor General
Office of Tribal Justice
Office on Violence Against Women
Professional Responsibility Advisory Office
U.S. Attorneys
U.S. National Central Bureau - INTERPOL

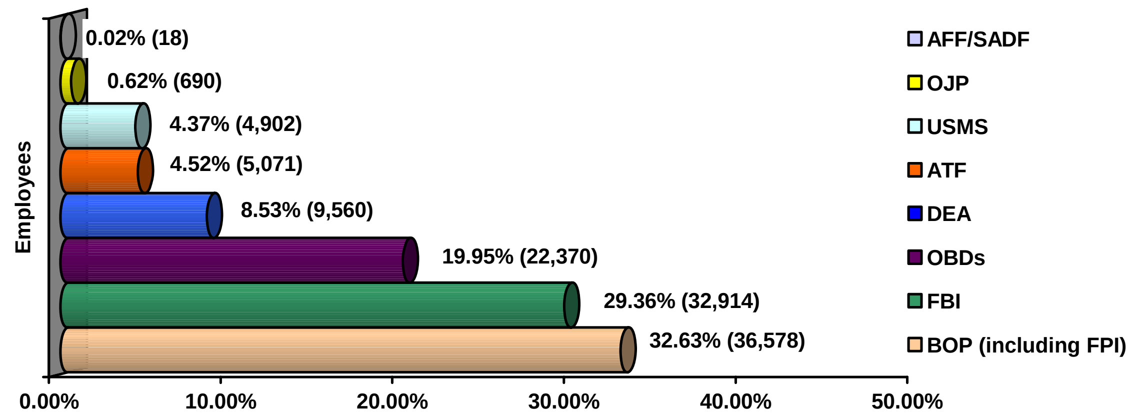
Boards
Foreign Claims Settlement Commission
U.S. Parole Commission

Divisions
Antitrust Division
Civil Division
Civil Rights Division
Criminal Division
Environment and Natural Resources Division
Justice Management Division
National Security Division
Tax Division

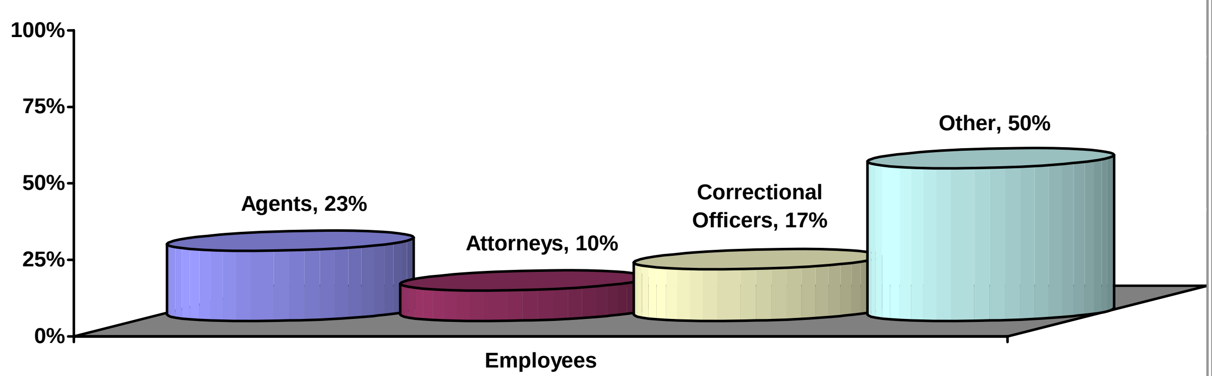
FY 2009 Resource Information

The following pages provide summary-level resource and performance information regarding the Department's operations for FY 2009. The charts on this page reflect employees on board as of September 30, 2009.

FY 2009 DOJ Employees On Board by Component
112,103 Employees



FY 2009 DOJ Employees On Board by Category
Agents, Attorneys, Correctional Officers, and Other*



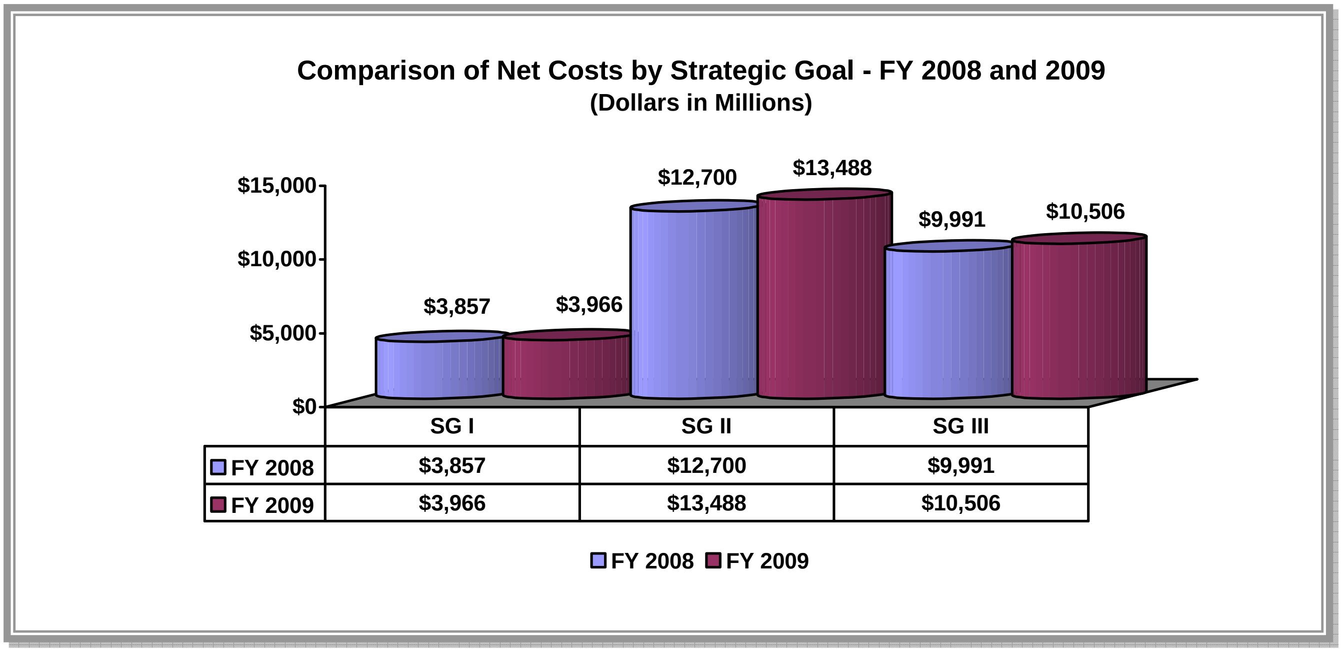
*"Other" includes pay class categories such as general administrative, clerical, analyst, information technology specialist, security specialist, and legal services.

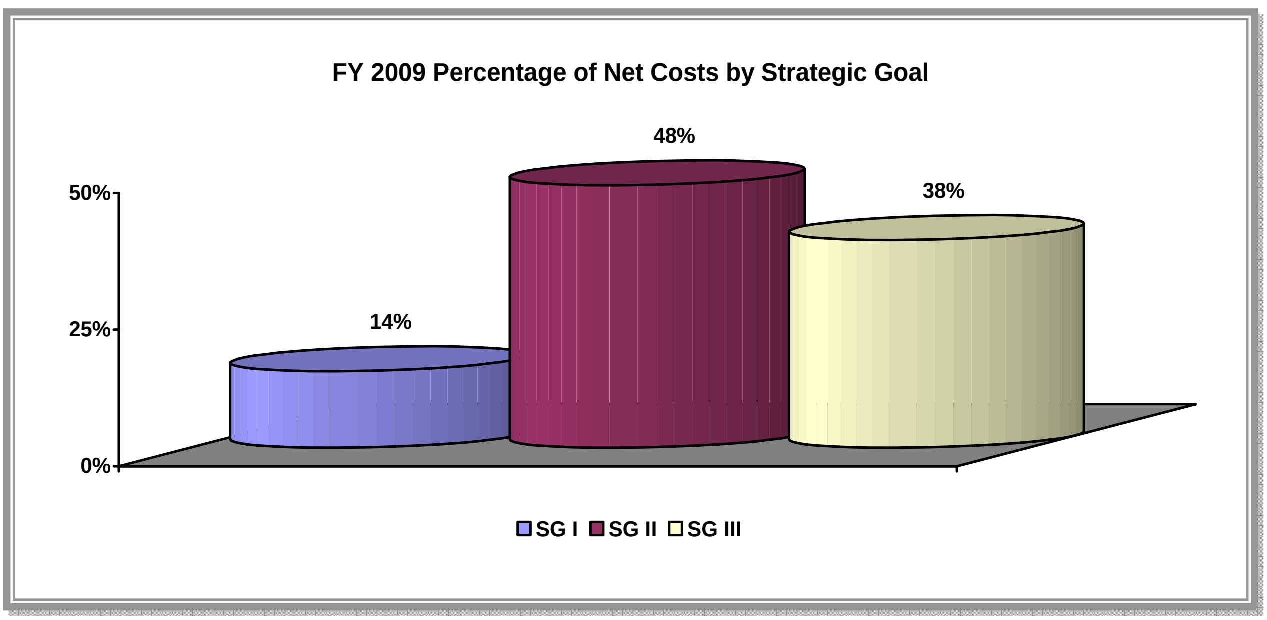
Table 1. Sources of DOJ Resources
(Dollars in Thousands)

Source	FY 2009	FY 2008	% Change
Earned Revenue:	$3,314,595	$3,020,230	9.7%
Budgetary Financing Sources:			
Appropriations Received	30,452,903	24,080,707	26.5%
Appropriations Transferred In/Out	535,342	248,369	115.5%
Nonexchange Revenues	1,757,766	981,803	79.0%
Donations and Forfeitures of Cash and Cash Equivalents	1,376,423	1,222,643	12.6%
Transfers In/Out Without Reimbursement	89,948	180,900	-50.3%
Other Adjustments and Other Budgetary Financing Sources	(331,068)	(446,286)	25.8%
Other Financing Sources:			
Donations and Forfeitures of Property	68,213	65,854	3.6%
Transfers In/Out Without Reimbursement	9,397	(926)	1114.8%
Imputed Financing from Costs Absorbed by Others	703,700	636,444	10.6%
Total	**$37,977,219**	**$29,989,738**	**26.6%**

Table 2. How DOJ Resources Were Spent
(Dollars in Thousands)

	Strategic Goal (SG)	FY 2009	FY 2008	% Change
I	Prevent Terrorism and Promote the Nation's Security			
	Gross Cost	$4,525,551	$4,129,221	
	Less: Earned Revenue	559,958	271,989	
	Net Cost	3,965,593	3,857,232	2.8%
II	Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People			
	Gross Cost	14,878,016	13,940,154	
	Less: Earned Revenue	1,389,584	1,239,832	
	Net Cost	13,488,432	12,700,322	6.2%
III	Ensure the Fair and Efficient Administration of Justice			
	Gross Cost	11,870,824	11,499,473	
	Less: Earned Revenue	1,365,053	1,508,409	
	Net Cost	10,505,771	9,991,064	5.2%
	Total Gross Cost	**31,274,391**	**29,568,848**	
	Less: Total Earned Revenue	**3,314,595**	**3,020,230**	
	Total Net Cost of Operations	**$27,959,796**	**$26,548,618**	**5.3%**


Comparison of Net Costs by Strategic Goal - FY 2008 and 2009
(Dollars in Millions)
$15,000
$10,000
$5,000
$0
$3,857
$3,966
$12,700
$13,488
$9,991
$10,506
SG I
SG II
SG III
FY 2008 $3,857 $12,700 $9,991
FY 2009 $3,966 $13,488 $10,506
FY 2008
FY 2009


FY 2009 Percentage of Net Costs by Strategic Goal
50%
25%
0%
14%
48%
38%
SG I
SG II
SG III

Analysis of Financial Statements

The Department's financial statements, which are provided in Section III of this document, received an unqualified audit opinion for the fiscal years ended September 30, 2009 and 2008. These statements were prepared from the accounting records of the Department in conformity with the accounting principles generally accepted in the United States and Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*. These principles are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB).

The following information highlights the Department's financial position and results of operations in FY 2009. The complete set of financial statements, related notes, and the opinion of the Department's auditors are provided in Section III of this document.

Assets: The Department's Consolidated Balance Sheet as of September 30, 2009, shows $36.6 billion in total assets, an increase of $7.3 billion over the previous year's total assets of $29.3 billion. Fund Balance with U.S. Treasury (FBWT) was $20.9 billion, which represented 57 percent of total assets. This increase is predominantly due to American Recovery and Reinvestment Act (ARRA) activity in FBWT and Advances and Prepayments.

Liabilities: Total Department liabilities were $9.2 billion as of September 30, 2009, an increase of $581.0 million from the previous year's total liabilities of $8.6 billion.

Net Cost of Operations: The Consolidated Statement of Net Cost presents the Department's gross and net cost by strategic goal. The net cost of the Department's operations totaled $27.9 billion for the year ended September 30, 2009, an increase of $1.4 billion (5.3 percent) from the previous year's net cost of operations of $26.5 billion.

Brief descriptions of some of the major costs for each Strategic Goal are as follows:

Strategic Goal	Description of Major Costs
I	Includes resources dedicated to counterterrorism initiatives for ATF, Criminal Division, DEA, FBI, NSD, USAs, and USMS
II	Includes resources for the AFF, ATF, BOP, COPS, CRS, DEA, FBI, FCSC, Organized Crime Drug Enforcement Task Force (OCDETF), ODR, OJP, OLC, OPA, OSG, OVW, USAs, USMS, U.S. National Central Bureau (USNCB), UST, and the Antitrust, Civil, Civil Rights, Criminal, Environment and Natural Resources, and Tax Divisions
III	Includes resources for BOP, EOIR, Fees and Expenses of Witnesses, FPI, OJP, Justice Prisoner Alien Transportation System, USMS, U.S. Parole Commission, and services to America's crime victims

Management and administrative costs, including the costs for the Department's leadership offices, JMD, Wireless Management Office, and others, are allocated to each strategic goal based on full-time equivalent (FTE) employment.[1]

[1] FTE employment means the total number of regular straight-time hours (i.e., not including overtime or holiday hours) worked by employees, divided by the number of compensable hours applicable to each fiscal year. Annual leave, sick leave, compensatory time off, and other approved leave categories are considered "hours worked" for purposes of defining FTE employment.

Budgetary Resources: The Department's FY 2009 Combined Statement of Budgetary Resources shows $44.6 billion in total budgetary resources, an increase of $6.8 billion from the previous year's total budgetary resources of $37.8 billion. This increase is predominantly due to the Department receiving approximately $4 billion in ARRA appropriations.

Net Outlays: The Department's FY 2009 Combined Statement of Budgetary Resources shows $28.1 billion in net outlays, an increase of $1.2 billion from the previous year's total net outlays of $26.9 billion.

Data Reliability and Validity

The Department views data reliability and validity as critically important in the planning and assessment of its performance. As such, the Department makes every effort to constantly improve the completeness and reliability of its performance information by performing "data scrubs" (routine examination of current and historical data sets, as well as looking toward the future for trends) to ensure the data we rely on to make day-to-day management decisions are as accurate and reliable as possible and targets are ambitious enough given the resources provided. In an effort to communicate our data limitations and commitment to providing accurate data, this document includes a discussion of data validation, verification, and any identified data limitations for each performance measure presented. The Department ensures each reporting component providing data for this report meets the following criteria:

> *At a minimum, performance data are considered reliable if transactions and other data that support reported performance measures are properly recorded, processed, and summarized to permit the preparation of performance information in accordance with criteria stated by management. Performance data need not be perfect to be reliable, particularly if the cost and effort to secure the best performance data possible will exceed the value of any data so obtained.*

Analysis of Performance Information

According to the Government Performance and Results Act (GPRA) of 1993, an agency's Strategic Plan must be updated and revised at least every three years and cover a period of not less than five years forward from the fiscal year in which it is submitted. In April 2007, the FY 2007-2012 Strategic Plan was approved by OMB and sent to Congress for review and approval. The final FY 2007-2012 Strategic Plan was made available to the public in July 2007. The Department expects to issue an updated Strategic Plan in 2010.

Presently, the Department's FY 2007-2012 Strategic Plan contains three goals. Additionally, the Department's Plan includes 25 key performance measures addressing its highest priorities toward achieving these long-term outcome goals. The measures are included in the Department's annual *Budget and Performance Summary* and reported on in this document. The Department's full Performance Report for these measures, including an update on our progress toward meeting the FY 2012 long-term outcome goals, is included in Section II of this document. The Department strives to present the highest-level outcome-oriented measures available and fully report the accomplishments achieved during the reporting period. However, data for the 25 key measures are compiled less than 30 days after the end of the fiscal year and, occasionally, data for an entire year are not available at the time of publication.

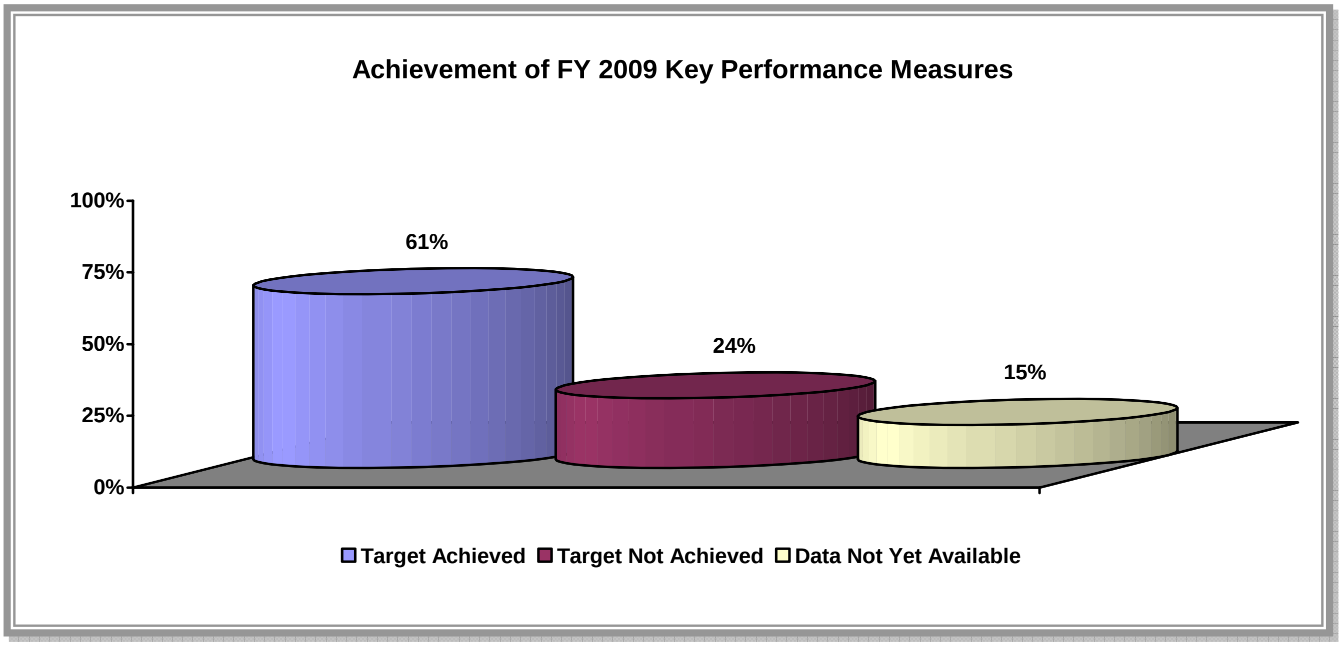
During FY 2009, Departmental leadership continued to display a clear commitment to performance management through the reliance on formal quarterly status reviews. Additionally, Departmental components have worked to improve the quality and timeliness of financial and performance information that inform quarterly status reporting and operating plans.

For this report, 85 percent of the performance measures have actual data for FY 2009. In some cases, indicators are reported on a calendar year basis while others have a one-year lag time and thus are not included in this report. The Department achieved 61 percent of its key indicators in FY 2009, which is slightly lower than last year's overall success. The Department continues to emphasize long-term and annual performance measure development, placement of key performance indicators on cascading employee work plans, and Department-wide quarterly status reporting.

The Department will continue to examine its performance management system overall and implement improvements, where necessary. Additional improvement areas include continuing to improve the quality and utility of performance information, developing the capacity to use performance information through the use of technology and reliable data systems, and continuing to work with OMB and other federal agencies to develop mechanisms to target and measure efficiency of law enforcement and regulatory programs.

In addition to monitoring its annual progress, the Department continues to monitor progress made toward achieving its FY 2012 long-term performance goals for each of the 25 key performance measures. As of the close of FY 2009, 85 percent of the Department's long-term key measures are on-track for full achievement against FY 2012 targets. Three full years of performance remain until the Department reports against planned progress, and a number of mechanisms are in place to ensure that the current progress is maintained, including quarterly status reporting and performance-informed budget submissions that request the resources necessary for the Department to reach its goals.

The chart below and the table that follows summarize the Department's achievement of its FY 2009 key performance measures.



Note: The Department of Justice has 25 key performance measures. Some measures have more than one annual target; therefore, for purposes of illustrating the Department's achievement rate in the chart above, a universe of 33 key performance measures instead of 25 was used.

[ ] Designates the reporting entity	FY 2009 Target	FY 2009 Actual	Target Achieved/ Not Achieved
Strategic Goal I: Prevent Terrorism and Promote the Nation's Security			
Terrorist acts committed by foreign nationals against U.S. interests within U.S. borders **[FBI]**	Zero	Zero	Achieved
Catastrophic acts of domestic terrorism **[FBI]**	Zero	Zero	Achieved
Strategic Goal II: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People			
Number of organized criminal enterprises dismantled **[FBI]**	36	39	Achieved
NEW MEASURE: Number of children depicted in child pornography rescued by the FBI **[FBI]** [1]	150	118	Not Achieved[2]
[1] *This measure replaces the former measure: "Number of child pornography websites or web hosts shut down" due to an OMB-led program review in the Spring of 2008.* [2] *The FBI has not met its target for this measure. While the FBI always makes every effort to identify/rescue victimized children, the FBI cannot directly control the number of children identified and/or rescued at any given time through investigative techniques, due to the reactive nature of this measure.*			
Percentage of firearms investigations resulting in a referral for criminal prosecutions **[ATF]**	59%	59%	Achieved
DOJ's reduction in the supply of illegal drugs available for consumption in the U.S. **[ADAG/Drugs]**	Progress toward establishing baseline[3]	N/A	TBD
[3] *Measuring the reduction in the illegal drug supply is a complex process reflective of a number of factors outside the control of drug enforcement. Moreover, the impact of enforcement efforts on the illegal drug supply and the estimated availability are currently not measurable in a single year. However, the Department is intent on achieving an interim goal of setting a baseline by the close of FY 2010. Once the baseline is set, the Department intends to achieve a 6 percent total reduction in the supply of illegal drugs available for consumption in the United States over the next two years.*			

[ ] Designates the reporting entity	FY 2009 Target	FY 2009 Actual	Target Achieved/ Not Achieved
Consolidated Priority Organizations Target (CPOT)-linked drug trafficking organizations **[DEA, FBI (Consolidated data - ADAG/Drugs)]**			
Dismantled	137	143	Achieved
Disrupted	263	274	Achieved
Number of high-impact Internet fraud targets neutralized **[FBI]**	12	13	Achieved
Number of criminal enterprises engaging in white-collar crimes dismantled **[FBI]**	160	234	Achieved
Percent of cases favorably resolved: [**ENRD, ATR, CRM, USA, TAX, CIV, CRT (Consolidated data - JMD/Budget Staff)]**			
Criminal Cases	90%	92%	Achieved
Civil Cases	80%	83%	Achieved
Percent of assets/funds returned to creditors: **[USTP]**			
Chapter 7	58%	TBD[4]	TBD
Chapter 13	86%	TBD[4]	TBD
[4] *Data lags one year due to the requirement to audit data submitted by U.S. Trustees prior to reporting.* *(FY 2008 target -- Chapter 7: 58%; FY 2008 actual -- Chapter 7: 60%)* *(FY 2008 target -- Chapter 13: 86%; FY 2008 actual -- Chapter 13: 84%) – Beginning in FY 2008, the percentage of assets returned to creditors for Chapter 13 bankruptcy filings was increased to 86% to reflect a more aggressive target. Detailed analysis revealed that the lower percentage of assets returned is primarily due to a decrease in total disbursements while administrative costs and debtor attorney fees increased as a percentage of total disbursements.*			
Homicides per site (funded under the Weed and Seed program) **[OJP]**	3.7	TBD[5]	TBD
[5] *Data are collected on a calendar year basis and reported with a one year lag.* *(CY 2008 target – 3.9 homicides per site; CY 2008 actual – 3.5 homicides per site)*			
Percent reduction in DNA backlog (casework only) **[OJP]**	26%	32.5%	Achieved
Percent of children recovered within 72 hours of an issuance of an AMBER alert **[OJP]**	75.0%	81.7%	Achieved
Strategic Goal III: Ensure the Fair and Efficient Administration of Justice			
Number of participants in the Residential Substance Abuse Treatment (RSAT) Program **[OJP]**	20,000	TBD[6]	TBD
[6] *Data are collected on a calendar year basis and reported with a one year lag.* *(CY 2008 target -- 20,000; CY 2008 actual – 28,308)*			
Graduation rate of program participants in the Drug Courts Program (adult drug court participants only) **[OJP]**	69%	57.3%	Not Achieved[7]
[7] *In FY 2009, only 79 percent of Drug Court grantees reported performance measure data. OJP is collecting the outstanding data from grantees that have not reported data, including graduation data. This process has been slowed due to efforts associated with the awarding of Recovery Act grants. OJP anticipates collecting all outstanding performance measure data from grantees by the end of first quarter FY 2010 and that those data will increase the percent of drug court graduates.*			
Ensure judicial proceedings are not interrupted due to inadequate security **[USMS]**	Zero	1	Not Achieved[8]
[8] *The USMS did not meet its FY 2009 target of zero interrupted judicial proceedings due to inadequate security. During the first quarter, one incident occurred causing the judge to suspend proceedings while the USMS personnel secured the courtroom. At no time during the incident was the judge or the public in danger.*			
Total primary fugitives apprehended or cleared **[USMS]**			
Number	33,000	31,119	Not Achieved[9]
Percent	55%	49%	Not Achieved[9]
[9] USMS was unable to meet its FY 2009 target for total fugitives apprehended due to a shift of investigative full-time equivalents to violent fugitive apprehension, a reduction in misdemeanor cases received, and increased state and local fugitive apprehension efforts.			
Per day jail costs **[OFDT]**	$68.73	$69.01	Not Achieved[10]
[10] *Target was not met due to slightly higher per diem rates than originally projected.*			
Percent of system-wide crowding in federal prisons **[BOP]**	37%	37%	Achieved

[ ] Designates the reporting entity	FY 2009 Target	FY 2009 Actual	Target Achieved/ Not Achieved
Ensure zero escapes from secure BOP facilities **[BOP]**	Zero	Zero	Achieved
Comparative recidivism for Federal Prison Industries (FPI) inmates versus non-FPI inmates **[FPI / BOP provides data]**			
Percentage less likely to recidivate: 3 years after release	15%	22%	Achieved
6 years after release	10%	12%	Achieved
Rate of serious assaults In federal prisons (per 5,000 Inmates) **[BOP]**	15/5,000 Assaults/Inmates	14/5,000 Assaults/Inmates	Achieved
Inspection results—Percent of federal facilities with American Correctional Association (ACA) accreditations **[BOP]**	99%	99%	Achieved
Percent of Executive Office for Immigration Review (EOIR) priority cases completed within established timeframes **[EOIR]**			
Asylum	90%	82%	Not Achieved[11]
Institutional Hearing Program	90%	90%	Achieved
Detained Cases	90%	88%	Not Achieved[11]
Detained Appeals	90%	96%	Achieved

[11] *The dramatic increase in the detained caseload during FY 2009 was the primary reason for the immigration courts missing these two goals. The detained caseload has increased by 70 percent in the last five years and now comprises approximately half of the immigration court caseload. EOIR shifted immigration judge resources away from the non-detained dockets to meet this increasing demand. EOIR intends to closely examine all its priorities to ensure that the agency continues to complete its priority caseload in a timely manner.*

Note: TBD – Data were not yet available as of the date of this document; however, the discussion below the measure indicates when data will be available.

Analysis of Systems, Controls, and Legal Compliance

Internal Control Program in the Department of Justice

The objective of the Department of Justice's internal control program is to provide reasonable assurance that operations are effective, efficient, and comply with applicable laws and regulations; financial reporting is reliable; and assets are safeguarded against waste, loss, and unauthorized use. The Department identifies issues of concern through a strong network of oversight councils and internal review teams. These include the Department's Senior Assessment Team, the JMD's Internal Review and Evaluation Office and Quality Control and Compliance Group, and Departmental component internal review teams. The Department also considers reports by the OIG in its evaluation of internal control.

The Department's internal control continues to improve through the corrective actions implemented by senior management. The Department's commitment to management excellence, accountability, and compliance with applicable laws and regulations is evidenced in our continuing actions to establish effective controls, make sound determinations on corrective actions, and verify and validate the results. This commitment is further evidenced by the many control improvements and actions taken by Departmental management in response to OMB initiatives and OIG recommendations. For example, during FY 2009, Departmental management developed an accountability framework for managing the $4 billion received under the American Recovery and Reinvestment Act of 2009 (Recovery Act). The framework leverages and builds on existing accountability mechanisms within the Department, such as the annual internal control assessment for OMB Circular A-123 compliance, and reflects the coordinated efforts that are occurring among all Departmental offices and components with Recovery Act responsibilities to ensure effective achievement of the Act's objectives. In addition, Departmental management continued in FY2009 to further strengthen and maximize the effectiveness of the Department's assessment of internal control over financial reporting, which is required by Appendix A of OMB Circular A-123. Examples of such efforts include:

- refining the framework and process for assessing internal control over financial reporting,
- enhancing the oversight process to ensure prompt and proper implementation of corrective actions,
- providing direct assistance to components with previously identified material weaknesses and reportable conditions, and
- continuing to support and commit resources to Departmental component internal review programs.

Details on additional actions taken by Departmental management to build and sustain a strong internal control program are included later in this section.

Management Assurances

Federal Managers' Financial Integrity Act of 1982

The Federal Managers' Financial Integrity Act of 1982 (Integrity Act or FMFIA) provides the statutory basis for management's responsibility for and assessment of internal accounting and administrative controls. Such controls include program, operational, and administrative areas, as well as accounting and financial management. The Integrity Act requires federal agencies to establish controls that reasonably ensure obligations and costs are in compliance with applicable law; funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and revenues and expenditures are properly recorded and accounted for to maintain accountability over the assets. The Integrity Act also requires agencies to annually assess and report on the internal controls that protect the integrity of federal programs (FMFIA § 2) and whether financial management systems conform to related requirements (FMFIA § 4).

Guidance for implementing the Integrity Act is provided through OMB Circular A-123. In addition to requiring agencies to provide an assurance statement on the effectiveness of programmatic internal controls and conformance with financial systems requirements, the Circular requires agencies to provide an assurance statement on the effectiveness of internal control over financial reporting.

FMFIA Assurance Statement

Department of Justice management is responsible for establishing and maintaining effective internal controls and financial management systems that meet the objectives of FMFIA. In accordance with OMB Circular A-123, the Department conducted its annual assessment of the effectiveness of internal controls to support effective and efficient programmatic operations and compliance with applicable laws and regulations (FMFIA § 2) and whether financial management systems conform to government-wide requirements (FMFIA § 4). Based on the results of the assessment for the period ending September 30, 2009, I provide qualified assurance that the Department met the objectives of FMFIA. The assessment did not identify any systems non-conformances required to be reported under FMFIA § 4; however, the assessment identified two programmatic material weaknesses required to be reported under FMFIA § 2. These weaknesses involve the need to reduce the Bureau of Prisons (BOP) crowding rate, currently at 37 percent over the rated capacity, and the Federal Bureau of Investigation's (FBI) use of National Security Letters. Details of the exceptions are provided in the section *Summary of Material Weaknesses and Corrective Actions*. Other than the exceptions noted, the internal controls were operating effectively, and no other material weaknesses were found in the design or operation of the controls.

In accordance with Appendix A of OMB Circular A-123, the Department conducted its assessment of the effectiveness of internal control over financial reporting, which included the safeguarding of assets and compliance with applicable laws and regulations. Based on the results of this assessment for the period ending June 30, 2009, I provide reasonable assurance that the Department's internal control over financial reporting was operating effectively, and no material weaknesses were found in the design or operation of the controls.

The Department of Justice is committed to maintaining strong program and financial management as we continue our mission of fighting terrorism and protecting our communities from crime. We take our program and financial accountability seriously and are dedicated to ensuring that funds received are expended responsibly and in a transparent manner. We look forward in FY 2010 to building on our achievements to further improve internal control as we continue the important work of the Department.

Eric H. Holder, Jr.
Attorney General
November 9, 2009

Federal Financial Management Improvement Act of 1996

The Federal Financial Management Improvement Act of 1996 (FFMIA) was designed to improve federal financial and program managers' accountability, provide better information for decision-making, and improve the efficiency and effectiveness of federal programs. FFMIA requires agencies to have financial management systems that substantially comply with federal financial management systems requirements, applicable federal accounting standards, and the U.S. Standard General Ledger (USSGL) at the transaction level. Furthermore, the Act requires independent auditors to report on agency compliance with the three requirements in the financial statement audit report. The Federal Information Security Management Act (FISMA) states that to be substantially compliant with FFMIA, there are to be no significant deficiencies in information security policies, procedures, or practices.

FFMIA Compliance Determination

During FY 2009, the Department assessed its financial management systems for compliance with FFMIA and determined that, when taken as a whole, they substantially comply with FFMIA. This determination is based on the results of FISMA reviews and testing performed for OMB Circular A-123, Appendix A. Consideration was also given to issues identified during the Department's financial statement audit.

Summary of the Department's Financial Statement Audit and Management Assurances

The following two tables summarize the results of the Department's financial statement audit and management assurances regarding the effectiveness of internal control over programmatic operations and financial reporting (FMFIA § 2), conformance with financial systems requirements (FMFIA § 4), and compliance with FFMIA.

Table 3. Summary of Financial Statement Audit

Financial Statement Audit Opinion and Material Weaknesses					
Audit Opinion	Unqualified				
Restatement	No				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Ending Balance**
None	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**

Table 4. Summary of Management Assurances

Effectiveness of Internal Control over Programmatic Operations (FMFIA § 2)						
Statement of Assurance	Qualified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Prison Crowding	1	0	0	0	0	1
Federal Bureau of Investigation Use of National Security Letters	1	0	0	0	0	1
Total Material Weaknesses	**2**	**0**	**0**	**0**	**0**	**2**

Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)						
Statement of Assurance	Unqualified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
None	0	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**	**0**

Conformance with Financial Management Systems Requirements (FMFIA § 4)						
Statement of Assurance	Systems Conform					
Non-conformances	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
None	0	0	0	0	0	0
Total Non-conformances	**0**	**0**	**0**	**0**	**0**	**0**

Compliance with Federal Financial Management Improvement Act (FFMIA)		
Overall Substantial Compliance	**Agency**	**Auditor**
	Yes	Yes
Compliance with Specific Requirements		
Systems Requirements	Yes	
Accounting Standards	Yes	
USSGL at Transaction Level	Yes	

Summary of Material Weaknesses and Corrective Actions

A summary of the two material weaknesses identified in the Department's FY 2009 assessment of the effectiveness of internal control over programmatic operations (FMFIA § 2) follows, along with details regarding corrective actions. The associated Corrective Action Plans are available in Section IV of this document.

Programmatic Material Weakness and Corrective Actions – Prison Crowding

As of September 30, 2009, the inmate population housed in BOP operated institutions exceeded the rated housing capacity by 37 percent. The BOP continues to accommodate the increasing federal inmate population by contracting with the private sector and state and local facilities for certain groups of low-security inmates, expanding existing institutions, and constructing new facilities. The continued use of these approaches maximizes the BOP's ability to keep pace with the increasing inmate population, thereby ensuring safe and secure operations in facilities housing federal inmates.

To address this material weakness, the BOP will continue to increase the total number of federal inmate beds to keep pace with the projected increases in the inmate population. A formal corrective action plan has been developed that includes utilizing contract facilities, expanding existing institutions, acquiring surplus properties for conversion to correctional facilities, and constructing new institutions as funding permits, as well as exploring alternative options of confinement for appropriate cases. The BOP plans to validate progress on construction projects at new and existing facilities through on-site inspections or by reviewing monthly construction progress reports.

This weakness was first identified in 2006, and is estimated to be closed out by the end of FY 2012.

Programmatic Material Weakness and Corrective Actions – Federal Bureau of Investigation Use of National Security Letters

In March 2007, the Department of Justice OIG reported that the FBI's use of national security letters (NSL) had grown and shifted in focus since the enactment of the Patriot Act in October 2001. While the NSL remains a critical investigative tool, the OIG found significant weaknesses in the FBI's administration of the program. For example, weaknesses were reported involving the completeness and accuracy of the electronic database used for tracking NSL usage, consistent retention of signed copies of NSLs, and the lack of clear guidance on applying Attorney General Guidelines requirements for the use of NSLs. An OIG follow-up report issued in March 2008 stated that the FBI and Department had made significant progress in implementing the recommendations in the initial OIG report.

To address this material weakness, the FBI implemented all OIG recommendations, as well as additional corrective actions, and awaits OIG closure of the reports. Improvements include strengthening the controls and automated workflow governing the request, review, and approval of NSLs; field office monthly reconciliations of NSL usage; and the database used for tracking NSL usage. The FBI also issued additional guidance to field offices to assist in identifying possible violations related to NSL use.

This weakness was first identified in 2006. FBI validation was completed in FY 2009; the FBI is currently awaiting OIG closure of reports.

Possible Effects of Existing, Currently Known Demands, Risks, Uncertainties, Events, Conditions, and Trends

The Department's leadership is committed to ensuring its programs and activities will continue to be focused on meeting the dynamic demands of the changing legal, economic, and technological environments of the future.

Technology

- Advances in high-speed telecommunications, computers, and other technologies are creating new opportunities for criminals, new classes of crimes, and new challenges for law enforcement.

Economy

- Possible increases in consumer debt or shortage of commercial credit may affect personal and business bankruptcy filings.
- The Department's role in the federal financial recovery effort may increase through criminal and civil litigation.
- The interconnected nature of the world's economy is increasing opportunities for criminal activity, including money laundering, white-collar crime, and alien smuggling.

Government

- Changes in the fiscal posture or policies of state and local governments could have significant effects on the capacity of state and local governments to remain effective law enforcement partners.

Globalization

- Issues of criminal and civil justice increasingly transcend national boundaries, require the cooperation of foreign governments, and involve treaty obligations, multinational environment and trade agreements, and other foreign policy concerns.

Social-Demographic

- The numbers of adolescents and young adults, now the most crime-prone segment of the population, are expected to grow rapidly over the next several years.

American Recovery and Reinvestment Act

- The Department received approximately $4.0 billion in funding under the American Recovery and Reinvestment Act of 2009, $2.0 million of which is for the Department's Office of the Inspector General oversight activities related to Recovery Act funding. The Department is fully committed to ensuring that the funds received are expended responsibly and in a transparent manner to further job creation, economic recovery, and other purposes of the Act. The following table summarizes appropriations, obligations, and outlays by component, as of September 30, 2009:

(Dollars in Thousands)

Component	Appropriation Amount	Obligations	Outlays
OJP	$2,761,930	$2,749,201	$1,155,171
OVW	$225,564	$214,847	$2,552
COPS	$1,002,506	$1,000,801	$556
ATF	$10,000	$4,244	$1,236
DOJ Total*	**$4,000,000**	**$3,969,093**	**$1,159,515**

*Excludes $2 million in funding for OIG oversight.

Unpredictable

- Overseas Contingency Operations require continual adjustments to new conditions. The Department is determined to proactively confront new challenges in its efforts to protect the Nation.
- Responses to unanticipated natural disasters and their aftermath require the Department to divert resources to deter, investigate, and prosecute disaster-related federal crimes, such as charity fraud, insurance fraud and other crimes.
- Changes in federal laws may affect responsibilities and workload.
- Much of the litigation caseload is defensive. The Department has little control over the number, size, and complexity of the civil lawsuits it must defend.

Limitations of the Financial Statements

The principal financial statements have been prepared to report the financial position and results of operations of the Department of Justice, pursuant to the requirements of 31 U.S.C. § 3515(b).

While the statements have been prepared from the books and records of the Department in accordance with U.S. generally accepted accounting principles for federal entities and the formats prescribed by the OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records.

The statements should be read with the realization that they are for a component of the United States Government, a sovereign entity.

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SECTION II
Performance Section

(UNAUDITED)

Section II Performance Section – FY 2009 Performance Report (Unaudited)

Overview

This section of the document presents to the President, the Congress, and the public a clear picture of how the Department of Justice (DOJ or the Department) is working toward accomplishing its mission. The Performance Report provides a summary discussion of the Department's three strategic goals. It also reports on the 25 key performance measures for these goals by detailing program objectives and FY 2009 targets and actual performance, as well as whether targets were or were not achieved. Each key performance measure also includes information related to data collection and storage, data validation and verification, and data limitations. In addition, this section includes information regarding the Department's progress toward achieving the FY 2012 long-term outcome goals set forth in its FYs 2007-2012 Strategic Plan.

At the Department, performance planning and reporting is companion to the budget process. We recognize that performance information is vital to making resource allocation decisions and should be an integral part of the budget. Our budget and performance integration efforts have included a full budgetary restructuring of all of the Department's accounts to better align strategic goals and objectives with resources. In addition, the Department provides detailed component-specific annual performance plans within individual budget submissions, which also serve as the Department's annual performance plan.

In FY 2009, the Department continued to demonstrate clear management commitment to timely and accurate financial and budget information through the use of Department-wide quarterly status reporting. As the Department continues to develop its capacity to gather and use performance information, we will continue to communicate performance information. Quarterly status reporting has provided the Department the ability to identify problems early, take necessary corrective actions, develop more effective strategies, and allocate necessary resources.

Measuring Departmental Impact

Throughout FY 2009, the Department continued to improve its key performance measures and track the progress of our long-term performance goals. Our long-term performance goals reflect results, not just workload or processes. For example, we have focused law enforcement efforts on disrupting and dismantling targeted criminal groups, such as major drug trafficking organizations. In areas such as litigation, where results-oriented measurement is particularly difficult, we continue to reevaluate our long-term targets to ensure that we are being aggressive enough in our goals for case resolutions for all of our litigating divisions.

Measuring law enforcement performance presents unique challenges. Success for the Department is highlighted when justice is served fairly and impartially and the public is protected. In many areas, our efforts cannot be reduced to numerical counts of activities. Additionally, trying to isolate the effects of our work from other factors that affect outcomes over which the Department has little or no control presents a formidable challenge. Many factors contribute to the rise and fall of crime rates, including federal, state, local, and tribal law enforcement activities and sociological, economic, and other factors. As a result, we have focused on more targeted measures of programmatic performance such as those described above.

Measure Refinement, Data Revisions, and Subsequent Year Reporting

The FY 2009 Performance and Accountability Report presents the highest-level outcome-oriented measures available and fully reports on the accomplishments achieved during the reporting period. Occasionally, however, data for an entire year are not available at the time of publication. Hence, the data reported in the Department's *FY 2008 Performance and Accountability Report* that have since been revised/updated are reported as *FY 2008 Revised Actual*, where appropriate. Also, the Department is unable to report on a limited number of performance measures due to calendar year reporting or other limitations. In those instances, performance for those measures will be reported in the subsequent year's Performance and Accountability Report. For performance that occurred in FY 2008, but due to calendar year reporting or other limitations was not available for reporting that year, FY 2008 data and discussion of results are reported for the first time in the pages that follow.

In certain cases, performance measures can be discontinued and/or replaced with new measures. For this report, the changes are noted prior to the title of the measure, where appropriate, and designated as a "Discontinued" or "New" measure.

As described in Section I, the Department has issued its Strategic Plan for FYs 2007-2012. The Department's Strategic Plan key performance measures fully align to existing priorities and goals. The FY 2009 Performance and Accountability Report highlights the key goals and performance measures reflected in the FY 2007-2012 Strategic Plan. The Report also provides details on the Department's success in meeting its performance measure targets in FY 2009. Additional programmatic and performance information can be found in individual components' budget submissions, specifically within the Performance and Resources Tables.

I STRATEGIC GOAL 1: Prevent Terrorism and Promote the Nation's Security

14% of the Department's Net Costs support this Goal.

Terrorism is the most significant national security threat that faces our Nation. The Department's foremost focus is protecting the Homeland from future terrorist attacks. To ensure attainment of this goal, prevention is our highest priority. The Department has taken, and will continue to take assertive actions to prevent, disrupt, and defeat terrorist operations before they occur; investigate and prosecute those who commit or intend to commit terrorist acts; and strengthen partnerships to prevent, deter and respond to terrorist incidents. In order to have the information we need to keep our Nation safe, we are continuing to strengthen and expand our counterintelligence capabilities and to ensure that the people that intend to do us harm come to justice.

FY 2012 Outcome Goal: No terrorist acts committed by foreign nationals within U.S. borders
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The FBI is committed to stopping terrorism, from preventing intended attacks to investigating financiers of terrorist operations. All Counterterrorism (CT) investigations are managed at FBI Headquarters, employing a national strategy to create an inhospitable environment for terrorists.

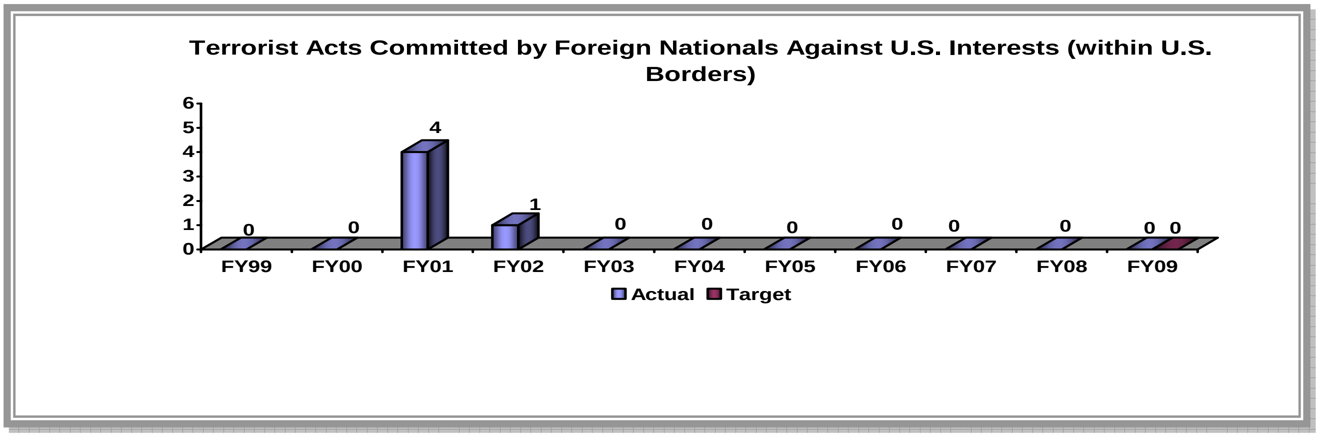
Under the leadership of the FBI Director, the FBI has aggressively implemented a comprehensive plan to fundamentally transform the FBI. The Director has overhauled the FBI's CT operations, expanded its intelligence capabilities, modernized its business practices and technology, and improved coordination with its partners. The FBI is dedicated to disrupting terrorist plots before they are executed.

***Performance Measure*:** Terrorist Acts Committed by Foreign Nationals Against U.S. Interests (within U.S. Borders)

FY 2009 Target: 0
FY 2009 Actual: 0

Discussion of FY 2009 Results: No incidents of this kind occurred during FY 2009. One notable arrest of an international terrorism subject identified by the FBI occurred on July 27, 2009. Hysen Sherifi, a native of Kosovo, was arrested along with six other U.S. citizens. Sherifi and his co-conspirators have been charged with conspiracy to provide material support to terrorists, as well as conspiracy to murder, kidnap, maim, and injure persons abroad. Sherifi also faces a charge of possession of a firearm in furtherance of a crime of violence.

On September 24, 2009, a superseding indictment was returned with additional charges against Sherifi and his co-conspirator, Daniel Patrick Boyd. Both have been charged with conspiring to murder U.S. military personnel. The superseding indictment alleges that in furtherance of this agreement, Boyd undertook reconnaissance of the Marine Corps Base located in Quantico, VA, and obtained maps of the base to plan an attack on Quantico. This is a case in which a U.S. citizen recruited and facilitated a foreign national to commit terrorist acts within the U.S. If convicted, Sherifi, Boyd, and the remaining defendants face a maximum sentence of life in prison.



Data Definition: Terrorist Acts, domestic or internationally-based, count separate incidents that involve the "unlawful use of force and violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives." (28 C.F.R. Section 0.85). For the purposes of this measure, the FBI defines a terrorist act as an attack against a single target (e.g., a building or physical structure, an aircraft, etc.). Acts against single targets are counted as separate acts, even if they are coordinated to have simultaneous impact. For example, each of the September 11, 2001 acts (North Tower of the World Trade Center (WTC), South Tower of the WTC, the Pentagon, and the Pennsylvania crash site) could have occurred independently of each other and still have been a significant terrorist act in and of themselves. The FBI uses the term terrorist incident to describe the overall concerted terrorist attack. A terrorist incident may consist of multiple terrorist acts. The September 11, 2001 attacks, therefore, are counted as four terrorist acts and one terrorist incident.

Data Collection and Storage: The reported numbers were compiled through the expert knowledge of FBI CT senior management at headquarters.

Data Validation and Verification: See above.

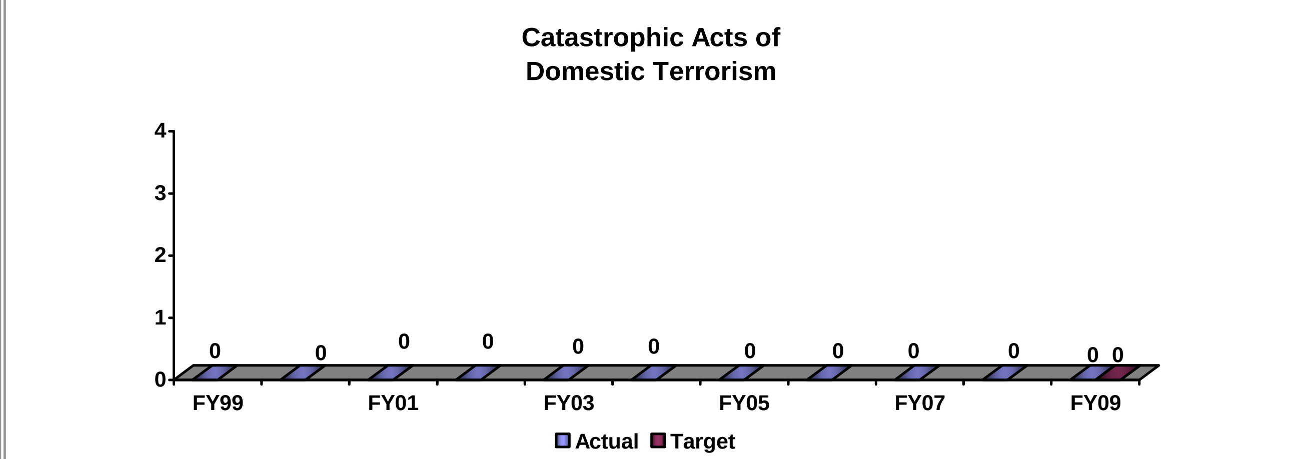
Data Limitations: The decision to count or discount an incident as a terrorist act, according to the above definition, is subject to change based upon the latest available intelligence information and the opinion of program managers. In addition, acts of terrorism, by their nature, are impossible to reduce to uniform, reliable measures. A single defined act of terrorism could range from a small-scale explosion that causes property damage to the use of a weapon of mass destruction that causes thousands of deaths and massive property damage and has a profound effect on national morale.

FY 2012 Outcome Goal: No catastrophic acts of domestic terrorism
FY 2009 Progress: The Department is on target to achieve this long-term goal.

***Performance Measure*:** Catastrophic Acts of Domestic Terrorism
FY 2009 Target: 0
FY 2009 Actual: 0

Discussion of FY 2009 Results: No incidents of this kind occurred during FY 2009. A notable case that occurred during the past year follows:

Scott Monroe, Aaron Scorsone and Jonathan Plunkett pled guilty on April 15, 2009, to one count of an indictment charging them with an unlawful agreement to manufacture and sell explosive materials in violation of Title 18 USC, §§ 371, 842(a), and 844. Scorsone and Plunkett also pled to one count of conspiracy to unlawfully transfer firearms. The FBI's Joint Terrorism Task Force and the New York State Police Bomb Disposal Unit seized 18 weapons, including rifles, shotguns, and gas guns, and over 80 homemade explosive devices, along with enough chemicals and materials to produce a significant number of additional explosives. Scorsone and Plunkett purchased various explosive devices from Monroe, and attempted to resell them to a confidential informant. In June 2009, Monroe received 5 years probation and 100 hours of community service. On July 22, 2009, Plunkett was sentenced to 27 months in prison, followed by 3 years supervised release. Scorsone is awaiting sentencing.



Data Definition: See above measure, "Terrorist Acts Committed by Foreign Nationals against U.S. Interests (within U.S. Borders)." For the purposes of this performance measure, a catastrophic domestic terrorist act is defined as an act resulting in significant loss of life and/or significant property damage (e.g., the attack on the Alfred P. Murrah Federal Building in Oklahoma City, Oklahoma on April 19, 1995).

Data Collection and Storage, Validation and Verification, and Limitations: See measure above.

II STRATEGIC GOAL 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People

48% of the Department's Net Costs support this Goal.

The heart of the Department of Justice's mission is to enforce federal laws and represent the rights and interests of the American people. Preventing and controlling crime is critical to ensuring the strength and vitality of the democratic principles, rule of law, and the administration of justice. The enforcement of federal laws keeps society safe by combating economic crime and reducing the threat, trafficking, and use of illegal drugs and related violence. The strengthening of partnerships between federal, state, local and tribal law enforcement will enhance our ability to prevent, solve and control crime. Through the enforcement of our laws, we protect the rights of the vulnerable by reducing the threat, incidence, and prevalence of violent crime, including crimes against children, and upholding the civil and constitutional rights of all Americans. The Justice Department enforces federal civil and criminal statutes, including those protecting rights, safeguarding the environment, preserving a competitive market structure, defending the public fisc against unwarranted claims, and preserving the integrity of the Nation's bankruptcy system. In addition, the Department combats public and corporate corruption, fraud, economic crime and cybercrime.

FY 2012 Outcome Goal: Dismantle a cumulative total of 212 organized criminal enterprises (FY 2007-2012)
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Investigative subprograms that focus on criminal enterprises involved in sustained racketeering activities and that are mainly comprised of ethnic groups with ties to Asia, Africa, Middle East, and Europe are consolidated into the Organized Criminal Enterprise Program. Organized criminal enterprise investigations, through the use of the Racketeering Influenced Corrupt Organization statute (RICO), target the entire entity responsible for the crime problem. With respect to groups involved in racketeering activities, the FBI focuses on: the La Cosa Nostra and Italian organized crime groups, Russian/Eastern European/Eurasian organized crime groups, Balkan/Albanian organized crime groups, Middle Eastern criminal enterprises, Asian criminal enterprises, and Nigerian/West African criminal enterprises. Each of these groups is engaged in myriad criminal activities.

Performance Measure: Number of Organized Criminal Enterprises Dismantled
FY 2008 Revised Actual: 38 (Previous Actual: 34)
FY 2009 Target: 36
FY 2009 Actual: 39

Discussion of FY 2009 Results: The FBI's Organized Crime Program developed and implemented an enhanced collection and targeting strategy in FY 2009. Coupled with significant task force collaboration with local law enforcement, the strategy enabled the FBI to exceed the dismantlement goals. The FBI's Detroit office investigated a Lebanese criminal enterprise engaged in falsifying identification documents, mortgage fraud, identity theft, and money laundering. Ring leader Alaa Koubayssi was arrested, and his subsequent cooperation led investigators to a wider-scale identity theft and mortgage fraud ring, responsible for millions of dollars in fraud. To date, there have been six federal indictments, three federal complaints, three federal informations, five federal convictions (defendant Somail Aoun is believed to be hiding in Lebanon), $1 million in federal restitution, and two asset forfeitures. This investigation led directly to opening a subsequent identity theft and mortgage fraud investigation of a Lebanese criminal enterprise operating in the Dearborn, Michigan area.

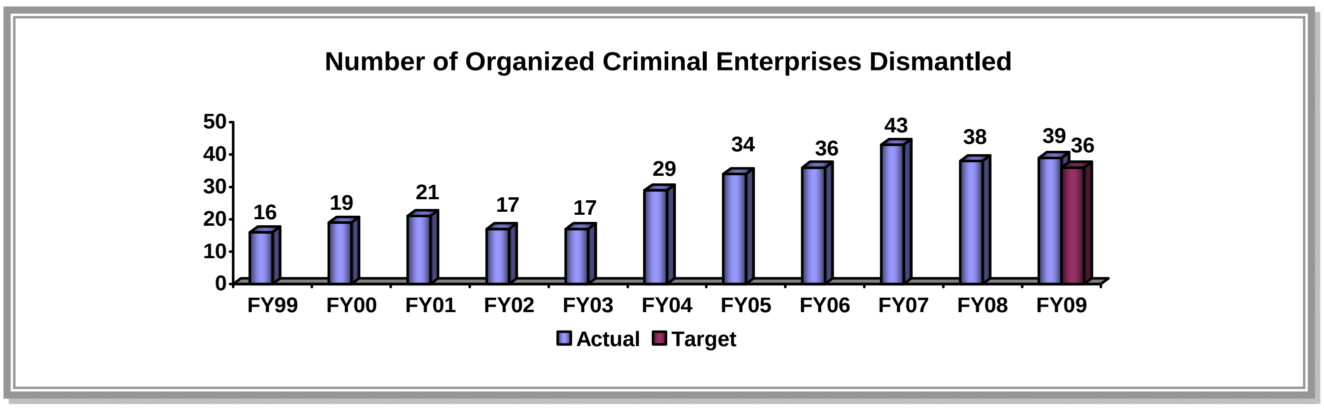
<u>Gangs/Criminal Enterprises</u>
The mission of the FBI's Gangs/Criminal Enterprise Program is to disrupt and dismantle domestic cells (local, regional, national, and transnational) of criminal enterprises with ethnic ties to North, Central, and South

America that pose the greatest threats to the economic and national security of the United States. This is accomplished through the FBI's Violent Gang and Drug Programs, increased involvement in the Organized Crime Drug Enforcement Task Force Program, and support and leadership of High Intensity Drug Trafficking Area initiatives. In recent years, the FBI has concentrated anti-gang efforts in the Violent Gang Safe Streets Task Forces and the Mara Salvatrucha (MS-13) National Gang Task Force, supporting, coordinating, and facilitating investigations into local, state, national, and transnational criminal gangs.

The National Gang Intelligence Center (NGIC) supports this mission by sharing and coordinating information with state, local, and federal law enforcement agencies. The NGIC analyzes gang information from a broad spectrum to identify migration patterns and current trends involving gangs.

The Gang Targeting and Coordination Center (GangTECC) focuses on enhancing gang investigations of all federal agencies by acting as a deconfliction and case coordination center. It facilitates operations across agencies and promotes the dismantlement of national and transnational violent gangs. Tactical and strategic intelligence is shared between law enforcement agencies in conjunction with the NGIC.

In FY 2005, this measure started to include, and set targets for, dismantlements for activities covered by the FBI's Major Theft program. In FY 2008, program responsibility for Major Theft was moved from the Gang/Criminal Enterprise Program to the Violent Crime Program. Beginning with the FBI's performance reports in FY 2009, the FBI has revised this measure and the data reported for previous years to reflect the number of dismantlements without Major Theft included.



Data Definition: Dismantlement means destroying the targeted organization's leadership, financial base, and supply network such that the organization is incapable of operating and/or reconstituting itself.

Data Collection and Storage: The data source is the FBI's Integrated Statistical Reporting and Analysis Application (ISRAA) database that tracks accomplishments from inception to closure.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. The data are subsequently verified through the FBI's inspection process. Inspections of ISRAA data occur at least once a year at each FBI Field Office. Using statistical sampling methods, data are traced back to source documents contained in FBI files.

Data Limitations: FBI field personnel are required to enter accomplishment data within 30 days of the accomplishment or a change in the status of an accomplishment, such as those resulting from appeals. Data for this report are compiled less than 30 days after the end of the fiscal year, and thus may not fully represent the accomplishments during the reporting period.

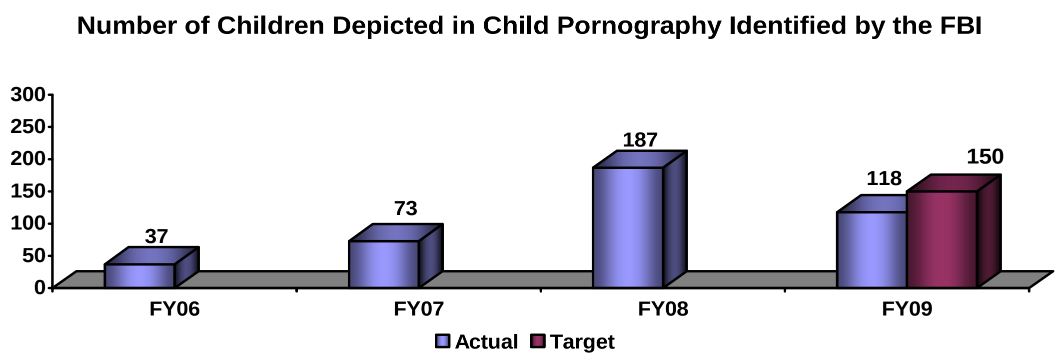
FY 2012 Outcome Goal: The performance measure for this goal has been modified – see below. The FY 2012 Outcome Goal now tracks the number of children depicted in child pornography identified by FBI. Accordingly, the long-term goal has been modified to target a cumulative total of 793 children identified (FY 2007-2012).

Background/Program Objectives: Facilitation of crimes against children through the use of a computer and the Internet is a national crime problem that is growing dramatically. The Innocent Images National Initiative (IINI), a component of the FBI's Cyber Crimes Program, is an intelligence-driven, proactive, multi-agency investigative initiative to combat the proliferation of child pornography and/or child sexual exploitation using online computers. The mission of the IINI is to: identify, investigate, and prosecute sexual predators who use the Internet and other online services to sexually exploit children; identify and rescue witting and unwitting child victims; and establish a law enforcement presence on the Internet as a deterrent to subjects who seek to exploit children.

Performance Measure: NEW MEASURE: Number of children depicted in child pornography identified by the FBI

FY 2009 Target: 150
FY 2009 Actual: 118

Discussion of FY 2009 Results: The FBI has not met its target for this measure. While the FBI always makes every effort to identify/rescue victimized children, the FBI cannot directly control the number of children identified and/or rescued at any given time through investigative techniques, due to the reactive nature of this measure. The FBI has, however, taken definitive action to negate the limitations through its continued collaboration with the National Center for Missing & Exploited Children (NCMEC)/Child Victim Identification Program (CVIP) and successful initiatives such as the Innocent Images International Task Force and the Endangered Child Alert Program.



Data Definition: These data record the number of children found in child pornography materials who have their identities determined as a result of FBI child pornography investigations.

Data Collection and Storage: Data are collected and stored in a database at the NCMEC. Subsequent analysis of these data is reported in communications stored in the FBI's Automated Case Support (ACS) system.

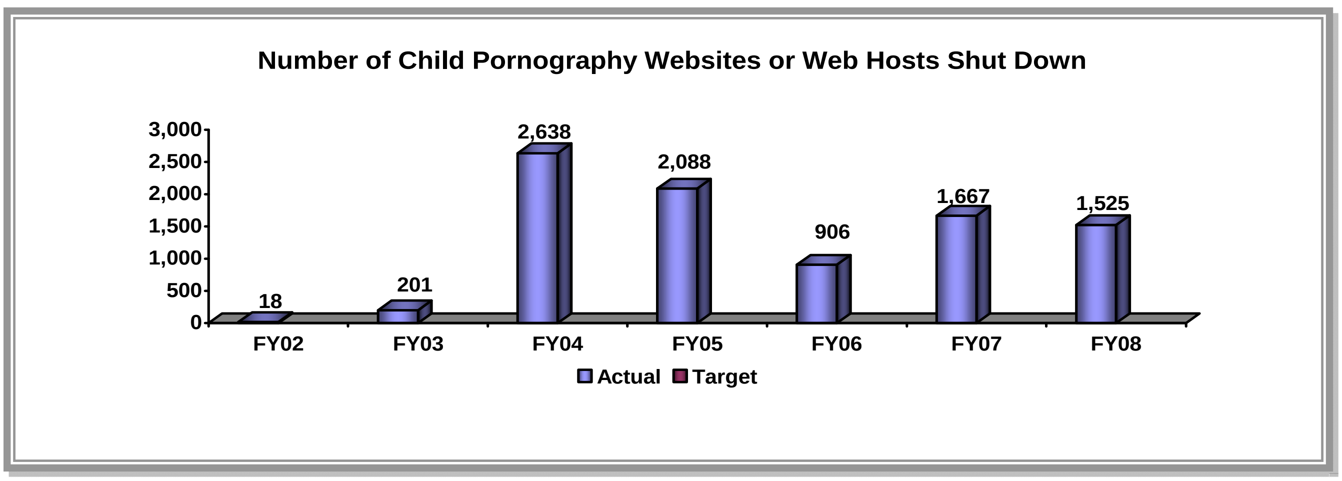
Data Validation and Verification: Law enforcement personnel nationwide are required to submit data on child pornography materials and victims to the CVIP, managed by FBI Cyber Division (CyD) personnel assigned to the NCMEC. Submissions of child pornography material must include a law enforcement point-of-contact, who will be willing to testify as to the identification of the child in any investigation. As investigations identify specific children within submitted materials, they are listed in electronic communications (ECs) reported in the FBI's ACS system.

Data Limitations: The FBI cannot directly control the number of children identified at any given time through investigative techniques and/or any other methodology, due to the reactive nature of this measure. The FBI always makes every effort to identify and rescue victimized children. Historical data for this measure had to be retrieved from a manual count of identified victims in ECs during the years reviewed.

Performance Measure: DISCONTINUED MEASURE: Number of Child Pornography Websites or Web Hosts Shut Down

FY 2009 Target: N/A
FY 2009 Actual: N/A

Discussion of FY 2009 Results: The Department is discontinuing this performance measure in its FYs 2007-2012 Strategic Plan and in future performance reports. Per OMB program assessment review, a new measure has been developed and included in the Department's FYs 2007-2012 Strategic Plan.



Data Definition: A website/web host gets shut down at the request of the FBI once an administrative subpoena is served to obtain information on who is responsible for the illicit content. Often the subpoena would be the factor that alerted the Internet Service Provider (ISP) of the illegal content. The reported websites/web hosts shut down by the FBI's staff assigned to the NCMEC account for approximately half of the FBI's reported totals.

Data Collection and Storage: The data source is a database maintained by FBI personnel detailed to the NCMEC, as well as statistics derived by the FBI's Cyber Division's program personnel.

Data Validation and Verification: Data are reviewed and approved by FBI Headquarters program personnel.

Data Limitations: Data for this report are compiled less than 30 days after the end of the fiscal year, and thus may not fully represent the accomplishments during the reporting period. Information based upon reporting of locates and convictions is necessary for compilation of some of these statistics.

FY 2012 Outcome Goal: Increase the percentage of criminal investigations resulting in referrals for prosecution to 62% (FY 2007-2012)
FY 2009 Progress: The Department is on target to achieve this long-term goal.

***Background/Program Objectives**:* Violent firearms crime remains a significant and complex domestic problem, fueled by a variety of causes that vary from region to region. The common element, however, is the relationship between firearms violence and the unlawful diversion of firearms out of commerce into the hands of prohibited persons. Therefore, firearm investigations and prosecutions remain a highlighted area of emphasis for the Department. ATF's unique statutory responsibilities and assets, including technology and information, are focused under the agency's Integrated Violence Reduction Strategy (IVRS) to remove violent offenders, including gang members, from our communities; keep firearms from those who are prohibited by law from possessing them; discourage, prohibit, and interrupt illegal weapons transfers in accordance with the law; and prevent firearms violence through community outreach.

The violence fueled by firearms trafficking is demonstrated on our Southwest Border. Our firearms trafficking strategy complements our continued focus on the deployment of resources to specific localities where there is a high incidence of gang and gun violence. Through firearms trafficking interdiction efforts, ATF decreases the availability of illicit firearms and recommends for prosecution those who illegally supply firearms to prohibited possessors. Violent gang members are often involved in firearms trafficking, both for potential profit and in furtherance of drug trafficking and other crimes. Recent trends have shown an increase in the number of firearms recovered in Mexico, and these firearms fuel the growing violence along the border, including the brutal murders of hundreds of law enforcement officers and government officials. ATF's efforts to reduce violent firearms crime include:

- ATF's Southwest Border initiative, Project Gunrunner, is a focused subset of ATF's broader firearms trafficking initiative, addressing U.S.-based firearms trafficking that is fueling the violence along the Southwest Border and nationwide. Project Gunrunner attacks the prevalence of illegal firearms available in the Southwest Border region and stems the flow of firearms to criminal organizations in Mexico. Additionally, ATF enhances its efforts along the Southwest Border with an integrated violent crime and gang reduction program with initiatives like the Violent Crime Reduction Teams and Regional Area Gang Enforcement Teams.

- Partnering with law enforcement agencies and prosecutors at all levels to develop focused strategies to investigate, arrest, and prosecute violent offenders, persons prohibited from possessing firearms, domestic and international firearms traffickers, violent gangs, and others who attempt to illegally acquire or misuse firearms.

- Assisting the law enforcement community in identifying firearms trafficking trends and resolving violent crimes by providing automated firearms ballistics technology, tracing crime guns, and developing advanced firearms investigative techniques.

- Ensuring that only qualified applicants who meet the eligibility requirements of the law enter the regulated firearms industry by employing appropriate screening procedures prior to licensing.

- Inspecting firearms dealers to identify any illegal purchases or diversion of firearms to criminals and to ensure the accuracy of records used in tracing firearms. ATF ensures that firearms industry members comply with the Gun Control Act, the National Firearms Act, and the Arms Export Control Act.

- Keeping restricted firearms such as machineguns out of the hands of prohibited persons by performing criminal records checks on applicants. ATF maintains the accuracy and integrity of the National

Firearms Registration and Transfer Record so that the location and ownership of restricted firearms are kept current.

- Ensuring that only firearms that are legally importable under ATF and State Department rules are imported into the United States and are properly marked and recorded by the importer for sale domestically.

- Collaborating with schools, law enforcement agencies, community organizations, and the firearms industry to implement educational programs which help reduce firearms violence.

- Informing the public and firearms industry about ATF policies, regulations, and product safety and security, so that they can better comply with the law. To do so, ATF uses a variety of communication methods such as the Internet, trade and community publications, seminars, and industry meetings.

Performance Measure: Percentage of firearms investigations resulting in a referral for criminal prosecution.
FY 2009 Target: 59%
FY 2009 Actual: 59%

Discussion of FY 2009 Results: ATF met its target goal of the percentage of investigations within the firearms programs area that resulted in a defendant being referred for criminal prosecution. Meeting this measure reflects the impact ATF has towards reducing firearms violence in targeted violent cities across America. ATF is the federal law enforcement agency with unique expertise and statutory authority to enforce Federal firearms laws and meeting this goal shows that ATF reduces firearms violence through investigations and their resulting law enforcement consequences (specifically the referral of criminals for prosecution).

ATF has been at the forefront of efforts across the country to reduce violent crime involving firearms. ATF is the lead federal agency in these efforts, actively initiating investigations against violent offenders and firearms traffickers and providing key services to its law enforcement partners. The following case examples highlight ATF's FY 2009 efforts:

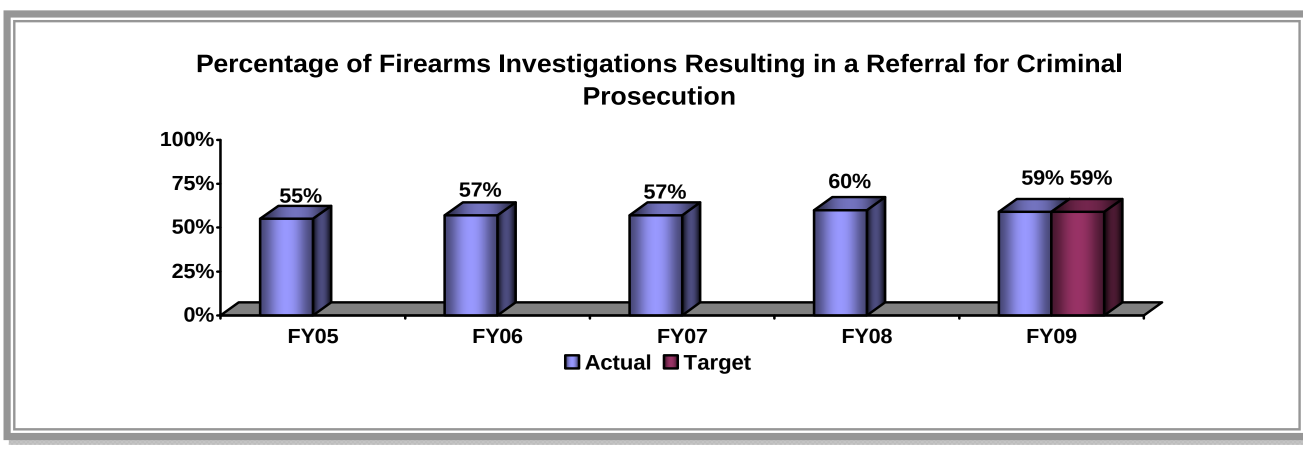
- <u>Houston, Texas</u>: In April 2009, ATF successfully completed a firearm trafficking investigation into a group of four suspects led by Ernesto *Garza* of Monterey, Mexico. The investigation resulted in their conviction ranging up to 12 years in prison on federal firearms charges related to the trafficking operation. The suspects were sentenced after pleading guilty to conspiracy for illegally obtaining firearms through false statements and trafficking firearms into Mexico. *Garza* conspired to buy guns using straw purchasers and then smuggle the guns into Mexico. Because of his citizenship status, he was not entitled to buy guns in the United States. *Garza* paid people in the United States to buy the guns for him and then lie about who the guns were for. *Garza* trafficked in high-powered, high-capacity handguns and assault rifles such as the FN 57 caliber pistol and the FNH PS90 rifle. *Garza* was the organizer and leader in the conspiracy involving at least nine other individuals who were purchasing firearms on his behalf. At least 50 weapons were purchased as part of this ring and smuggled to Mexico. One of the FN 57 pistols was recovered in Mexico after being used in a running gun battle between alleged drug dealers and Mexican soldiers in Xoxocutla on May 7, 2008. Two Mexican soldiers were killed as a result of the incident.

- <u>Savannah, Georgia</u>: In May 2008, ATF opened an undercover storefront in Statesboro, Georgia. The operation came at the request of the Statesboro Police Chief following the success of another ATF storefront operation in Augusta, Georgia and the excessive criminal activity affecting this area of the city.

  ATF undercover agents opened a small retail tobacco store front across from the campus of Georgia Southern University. Undercover agents began making contacts with individuals involved in criminal activity in Statesboro and made it known that the retail store supplemented its legitimate business by trafficking firearms to New York and dealing in narcotics. The store front was operational for approximately 10 months and resulted in the Federal indictments of 60 defendants on 434 counts and State indictments of 35 defendants. The undercover agents purchased 96 firearms and seized 11 more firearms from the suspects during the operation. The undercover agents were also offered to purchase illegal drugs that included prescription drugs resulting in the seizure of $270,000 worth of narcotics purchased. In April 2009, State, local and federal agents executed arrest warrants pursuant to the indictments. The defendants in this investigation are currently being prosecuted through the appropriate judicial systems. Additional investigative efforts continue in furtherance of federal money laundering violations.

- Los Angeles, California: The Mongols Outlaw Motorcycle Gang recruited as many as 200 new members from various Los Angeles based street gangs, including the 18th Street, the Mexican Mafia, Lomas, and Varrio Nuevo. The Mongols and its street gang connections are responsible for a large amount of violent crime, illegal firearms and explosives trafficking, armed narcotics trafficking, assaults, extortion, homicides, victim and witness intimidation, theft of motorcycles, fraud schemes, and various other related crimes. The ATF Los Angeles Field Division has been collating and analyzing historical and current intelligence regarding the alleged criminal activities of the current members and associates of the Mongols in California, Nevada, Colorado, and Oklahoma. In the last 5 years, the Mongols have established themselves as the dominant motorcycle gang in California, and one of the most dominant street gangs.

  During this investigation, 87 members of the Mongols, including National and chapter officers, were indicted under RICO, Violent Crimes in Aid of Racketeering (VICAR), other Federal statutes related to murder, attempted murder, hate crimes, assaults, firearms violations, and narcotics violations. Twenty-seven suspects had been charged during the course of the investigation in both Federal and State court for firearms, narcotics, and assault charges. Those charged in State court were charged with the State gang allegation enhancement. On October 21, 2008, 134 local and 50 out of district Federal search warrants were executed in and beyond California. Search warrants were executed simultaneously in Oregon, Oklahoma, Montana, Nevada, Northern California, Colorado, and Florida on all Mongol presidents, sergeant at arms, and secretary/treasurers. Suspects in this investigation are currently being prosecuted in judicial courts throughout the country.



Data Definitions: This measure reflects the percentage of investigations within ATF's firearms program area in which a defendant was referred for criminal prosecution. This measure is based on the premise that ATF is the Federal law enforcement agency with unique expertise and statutory authority to enforce Federal firearms laws, and that ATF reduces firearms violence through investigations and their resulting law enforcement consequences (specifically the referral for criminal prosecution and the ensuing incapacitation of criminals under these statutes).[1] More effective enforcement of Federal firearms laws contributes to disrupting criminal activity, deterring violent crime, and safeguarding the legitimate firearms industry from exploitation by criminals. This measure allows ATF to gauge the impact of applying its Federal statutory authority and resources to a national strategy to fight violent crime in our communities – targeting those who commit the violence and those who facilitate their commission by supplying firearms through straw purchases, unlicensed dealing, theft from Federal firearms licensees and interstate carriers, and other illegal means.

Data Collection and Storage: The data source is ATF's National Field Office Case Information System (NFOCIS), which is ATF's integrated and centralized data management solution allowing real time monitoring and oversight of all criminal enforcement activities in the field.

Data Validation and Verification: There is an ongoing quality assurance and case management program in place within ATF which includes the required review and approval of case information by ATF field managers. The data are subsequently verified through ATF's inspection process, performed internally by the Office of Professional Responsibility and Security Operations Directorate. The internal inspections occur on a four year cycle and are performed at each ATF field office and division.

Data Limitations: ATF investigations are often complex and time consuming in nature, and often span multiple years from initiation through closure. The data used to calculate this percentage are based on the date investigations are closed, and are therefore likely to include investigations that have spanned previous time periods. This methodology is specifically used to eliminate counting of investigations multiple times.

[1] "Although studies that focus exclusively on violent offenders is rare, empirical evidence about violent offending can be found in cross-sectional and longitudinal studies of general offending careers. The results from this research generally support the conclusion that incapacitation has nontrivial consequences for the control of violent crime." Commission on Behavioral and Social Sciences and Education: Understanding and Preventing Violence, Volume 4: Consequences and Control (1994).

FY 2012 Outcome Goal: Develop meaningful baselines for the supply of drugs available for consumption in the United States (FY 2007-2009). Achieve a 6% reduction in the supply of illegal drugs (FY 2010-2012) available for consumption in the United States using the baseline established by the close of FY 2010.
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Drug seizures, eradication efforts, precursor chemical interdictions, cash and asset seizures, increased border/transportation security, international military operations, social and political forces, climatic changes, and even natural disasters all impact the drug supply at any given time. The Department's strategy focuses on incapacitating entire drug networks by targeting their leaders for arrest and prosecution, by disgorging the profits that fund the continuing drug operations, and by eliminating the international supply sources. These efforts ultimately have a lasting impact upon the flow of drugs in the United States, although the results are not easily measurable in a single year. Accordingly, the Department reexamined its approach related to this goal and set realistic milestones in the Department's FY 2007-2012 Strategic Plan. For FYs 2007-2010, the Department will report progress toward establishing meaningful baselines for the supply of drugs available for consumption in the U.S. During FYs 2011-2012, the Department will focus on a targeted reduction in the supply of illegal drugs available for consumption.

Performance Measure: DOJ's Reduction in the Supply of Drugs Available for Consumption in The U.S.

FY 2009 Target: Progress toward establishing baseline
FY 2009 Actual: See Discussion of FY 2009 Results

Discussion of FY 2009 Results: Measuring reduction in the drug supply is a complex process reflective of a number of factors outside the control of drug enforcement. Moreover, the impact of enforcement efforts on drug supply and the estimated availability are currently not measurable in a single year. However, the Department is intent on achieving an interim goal of setting a baseline by the close of 2010. Once the baseline is set, the Department intends to achieve a 6 percent total reduction in the supply of illegal drugs available for consumption in the United States over the next two years.

FY 2012 Outcome Goal: Dismantle 810 Consolidated Priority Organization Target-linked drug trafficking organizations (FY 2007-2012). Disrupt 1,260 CPOT-linked drug trafficking organizations (FY 2007-2012).
FY 2009 Progress: The Department is not on target to achieve the long-term goal of disrupting 1,260 CPOT-linked drug trafficking organizations by FY 2012. However, the Department remains committed to target, disrupt and dismantle these priority organizations in the future. The Department is on target for achieving the long-term goal of dismantling 810 CPOT-linked drug organizations (FY 2007-2012).

Background/Program Objectives: The Department focuses its drug law enforcement efforts on reducing the availability of drugs by disrupting and dismantling the largest drug trafficking organizations and related money laundering networks operating internationally and domestically, including those on the Attorney General's Consolidated Priority Organization Target (CPOT) List. The first CPOT List was issued in September 2002 and is reviewed and updated semi-annually. The List identifies the most significant international drug trafficking and money laundering organizations and those primarily responsible for the nation's drug supply. The Attorney General has designated the Organized Crime Drug Enforcement Task Force (OCDETF) Program as the centerpiece of DOJ's drug supply reduction strategy. The Program coordinates multi-agency and multi-jurisdictional investigations targeting the most serious drug trafficking threats. The OCDETF Program is responsible for coordinating the annual formulation of the CPOT list. The OCDETF Program functions through the efforts of the United States Attorneys; elements of the Department's Criminal and Tax Divisions; the investigative, intelligence, and support staffs of the DEA, FBI, ATF, the U.S. Marshals, U.S. Immigration and Customs Enforcement, the U.S. Coast Guard, and the Internal Revenue Service. The OCDETF agencies also partner with numerous State and local law enforcement agencies.

The goal of each OCDETF investigation is to determine connections among related investigations nationwide in order to identify and dismantle the entire structure of the drug trafficking organizations, from international supply and national transportation cells, to regional and local distribution networks. A major emphasis of the Department's drug strategy is to disrupt the traffickers' financial dealings and to dismantle the financial infrastructure that supports these organizations. The OCDETF Program has the greatest impact upon the flow of drugs through this country when it successfully incapacitates the entire drug network by targeting and prosecuting its leadership and seizing the profits that fund continued operations.

Performance Measure: CPOT-Linked Drug Trafficking Organizations Disrupted and Dismantled

Revised FY 2008 Actual:
Disrupted: 299
Dismantled: 104

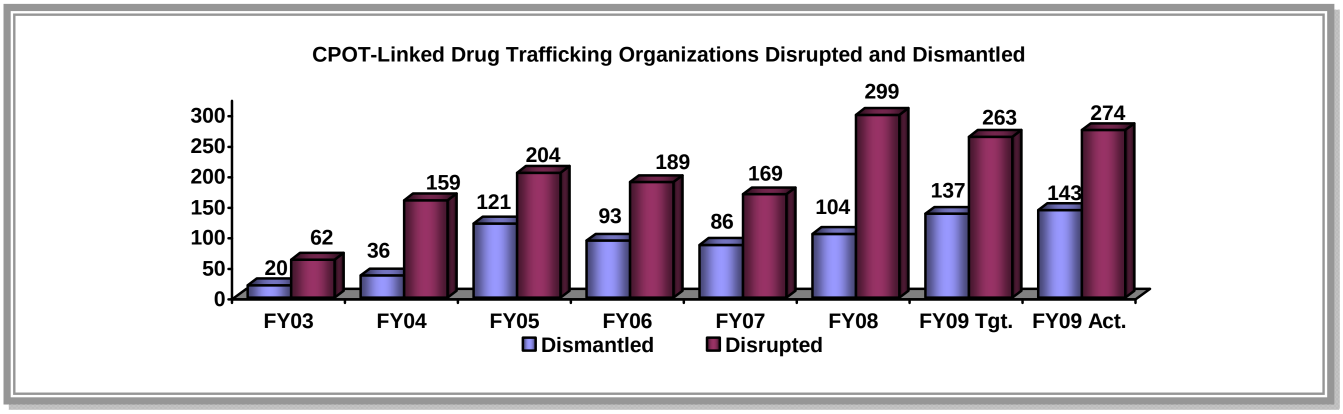
FY 2009 Target:
Disrupted: 263
Dismantled: 137

FY 2009 Actual:
Disrupted: 274
Dismantled: 143

Discussion of FY 2009 Results: The Department dismantled 143 CPOT-linked organizations in FY 2009, exceeding its target. This is a 38 percent increase over the 104 that were dismantled in FY 2008 and an 18 percent increase over the 121 dismantled in FY 2005, the highest number reported prior to FY 2009. The Department disrupted 274 CPOT-linked organizations in FY 2009, also exceeding its target. The total of 417 CPOT-linked organizations that were either dismantled or disrupted during FY 2009 is over 3 percent higher than the 403 dismantled or disrupted in FY 2008, also the highest number reported prior to FY 2009.

The Department was able to meet the FY 2009 targets for disruptions and dismantlements of CPOT-linked organizations. To calculate these numbers, the Department aggregates both OCDETF and non-OCDETF disruptions and dismantlements. Although the Department was able to meet its overall targets in this area, resource reductions to the OCDETF Program in FY 2009 caused the OCDETF Program to fall short of its sub-target for disruptions of CPOT-linked organizations (OCDETF did meet its sub-target for dismantlements). Disruptions achieved by the law enforcement agencies in non-OCDETF cases allowed the Department to overcome the shortfall in OCDETF disruptions and meet the overall target. Despite the Department's ability to meet the overall target, the decline in OCDETF disruptions is a troubling sign, making it clear that as OCDETF resources are eliminated, Departmental components are incentivized to pursue stove-piped investigations of CPOT-level organizations, rather than conducting them in a coordinated fashion by means of the multi-agency, prosecutor-led OCDETF task forces that are the centerpiece of DOJ's strategy in combating the CPOTs.

During FY 2009, in addition to making important gains against CPOT-linked organizations, the Department continued to achieve successes against the CPOTs themselves. Nine CPOT targets were dismantled in FY 2009, also the highest number ever during a fiscal year. Additionally, two CPOT targets were disrupted. Significant impact was made during the year against leaders of organizations such as the Autodefensas Unidas de Colombia/The United Self-Defense Groups of Colombia, the Norte Valle Cartel, and the Tijuana Cartel, a violent and feared Mexican organization.



Data Definition: An organization is considered linked to a CPOT if credible evidence exists of a nexus between the primary investigative target and a CPOT target, verified associate, or component of the CPOT organization. Disrupted means impeding the normal and effective operation of the targeted organization, as indicated by changes in the organizational leadership and/or changes in methods of operation. Dismantled means destroying the organization's leadership, financial base and supply network such that the organization is incapable of reconstituting itself.

Data Collection and Storage: For this measure, OCDETF reviews all of the cases worked by FBI and DEA. When there are cases that both agencies work, they are counted as one case in the consolidated numbers reported. This procedure is in place to prevent double counting in Department-level reports.

Investigations may be linked to a CPOT organization at any time during the investigation. Once the link is verified, a specific code or other identifier is assigned to the investigation. Accordingly, data on this performance measure may lag behind actual identification of the link by the investigative agency. The investigation is tracked as "CPOT-linked" by the agency and within the OCDETF management information system.

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

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

Data Limitations: Investigations of CPOT-level organizations are complex and time-consuming, and the impact of disrupting/dismantling such a network may not be apparent immediately. In fact, data may lag behind enforcement activity. For example, a CPOT-linked organization may be disrupted in one FY and subsequently dismantled in a later year when law enforcement permanently destroys the organization's ability to operate.

FY 2012 Outcome Goal: Neutralize a cumulative total of 78 high-impact Internet fraud targets (FY 2007-2012)
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Internet fraud is any scam that uses one or more components of the Internet to present fraudulent solicitations to prospective victims, conduct fraudulent transactions, or transmit the proceeds of fraud to financial institutions or others that are connected with the scheme. Identity theft and Internet auction fraud are problems that plague millions of U.S. victims, and the threat of illegitimate online pharmacies exposes the American public to unregulated and dangerous drugs.

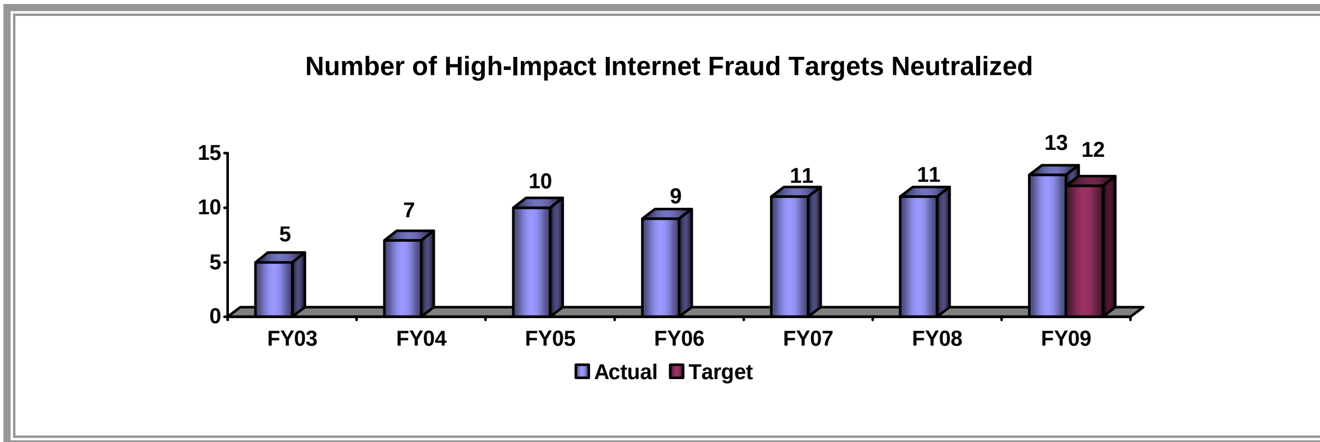
The FBI and National White-Collar Crime Center partnered in May 2000 to support the Internet Crime Complaint Center (IC3). For victims of Internet crime, IC3 provides a convenient way to alert authorities of a suspected violation. For law enforcement and regulatory agencies, IC3 offers a central repository for complaints related to Internet crime, uses the information to quantify patterns, and provides timely statistical data of current trends. In addition, the FBI uses synchronized, nation-wide takedowns (i.e., arrests, seizures, search warrants, and indictments) to target the most significant perpetrators of on-line schemes.

Performance Measure: Number of High-Impact Internet Fraud Targets Neutralized
FY 2009 Target: 12
FY 2009 Actual: 13

Discussion of FY 2009 Results: The FBI exceeded its target for this measure in FY 2009. Two notable cases of Internet fraud follow.

A scam involving sales of undelivered vehicles for a combined loss of approximately $2.5 million originated in Romania, with many operatives working out of the Las Vegas area. After an investigation by the FBI's Las Vegas office, four subjects have been convicted in relation to this crime, two in federal court and two in state court.

Following an investigation by the FBI's Milwaukee office, a woman pled guilty to four charges of wire fraud after it was discovered that she fraudulently convinced at least four different families that she was pregnant and wanted each family to adopt the unborn child. In each case, she later told the family the baby had died or the father would not agree to the adoption.



Data Definition: Case data are reviewed by IC3 staff to determine if investigative targets meet certain criteria for being counted as "high impact: "Total loss amount greater than $100,000; Internal nexus; White Collar Crime-related fraud; Money Laundering Scheme, and Pharmaceutical Fraud; "Phishing" Attack/Identity Theft;

High volume of victims. The IC3 evaluates and tracks the progress of investigations meeting these criteria throughout the year.

Data Collection and Storage: The data source is a record system maintained by the IC3. The list of targets is updated each year.

Data Validation and Verification: Targets are determined by subject matter expert teams at the IC3 and approved by the Unit Chief. IC3 staff maintains the list and determines when a target has been the subject of a take-down.

Data Limitations: There are no requirements for the IC3 to receive feedback from FBI field offices or state and local law enforcement regarding neutralizations that were a result of IC3 case referrals. Due to this lack of feedback, the IC3 may underreport the number of neutralizations.

FY 2012 Outcome Goal: Dismantle a cumulative total of 745 criminal enterprises engaging in white-collar crime (FY 2007-2012)
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Through the White-Collar Crime (WCC) Program, the FBI investigates criminals and criminal enterprises that seek illicit gains through fraud and guile. Illegal activities investigated include corporate, health care, securities and commodities, financial institution, mortgage, government (defense procurement and other areas), insurance, mass marketing, and bankruptcy fraud; environmental crimes; and money laundering.

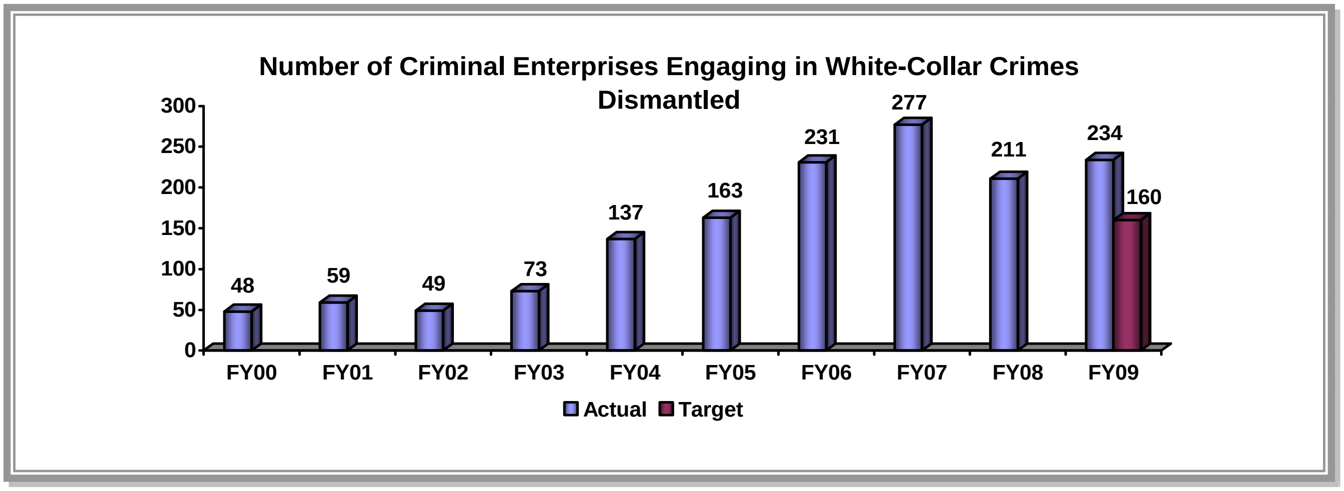
U.S. citizens and businesses lose billions of dollars each year to criminals engaged in non-violent fraudulent enterprises. The globalization of economic and financial systems, technological advances, declining corporate and individual ethics, and the sophistication of criminal organizations have resulted in annual increases in the number of illegal acts characterized by deceit, concealment, or violations of trust. These crimes contribute to a loss of confidence in financial institutions, public institutions, and industry.

Performance Measure: Number of Criminal Enterprises Engaging in White-Collar Crimes Dismantled
FY 2008 Revised Actual: 211 (Previous Actual: 194)
FY 2009 Target: 160
FY 2009 Actual: 234

Discussion of FY 2009 Results: The FBI surpassed its target due to the redirection of investigative resources, supplemented by FY 2009 enhancements, to priority WCC matters in response to an increase in their threat level.

On March 27, 2009, Lance Poulsen, former co-owner and CEO of National Century Financial Enterprises (NCFE), and Rebecca Parrett, former co-owner of NCFE, were sentenced for perpetrating a $2.34 billion investment scheme. In an investigation led by the FBI's Cincinnati office, Poulsen and Parrett were charged with securities, mail, and wire fraud; money laundering, and conspiracy. They were convicted for lying about how investors' funds would be used, diverting the funds, and hiding the shortfall by shuffling the money between subsidiaries' bank accounts. NCFE operated as a holding company buying accounts receivables from health care providers. As a result, this fraud led to bankruptcies of numerous health care providers. Parrett fled following her conviction and her current whereabouts are unknown, but her sentencing will proceed.

As part of a related FBI investigation, Karl Demmler was also sentenced on March 27, 2009, for charges of witness tampering and obstruction of justice for his role in conspiring with Poulsen to influence the testimony of a former NCFE executive and witness. Demmler, on behalf of Poulsen, approached a previously-convicted subject in this case and offered to pay her to alter her testimony against Poulsen.



Data Definition: Dismantlement means destroying the organization's leadership, financial base, and supply network such that the organization is incapable of operating and/or reconstituting itself.

Data Collection and Storage: The data source is the FBI's Integrated Statistical Reporting and Analysis Application (ISRAA) database that tracks accomplishments from inception to closure.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. The data are subsequently verified through the FBI's inspection process. Inspections of ISRAA data occur at least once a year at each FBI Field Office. Using statistical sampling methods, data are traced back to source documents contained in FBI files.

Data Limitations: FBI field personnel are required to enter accomplishment data within 30 days of the accomplishment or a change in the status of an accomplishment, such as those resulting from appeals. Data for this report are compiled less than 30 days after the end of the fiscal year, and thus may not fully represent the accomplishments during the reporting period.

FY 2012 Outcome Goal: Favorably resolve 90% of Criminal Cases (litigating divisions)
FY 2012 Outcome Goal: Favorably resolve 80% of Civil Cases (litigating divisions)
FY 2009 Progress: The Department is on target for the achievement of this long-term goal.

Background/Program Objectives: Representing the rights and interests of the American people is a top priority for the Department of Justice. Among the DOJ components sharing responsibilities to achieve this goal are the U.S. Attorneys, and the Antitrust, Civil, Civil Rights, Criminal, Environment and Natural Resources and Tax Divisions.

There are 94 U.S. Attorney Offices located throughout the United States and its territories. Each U.S. Attorney serves as the chief federal law enforcement officer within his or her judicial district and, as such, is responsible for the prosecution of criminal cases brought by the federal government; the litigation and defense of civil cases in which the United States is a party; the handling of criminal and civil appellate cases before United States Courts of Appeal; and the collection of civil and criminal debts and restitutions owed the federal government which are administratively uncollectable.

Additionally, the Department has litigators that specialize in the areas of: preserving a competitive market structure; defending the public fisc against unwarranted claims; protecting civil rights; enforcing federal civil and criminal statutes; safeguarding the environment; and administrating internal revenue laws.

The Antitrust Division (ATR) promotes and protects the competitive process – and the American economy – through the enforcement of antitrust laws. These laws apply to virtually all industries and to every level of business, including manufacturing, transportation, distribution and marketing.

The Civil Division (CIV) defends challenges to Presidential actions; national security issues; benefit programs; energy policies; commercial issues such as bankruptcy, contract disputes, banking, insurance, patents, fraud, and debt collection; all manner of accident and liability claims; and criminal violations of the immigration and consumer protection laws.

The Civil Rights Division (CRT) enforces federal statutes prohibiting discrimination in education, employment, credit, housing, public accommodations and facilities, voting, and certain federally funded and conducted programs. Additionally, CRT enforces criminal civil rights responsibilities for human trafficking and involuntary servitude statutes, acts of racial, ethnic or religious violence, “color of law” offenses by local and federal law enforcement officials, and conspiracies to interfere with federally protected rights.

The Criminal Division (CRM) develops, enforces, and supervises the application of all federal criminal laws (except those specifically assigned to other divisions). The Division performs four key program activities to fulfill its mission: investigating and prosecuting significant criminal cases and matters; providing expert legal advice and training; providing critical law enforcement tools (i.e., Title III wiretaps); and forging global law enforcement partnerships.

The Environment and Natural Resources Division (ENRD) brings cases against those who violate the nation's civil and criminal pollution-control and wildlife protection laws. Additionally, the Division defends environmental challenges to government programs and activities and represents the U.S. in matters concerning the stewardship of the nation's natural resources and public lands. In addition, the Division litigates cases concerning Indian rights and claims.

And finally, the Tax Division's (TAX) mission is to enforce the nation’s tax laws fully, fairly, and consistently, through both criminal and civil litigation, in order to promote voluntary compliance with the tax laws, maintain public confidence in the integrity of the tax system, and promote the sound development of the law.

Performance Measure: Percent of Cases Favorably Resolved

Revised FY 2008 Actual:

Criminal: 92% (Previous Actual: 90%)

Civil: 79% (Previous Actual: 80%)

FY 2009 Target:

Criminal Cases: 90%

Civil Cases: 80 %

FY 2009 Actual:

Criminal Cases: 92%

Civil Cases: 83%

Discussion of FY 2009 Results: The Department exceeded its target for this performance measure. The following are highlights of the accomplishments achieved by relevant components in FY 2009.

The collaboration of the U.S. Attorney Offices (USAOs) with each of the FBI's Mortgage Fraud Task Forces and Working Groups, the targeted mortgage fraud training provided at the National Advocacy Center, and the enhanced ability to track mortgage fraud prosecutions resulted in significant accomplishments. For example, in the District of New Jersey in June 2009, the former president and director of U.S. Mortgage Corporation, Michael McGrath, pleaded guilty to mail and wire fraud and money laundering charges in connection with a $139 million fraud scheme that bankrupted U.S. Mortgage Corporation and its subsidiary, CU National Mortgage Corporation, LLC. McGrath conspired to fraudulently sell loans belonging to various credit unions and use the proceeds to fund U.S. Mortgage's operations and his personnel investments. The scheme started with the diversion of funds that should have been paid to various credit unions for mortgage loans they had made and authorized CU National to sell to Fannie Mae. McGrath withheld these funds to help U.S. Mortgage address cash flow problems caused by losing investments in mortgage-backed securities he had made on the company's behalf. When U.S. Mortgage's financial conditions deteriorated, he sold hundreds of loans to Fannie Mae without the knowledge and consent of the credit unions that owned the loans. To accomplish the fraudulent loans, he executed documents assigning the loans from the credit unions to U.S. Mortgage in which he pretended to be an officer of the credit unions in question. He also caused subordinates at U.S. Mortgage to execute documents purporting to assign the loans from U.S. Mortgage to Fannie Mae. The scheme netted $139 million.

The USAOs in the Districts of Massachusetts, Pennsylvania Eastern and Kentucky Eastern reached a global criminal and civil resolution with the drug manufacturer, Pfizer, for a record sum of $2.3 billion. Of this sum, Pfizer will pay $1.0 billion to resolve civil allegations that the company illegally promoted the drugs Bextra, Geodon, Zyvox, and Lyrica for uses not approved by the Food and Drug Administration. It also will resolve allegations that Pfizer paid kickbacks in connection with its marketing of Aricept, Celebrex, Lipitor, Norvasc, Relpax, Viagra, Zithromax, Zoloft, and Zyrtec. Pfizer's illegal conduct caused federal health care programs to pay hundreds of millions of dollars for drugs and uses that were not otherwise covered by those programs. Moreover, the off-label conduct as to some of these drugs raised significant patient safety concerns. Bextra was withdrawn from the market after studies confirmed an increased cardio-vascular risk in certain types of patients – uses for which Pfizer had marketed the drug. Bextra was approved by the Food and Drug Administration for the relief of pain associated with arthritis and primary dysmenorrhea (menstrual cramps). From 2002 through April 2005, Pfizer used false and misleading claims of safety and efficacy to promote Bextra for unapproved uses and for dosages above the approved level. The unapproved uses included the use of Bextra for acute pain and pre- and post-operative pain. The criminal fine will be $1.195 billion and there will be a criminal forfeiture of $105 million.

The Criminal Division prosecuted and achieved favorable dispositions in FY 2009 in cases covering a wide range of complex case law. Examples of this work include the successful prosecution of Lloyds TSB Bank for falsifying wire transfers (resulting in a deferred prosecution agreement and forfeiture totaling $350 million);

the sentencing of four MS-13 gang members to more than 90 years in prison (combined) for pleading guilty to racketeering charges; and the largest ever identity theft and hacking prosecution, involving the conviction of Albert Gonzalez and his accomplices for the theft of more than 40 million credit and debit card numbers, and the resulting identity thefts.

The Antitrust Division assessed over $1 billion in criminal fines in FY 2009 against antitrust violators. The Division's investigations into the liquid crystal display panel and air transportation industries yielded significant fines which help to fund the Department's Crime Victims Fund. In addition, the Division launched an Economic Recovery Initiative to provide nationwide training and public outreach to ensure successful results from the implementation of the American Recovery and Reinvestment Act of 2009. On the civil side, the Division was successful in protecting competition and U.S. consumers by challenging proposed mergers and agreements in areas as diverse as financial services, web advertising, beef packing, and real estate brokerages.

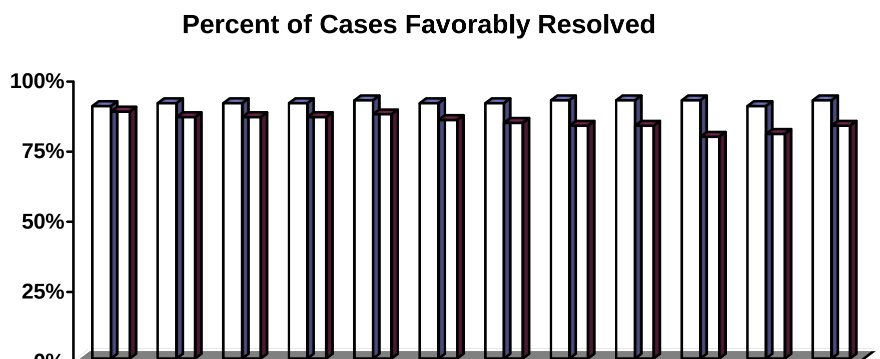
The Civil Division exceeded its target by defeating billions of dollars in unmeritorious claims, in addition to the successful defense of suits filed against the government as a result of the government's policies, laws, and involvement in commercial activities, domestic and foreign operations and entitlement programs, as well as law enforcement initiatives, military actions, and counterterrorism efforts. The Division also pursued affirmative litigation, bringing suits on behalf of the United States, which resulted in the return of over a billion dollars to the Treasury, Medicare, and other entitlement programs.

The Civil Rights Division had a productive year enforcing the nation's civil rights statutes. The Division had an overall civil enforcement success rate of 100% (excluding appeals) and a success rate of almost 90% in its criminal prosecutions, one of the highest conviction rates ever recorded for the Division. During fiscal year 2009, the Criminal Section filed the third largest number of federal civil rights cases ever in a single year history of the Division (93 cases). The Employment Litigation Section also had a record year, filing 35 suits, the largest number of suits filed during any prior fiscal year. The Housing and Civil Enforcement Section also had a record year, filing 45 cases, including 24 pattern and practice cases, which is the highest number of cases filed since FY 2002. The Disability Rights Section achieved favorable results for persons with disabilities in 325 cases and matters, including 51 formal settlement agreements, 67 informal resolutions of complaints, 205 successful mediations, and two favorable court decisions. The Section also achieved a precedent-setting settlement agreement with the City of Philadelphia, Pennsylvania, that will give people with mobility disabilities greater opportunity to vote in person at the City's 1,200 polling places, rather than voting by alternative ballot because of inaccessible polling places. The Special Litigation Section maintained over 100 active cases and pattern or practice investigations regarding more than 200 facilities.

The Environment and Natural Resources Division made significant progress in addressing air pollution from oil refineries. Specifically, as a result of a Clean Air Act settlement achieved in U.S. v. BP Exploration & Oil Co., et al; No. 96-CV-095RL (N.D. Ind.), which resulted from the company's non-compliance with a 2001 consent decree, BP Products agreed to spend more than $161 million on pollution controls, enhanced maintenance and monitoring, and improved internal management practices to resolve violations at the company's Texas City, Texas, refinery. This imposition was levied on top of a $12 million civil penalty payable to the U.S. Treasury. As a result of the injunctive relief achieved in this case, BP is required to upgrade pollution control equipment and manufacturing processes used to handle benzene and benzene-containing wastes generated during petroleum refining operations and conduct in-depth audits to ensure compliance and minimize the amount of wastes generated at the refinery. It is estimated that these actions will reduce emissions of benzene and other volatile organic compounds by approximately 6,000 pounds annually. The settlement also requires that BP limit emissions of stratospheric ozone-depleting hydrochlorofluorocarbons (HCFCs) from leaking cooling appliances. BP will eliminate approximately 51,000 pounds of HCFCs by retrofitting industrial and commercial cooling appliances at Texas City to use non-ozone-depleting refrigerants. The company also agreed to improve its oversight and management of asbestos-containing wastes generated during routine renovation and demolition activities at the Texas City refinery. Finally, as part of the settlement, the company will spend an additional $6 million to reduce air pollution from diesel vehicle emissions in Texas City and the surrounding area. BP will convert approximately 100 diesel municipal vehicles, including several dozen school buses, to operate on compressed or liquefied natural gas and will construct four refueling stations for the converted vehicles. As a result, emissions of particulate matter, nitrogen oxides and hydrocarbons from these vehicles will be substantially reduced.

The Tax Division achieved unprecedented results in its efforts to obtain information about, and prosecute where appropriate, those U.S. taxpayers who elected to hide their income and assets offshore. In February 2009, UBS AG, Switzerland's largest bank, entered into a groundbreaking deferred prosecution agreement (DPA) admitting guilt on charges of conspiring to defraud the United States by impeding the IRS. As part of the agreement, UBS agreed to immediately provide the United States with the identities of, and account information for, certain United States customers of UBS' cross-border business. Also as part of the agreement, UBS will expeditiously exit the business of providing banking services to United States customers with undeclared accounts and will pay $780 million in fines, penalties, interest, and restitution. That agreement has so far led to the prosecution of five U.S. persons, two Swiss bankers and a Swiss lawyer, with many more prosecutions in the offing.

Following immediately on the heels of the DPA, the Tax Division brought a civil John Doe summons action against UBS, seeking yet more U.S. taxpayer names. After approximately six months, the United States, UBS, and the Swiss government entered into an historic agreement that has put a large chink in the armor of Swiss bank secrecy. Under the settlement, the IRS is to receive account information of thousands of the most significant tax cheats among the U.S. taxpayers who maintain undeclared Swiss bank accounts – bank accounts having an aggregate deposit value of over $14 billion.



	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09 Tgt.	FY09 Act.
Criminal	90%	91%	91%	91%	92%	91%	91%	92%	92%	92%	90%	92%
Civil	88%	86%	86%	86%	87%	85%	84%	83%	83%	79%	80%	83%

Criminal Civil

Data Definition: Cases favorably resolved include those cases that resulted in court judgments favorable to the government, as well as settlements. For merger cases, favorably resolved data includes: abandoned mergers, mergers "fixed," or mergers with consent decrees. Non-merger cases favorably resolved also includes instances where practices changed after the investigation and complaints filed with consent decrees. The data set includes non-appellate cases closed during the fiscal year.

Data Collection and Storage: Data are currently captured within each component's automated case management system and companion interface systems. Representatives from each component providing data for this measure were participating in a working group to build a litigation case management system (LCMS) to collect and manage case information, however, this group has been on a temporary hiatus since January 2008. Until LCMS is implemented, the following information about this measure should be noted. Currently, cases worked on by more than one component are included in the totals from CRM, CRT, ENRD, and EOUSA. Also, the court's disposition date is used for reporting purposes for ATR, CIV, CRM, CRT, and

ENRD; however, EOUSA and TAX use the date it is entered into their current case management system. Additionally, CIV counts at the party level; CRM, ENRD, and EOUSA count cases at the defendant level; CRT and TAX count Civil and Criminal cases. Lastly, ATR includes Criminal, Civil Merger, and Civil Non-Merger; ENRD includes affirmative, defensive, criminal, and condemnation cases in their totals. Once LCMS is fully implemented, all components will be using the same procedures for reporting.

Data Validation and Verification: Each component implements their individual methodology for verifying data; however, in general, case listings and reports are reviewed by attorney managers for data completeness and accuracy on a routine basis. Batch data analysis and ad hoc reviews are also conducted.

Data Limitations: Data quality suffers from the lack of a single DOJ case management system and a standardized methodology for capturing case related data. Due to the inherent variances in data collection and management, cases may refer to cases or individuals. In addition, due to reporting lags, case closures for any given year may be under or over-reported. To remedy these issues, the Department is developing a LCMS to standardize methodologies between the components and capture and store data in a single database. Further, Criminal Division data for FYs 1999 through 2002 are estimates. Actual data are not available due to technical and policy improvements that were not implemented until FY 2003. Lastly, EOUSA data does not include information for the month of September 2005 for the Eastern District of Louisiana due to Hurricane Katrina.

FY 2012 Outcome Goal: Return 58% of assets/funds to creditors in Chapter 7 cases
FY 2012 Outcome Goal: Return 85% of assets/funds to creditors in Chapter 13 cases
FY 2008 Progress: Although the Department missed its Chapter 13 target, the Department is on track to achieve both long-term goals.

Background/Program Objectives: The U.S. Trustee Program (USTP) was established nationwide (except in North Carolina and Alabama) in 1986 to separate the administrative functions from the judicial responsibilities of the bankruptcy courts and to bring accountability to the bankruptcy system. The USTP acts as the "watchdog" of the bankruptcy system and ensures that parties comply with the law and that bankruptcy estate assets are properly handled. The USTP appoints Trustees who serve as fiduciaries for bankruptcy estates and administer cases filed under Chapter 7 and Chapter 13. The U.S. Trustee regulates and monitors the activities of these private trustees and ensures their compliance with fiduciary standards. To promote the effectiveness of the bankruptcy system and maximize the return to creditors, the Department targets and reports the percent of assets/funds returned to creditors.

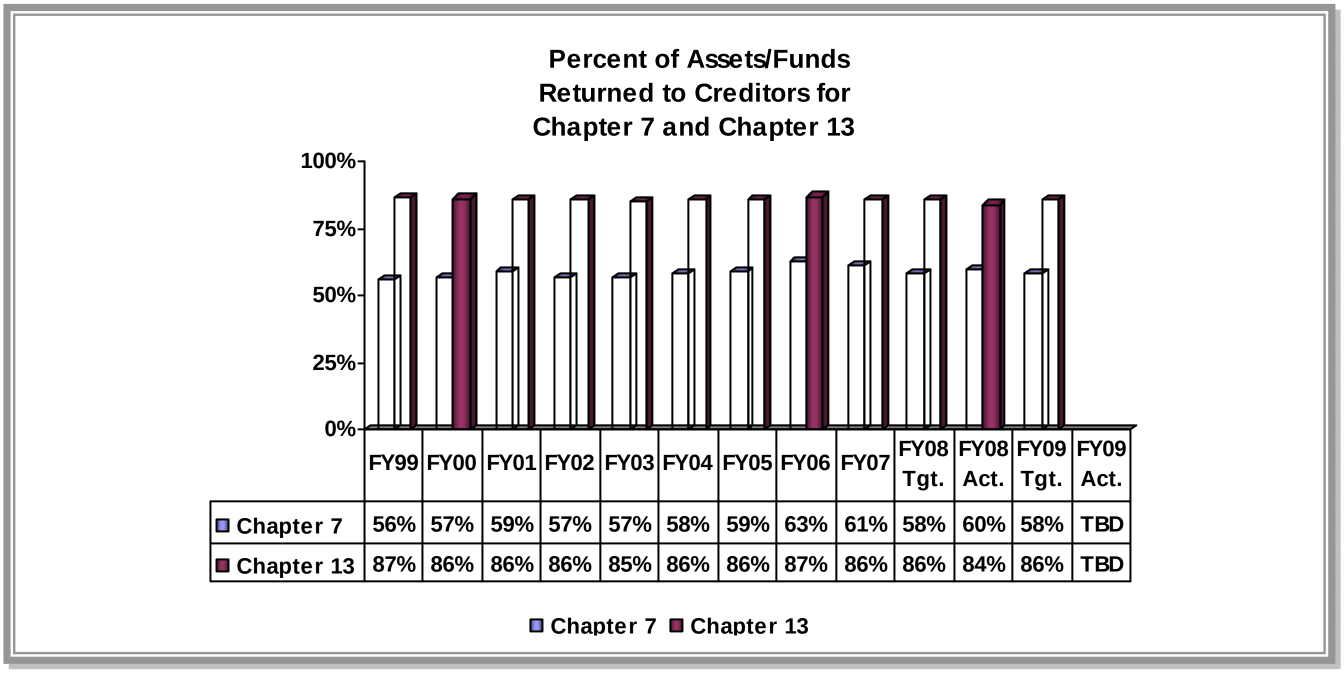
Performance Measure: Percent of Assets/Funds Returned to Creditors for Chapter 7 and Chapter 13

FY 2008 Target: Chapter 7: 58%
Chapter 13: 86%
FY 2008 Actual: Chapter 7: 60%
Chapter 13: 84%
FY 2009 Target: Chapter 7: 58%
Chapter 13: 86 %
FY 2009 Actual: Data will not be available until FY 2010 because of the need to audit data submitted by private trustees prior to reporting.

Discussion of FY 2008 Results: The USTP utilizes a comprehensive process that ensures that cases filed each year are effectively and efficiently moved through the bankruptcy system. This includes following up on deficiencies, monitoring case age and ensuring that old cases are closed promptly, ensuring that assets are identified and distributed in a timely manner and that action is initiated quickly when private trustees fail to comply with their obligations. In FY 2009, the USTP's civil enforcement efforts resulted in almost $1.1 billion in potential additional returns to creditors.

The USTP's goal is to return to creditors the maximum amount possible, recognizing that certain legitimate expenses must be paid, and that returning 100 percent of assets will never be possible. Funds not distributed may include private trustee compensation, professional fees and costs associated with administering the bankruptcy case. These costs directly impact the amount of assets that are available to be returned.

The USTP periodically reviews and reevaluates its performance targets and the Program's efforts toward reaching them. Beginning in FY 2008, the percentage of assets returned to creditors for Chapter 13 bankruptcy filings was increased to 86% to reflect a more aggressive target. The actual percentage of funds returned during FY 2008 was 84%. A detailed analysis revealed that the lower percentage of assets returned is primarily due to a decrease in total disbursements while administrative costs and debtor attorney fees increased as a percentage of total disbursements.



	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08 Tgt.	FY08 Act.	FY09 Tgt.	FY09 Act.
Chapter 7	56%	57%	59%	57%	57%	58%	59%	63%	61%	58%	60%	58%	TBD
Chapter 13	87%	86%	86%	86%	85%	86%	86%	87%	86%	86%	84%	86%	TBD

Data Definition: Chapter 7 bankruptcy proceedings are those where assets that are not exempt from creditors are collected and liquidated (reduced to money). Chapter 7 percentages are calculated by dividing the disbursements to secured creditors, priority creditors, and unsecured creditors by the total disbursements for the fiscal year. In Chapter 13 cases, debtors repay all or a portion of their debts over a three to five year period. Chapter 13 percentages are based on the Chapter 13 audited annual reports by dividing the disbursements to creditors by the total Chapter 13 disbursements.

Data Collection and Storage: The data are collected on an annual or semi-annual basis. For Chapter 7 cases, the USTP receives trustee distributions reports as part of the Final Account on each Chapter 7 case closed during the year. The Chapter 7 data are aggregated on a nationwide basis and reported twice a year in January and July. Chapter 13 data are gathered from the standing Chapter 13 trustees' annual reports on a fiscal year basis.

Data Validation and Verification: Data on these annual reports are self-reported by the trustees. However, each trustee must sign the reports certifying their accuracy. In Chapter 7 cases, independent auditors periodically review the annual reports, in addition to the USTP's on-site field examinations. Additionally, USTP Field Office staff review the trustee distribution reports. The Field Office and Executive Office staff performs spot checks on the audited reports to ensure that the coding for the distributions is accurate. They also verify whether there have been any duplicate payments. Finally, the USTP conducts biannual performance reviews for all Chapter 7 trustees. In Chapter 13 cases, independent auditors must audit each report. This indirectly provides an incentive for trustees to accurately report data. In addition, the Executive Office staff reviews the combined distribution spreadsheet to ensure that the amounts stated coincide with what is reported in the audit reports.

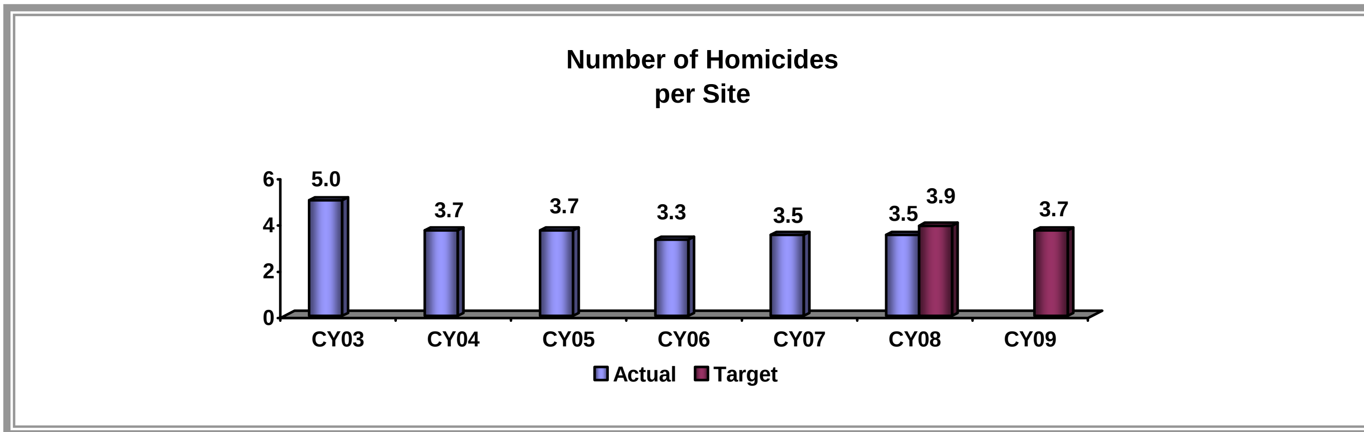
Data Limitations: Out-year performance cannot be accurately projected, as the USTP has no reliable method of calculating the disbursements of future bankruptcy cases. Additionally, data are not available until January (Chapter 7) and April (Chapter 13) following the close of the fiscal year because of the need to audit data submitted by private trustees prior to reporting.

FY 2012 Outcome Goal: Reduce homicides at Weed and Seed Program sites from 4.4 (CY 2005) to a maximum of 4.0 per Weed and Seed site by 2012
FY 2008 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The Office of Justice Programs' Community Capacity Development Office (CCDO) administers the Weed and Seed program. The Weed and Seed program strategy is to assist communities in establishing strategies that link federal, state, and local law enforcement and criminal justice efforts with private sector and community efforts. It assists communities in "weeding out" violent crime, gang activity, drug use, and drug trafficking in targeted neighborhoods and then "seeding" the targeted areas with programs that lead to social and economic rehabilitation and revitalization. In addition to the weeding and seeding aspects of the strategy, the Weed and Seed sites engage in community policing activities that foster proactive police-community engagement and problem solving.

Performance Measure: Reduction in Number of Homicides per Site (funded under the Weed and Seed Program)
CY 2008 Target: Reduction to 3.9 homicides per site
CY 2008 Actual: Reduction to 3.5 homicides per site.
CY 2009 Target: Reduction to 3.7 homicides per site
CY 2009 Actual: Data for this measure are collected on a calendar year basis and will be available in September 2010.

Discussion of Calendar Year (CY) 2008 Results: The target for CY 2008 was to reduce the average number of homicides per site to 3.9. In CY 2008 there was an average of 3.5 homicides per site, which is better than the target by 10.3 percent. The Weed and Seed program is successful because it develops a strategy tailored individually for each site to target all of the factors that affect a high crime area. The Weed and Seed program works to develop effective community/police cooperation to ensure that the resources and efforts of local police departments and community groups are used more effectively and efficiently.



Data Definition: Although sites may be affected by a range of criminal activities, such as drugs and vandalism, CCDO has selected homicide statistics as the indicator for the severity of a site's crime problem. The number of homicides per site is an average calculated by summing the number of homicides reported for all of the sites and dividing by the number of sites reporting.

Data Collection and Storage: Weed and Seed grantees report performance measure data on an annual basis via OJP's Grants Management System (GMS).

Data Validation and Verification: CCDO validates and verifies performance measure data through site visits and follow-up phone calls conducted by the Justice Research and Statistics Association and CCDO's FBI Fellows. Additionally, homicide statistics reported by jurisdictions are verified against the Uniform Crime Report published annually by the FBI.

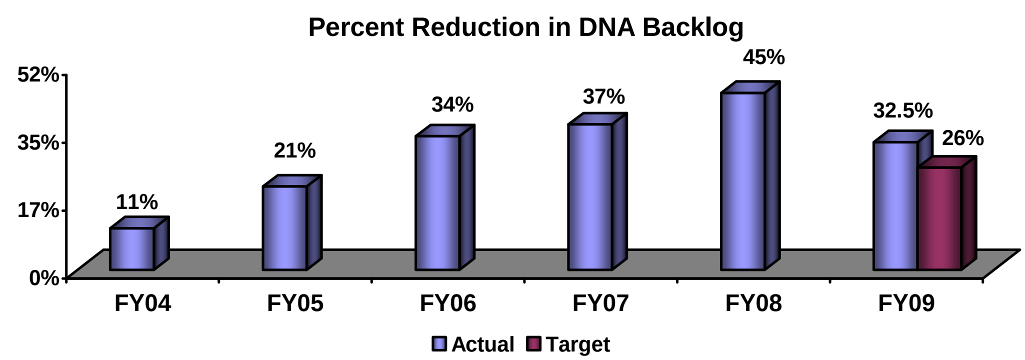
Data Limitations: Data for this performance measure are only reported by calendar year because the same data are reported to the FBI Uniform Crime Reports each calendar year. The data are also not comparable across years because dissimilar sites are added and graduated each year and, due to the small number of sites overall, these changes can greatly affect performance data.

FY 2012 Outcome Goal: Realize a 31% reduction in the Casework DNA backlog by FY 2012.
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The DNA Backlog Reduction program, which is administered by the National Institute of Justice (NIJ), exists to increase the capacity of the nation's public DNA laboratories and to reduce the number of backlogged casework DNA samples awaiting analysis and entry into the Combined DNA Index System (CODIS). CODIS is used to solve past crimes and prevent new crimes from occurring. Reducing the growth of the DNA sample backlog is crucial to the program's success. In the past, funds awarded for analysis of backlogged forensic casework DNA samples were only available for the analysis of violent offense samples (i.e., murder/non-negligent manslaughter and forcible rape); however, for FY 2008 and FY 2009, funds can be used for any criminal DNA case.

Performance Measure: Percent Reduction in DNA Backlog
FY 2009 Target: Casework: 26%
FY 2009 Actual: Casework: 32.5%

Discussion of FY 2009 Results: In FY 2009, NIJ reduced the DNA backlog by 32.5 percent, which exceeded its target of 26 percent. The target was exceeded due to a $14 million increase in funding for the program and a higher number of requests for casework assistance, compared with previous years. Additionally, accurate targets are difficult to set due to the uncertainty of program funding amounts during target setting.



Data Definition: The objective of the DNA Backlog Reduction program is to accelerate the analysis of backlogged DNA casework samples in order to provide CODIS-compatible data for state and national DNA databases, so that law enforcement is provided with critical investigative information in a timely manner. The NIJ computes this measure by calculating the cumulative number of backlogged DNA cases federally-funded for analysis (31,525) and dividing it by the total number of backlogged DNA cases (97,102).

Data Collection and Storage: Data for this measure are collected by the program manager and are maintained in office files.

Data Validation and Verification: The number of cases funded for analysis in FY 2009 is computed from applications submitted by grantees to the FY 2009 DNA Backlog Reduction Program.

Data Limitations: None known at this time.

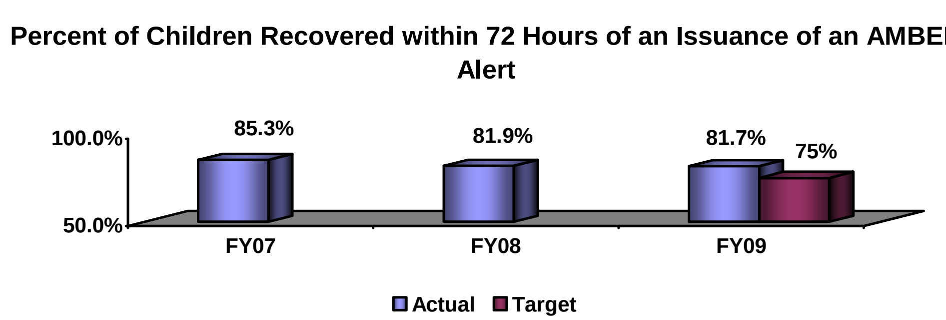
FY 2012 Outcome Goal: Continue to ensure a 75% or greater recovery rate in the number of children recovered within 72 hours of the issuance of an AMBER alert through FY 2012
FY 2009 Progress: The Department is on target to achieve this long-term goal.

***Background/Program Objectives*:** It is critical to post and resolve AMBER Alerts as soon as possible because research shows that abductors who murder children are most likely to do so within four hours following the abduction. OJP's AMBER Alert Program, which is administered by the Office of Juvenile Justice and Delinquency (OJJDP), supports training and technical assistance for state and regional AMBER Alert teams to encourage them to use the best practices. At the end of 2001, there were only four statewide AMBER Alert plans; now all 50 states and twelve Indian tribes have plans in place. The AMBER Alert program's strategy focuses on: (1) strengthening the existing AMBER Alert system; (2) expanding the scope of the AMBER Alert program; and (3) enhancing communication and coordination.

Performance Measure: Percent of Children Recovered within 72 Hours of an Issuance of an AMBER Alert
FY 2009 Target: 75%
FY 2009 Actual: 81.7%

Discussion of FY 2009 Results: The total recovery rate within 72 hours of the issuance of an AMBER Alert was 81.7 percent for FY 2009. This result exceeds the target of 75 percent by 6.7 percent. This is attributable to better coordination and training; increased public awareness of the AMBER program; technological advances; and greater cooperation among law enforcement, transportation officials, and broadcasters. Additionally, in FY 2009, the AMBER Alert Program completed a number of activities. The following are actual results for the National Center for Missing & Exploited Children (NCMEC)-tracked accomplishments:

- Number of participants provided AMBER Alert training: 2,002
- Number of requestors provided technical assistance: 3,500



Data Definition: Recovery rate is determined by comparing the total number of AMBER Alerts cancelled within 72 hours of issuance because the subject child/children are recovered divided by the total number of children involved in AMBER Alerts issued multiplied by 100. The result is expressed as a percentage.

Data Collection and Storage: Data are collected by the NCMEC from law enforcement and the National Crime Information Center database. This database stores the child's name and other critical data elements.

Data Validation and Verification: Data for this measure are validated and verified through a review of progress reports submitted by grantees, telephone contact, and monitoring.

Data Limitations: None known at this time.

III STRATEGIC GOAL 3: Ensure the Fair and Efficient Administration of Justice

38% of the Department's Net Costs support this Goal.

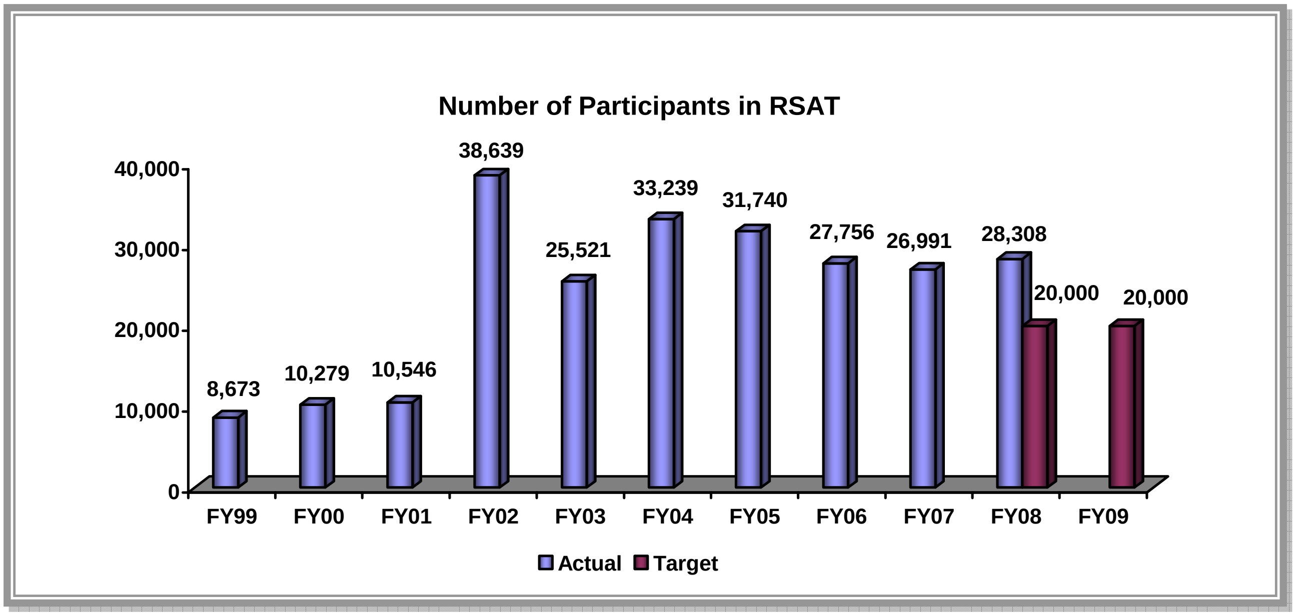
An integral role of the Department of Justice is to help in the administration of our federal justice system. To ensure the goal of the fair and efficient operation of our federal system, the Department must provide for a proper federal court proceeding by protecting judges, witnesses, and other participants in federal proceedings; ensure the appearance of criminal defendants for judicial proceedings or confinement; and ensure the apprehension of fugitives from justice. The Department also provides safe, secure, and humane confinement of defendants awaiting trial or sentencing and those convicted and sentenced to prison. In order to improve our society and reduce the burden on our justice system, the Department provides services and programs to facilitate inmates' successful reintegration into society, consistent with community expectations and standards. The Department strives to adjudicate all immigration cases promptly and impartially in accordance with due process. Additionally, the Department works to promote and strengthen innovative strategies in the administration of state and local justice systems and uphold the rights and improve services to victims of crime.

Revised FY 2012 Outcome Goal: 11,200 offenders remain arrest free 1 year following release from aftercare (FY 2007-2012)
FY 2008 Progress: The Department is on target to achieve this long-term goal.
Note: FY 2012 Outcome Goal was revised to agree with the long-term goal negotiated between OMB and the Department. In FY 2010, the Department will publish a new Strategic Plan (2010-2015) which will include a new set of outcome goals and performance measures. This goal and the following performance measure will be replaced.

***Background/Program Objectives*:** Residential Substance Abuse Treatment (RSAT) Program formula grant funds are used to implement four types of programs: 1) residential substance abuse treatment programs that provide individual and group treatment activities for offenders in residential facilities operated by state correctional agencies; 2) jail-based substance abuse programs that provide individual and group treatment activities for offenders in jails and local correctional facilities; 3) post-release treatment components that provide treatment following inmates' release from custody; and 4) aftercare components that require states to give preference to subgrant applicants that provide aftercare services to program participants. For all programs, at least 10 percent of the total state allocation is made available to local correctional and detention facilities for either residential substance abuse treatment programs or jail-based substance abuse treatment programs.

***Performance Measure*:** Number of Participants in RSAT
2008 Target: 20,000
2008 Actual: 28,308
2009 Target: 20,000
2009 Actual: Data for this measure is collected on a calendar year basis and will be available in September 2010

Discussion of 2008 Results: There were 28,308 participants in the RSAT program for CY 2008, exceeding the target by 42 percent. There are many contributing factors that determine the amount of people who complete the RSAT program, including eligible offenders, available staff and treatment providers, security issues, and the state's ability to provide the required 25 percent matching funds.



Data Definitions: The number of RSAT Program participants is the count of program participants during the reporting period. The number of participants is collected from grantees.

Data Collection and Storage: Program managers obtain data from reports submitted by grantees, telephone contacts, and on-site monitoring of grantee performance.

Data Validation and Verification: Data are validated and verified through program managers' desk reviews of grantee support documentation and on-site grant monitoring.

Data Limitations: RSAT data are collected and reported by the grantee's fiscal year, which differs between grantees (i.e., some grantees use the calendar year, some use the state fiscal year end date of June 30, and some use the federal fiscal year with an end date of September 30). Data is reported for a single consecutive 12-month period.

FY 2012 Outcome Goal: Increase the graduation rate of drug court participants from 21% (FY2005) to 32% by FY 2012
2009 Progress: Although the Department missed its FY 2009 target, the Department is on track to achieve this long-term goal.

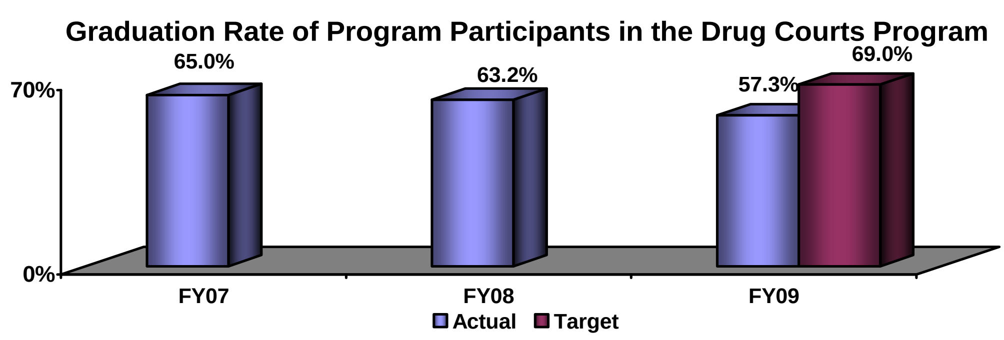
Background/Program Objectives: OJP's Drug Court Program is administered by the Bureau of Justice Assistance (BJA) and the Office of Juvenile Justice and Delinquency Prevention (OJJDP). The Drug Court Program was established in 1995 to provide financial and technical assistance to states, state courts, local courts, units of local government, and tribal governments in order to establish drug treatment courts. Drug courts employ an integrated mix of treatment, drug testing, incentives, and sanctions to break the cycle of substance abuse and crime. Since 1989, more than 1,000 jurisdictions have established or are planning to establish a drug court. Currently, every state either has a drug court or is planning a drug court.

The need for drug treatment services is tremendous and OJP has a long history of providing resources to break the cycle of drugs and violence by reducing the demand, use, and trafficking of illegal drugs. Twenty-seven percent of the 6.1 million people who reported to the 2008 National Crime Victimization Survey that they had been a victim of violence believed that the perpetrator was using drugs, or drugs in combination with alcohol. Further, 54 percent of jail inmates were abusing or dependent on drugs, according to Bureau of Justice Statistics (BJS) 2002 Survey of Inmates in Local Jails. Correspondingly, 53 percent of state inmates, and 45 percent of federal inmates abused or were dependent on drugs in the year before their admission to prison, according to the BJS 2004 Survey of Inmates in State and Federal Correctional Facilities.

Performance Measure: Graduation Rate of Program Participants in the Drug Courts Program (Adult drug court participants only) (see Data Limitations)

2009 Target: 69.0%
2009 Actual: 57.3%

Discussion of 2009 Results: In FY 2009, only 79 percent of Drug Court grantees reported performance measure data while 21 percent did not. OJP is collecting the outstanding data from grantees that have not reported data, including graduation data. This process has been slowed due to efforts associated with the awarding of Recovery Act grants. OJP anticipates collecting all outstanding performance measure data from grantees by the end of first quarter FY 2010 and that those data will increase the percent of drug court graduates.



Data Definitions: The graduation rate is calculated by dividing the number of graduates during the reporting period (numerator) by the total number of drug court participants that exit the drug court program during the reporting period due to graduating or failing to graduate as a result of noncompliance with program requirements (denominator).

Data Collection and Storage: Program managers obtain data from reports submitted by grantees, telephone contact, and on-site monitoring of grantee performance.

Data Validation and Verification: Data are validated and verified through program managers' desk reviews of grantee support documentation and on-site grant monitoring.

Data Limitations: Graduation rates are not reported for years prior to FY 2007 because the formula for calculating the rate was changed that year to make it more accurate. Graduation rates from 2007 forward are calculated by dividing the number of drug court participants that graduate during the reporting period by the total number of drug court participants that exit the drug court program during the reporting period due to graduating or failing to graduate as a result of noncompliance with program requirements. Prior to FY 2007, the formula divided the number of graduates by the total number of drug court participants, regardless of eligibility for graduation and continued program participation and compliance; which resulted in lower graduation rates.

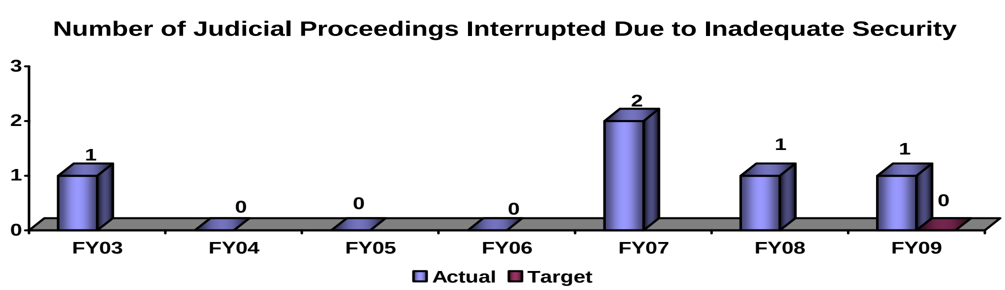
FY 2012 Outcome Goal: Ensure that no judicial proceedings are interrupted due to inadequate security
FY 2009 Progress: The Department missed its target due to one minor disruption to a court proceeding. Because the long-term goal is to ensure that no judicial proceedings are interrupted, there is no room for error. However, the Department remains committed to ensuring that no proceedings are interrupted in the future.

Background/Program Objectives: The U.S. Marshals Service (USMS) maintains the integrity of the federal judicial process by: 1) ensuring that each federal judicial facility is physically safe and free from any intrusion intended to subvert court proceedings; 2) guaranteeing that all federal judges, prosecutors, government witnesses, jurors, and other participants are secure during court proceedings; and 3) maintaining the custody, protection and safety of prisoners brought to court for any type of criminal court proceeding.

Performance Measure: Number of Judicial Proceedings Interrupted Due to Inadequate Security
FY 2009 Target: 0
FY 2009 Actual: 1

Discussion of FY 2009 Results: The USMS did not meet its FY 2009 target of zero interrupted judicial proceedings due to inadequate security. During the first quarter, one incident occurred causing the judge to suspend proceedings while the USMS personnel secured the courtroom. At no time during the incident was the judge or the public in danger.

The USMS is relying on the additional positions requested within its FY 2010 appropriation to increase staffing across operational and administrative areas and meet performance targets.



Data Definition: An "interruption" occurs when a judge is removed as a result of a potentially dangerous incident and/or where proceedings are suspended until the USMS calls on additional deputies to guarantee the safety of the judge, witness, and other participants.

Data Collection and Storage: The USMS uses Weekly Activity Reports and Incident Reports collected at Headquarters as the data source.

Data Validation and Verification: Before data are disseminated via reports, they are checked and verified by the program managers. These reports are collected manually.

Data Limitations: This measure was not tracked or reported until FY 2003.

Revised FY 2012 Outcome Goal: Apprehend or clear 56% or 33,192 primary fugitives
FY 2009 Progress: The Department did not achieve its goal due to a shift of investigative full time equivalents to violent fugitive apprehension, a reduction in misdemeanor cases received, and increased state and local apprehension efforts. USMS is relying on the requested program increases in the FY 2010 budget to meet future performance targets.

Background/Program Objectives: The USMS has maintained its own "15 Most Wanted" fugitives list since 1983. Additionally, the USMS sponsors interagency fugitive task forces throughout the United States, focusing its investigative efforts on fugitives wanted for crimes of violence and drug trafficking.

On the international front, the USMS has become the primary American agency responsible for extraditing fugitives wanted in the United States from foreign countries. The USMS also apprehends fugitives within the United States who are wanted abroad.

The USMS is responsible for assisting other law enforcement agencies with the location and apprehension of non-compliant sex offenders, as well as investigating and charging for violations of the Adam Walsh Child Protection and Safety Act of 2006. A non-compliant sex offender is a sex offender who has failed to comply with his or her sex offender registration requirements.

The USMS provides investigative support such as telephone monitoring, electronic tracking, audio-video recording, and analytical expertise. The USMS maintains its own central law enforcement computer system, the Warrant Information Network (WIN), which is instrumental in maintaining its criminal investigative operations nationwide.

The USMS is able to enhance fugitive investigative efforts through data exchanges with other agencies, such as the Social Security Administration, the DEA, the Department of Agriculture, the Department of Defense, the Department of State, and a variety of state and local task forces around the country.

Performance Measure: Number and Percent of Primary Federal Felony Fugitives Cleared or Apprehended
FY 2009 Target: 33,000 or 55%
FY 2009 Actual: 31,119 or 49%

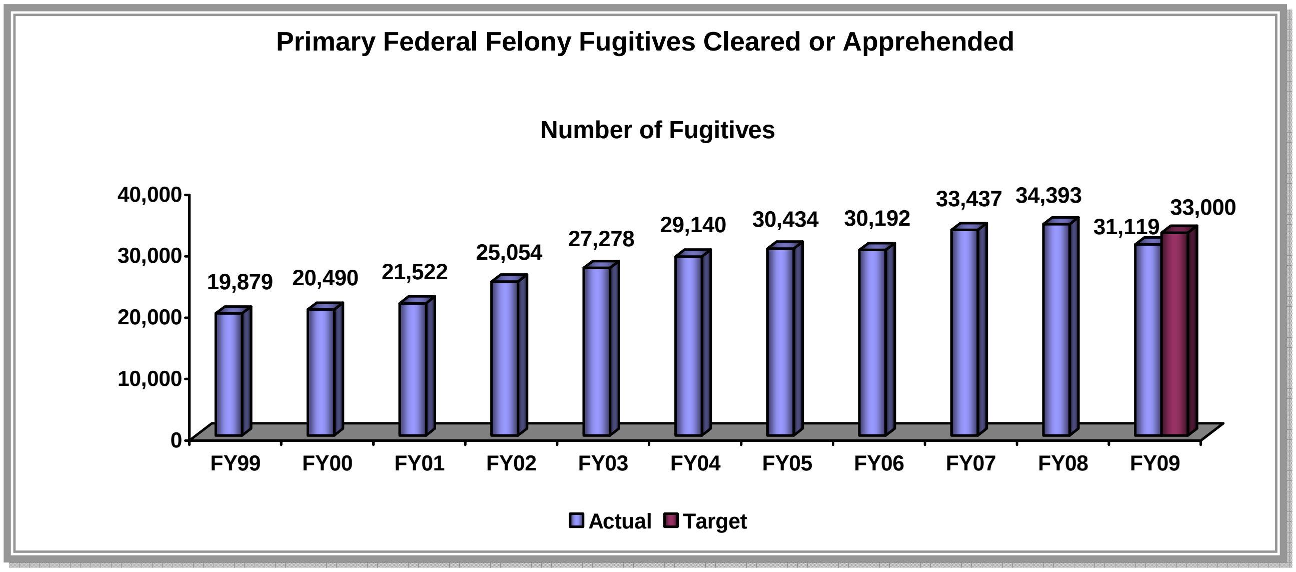
Discussion of FY 2009 Results: The USMS did not achieve its target of 33,000 primary Federal felony fugitives apprehended or cleared. The USMS was unable to meet its total fugitives and percent cleared targets due to: a shift of investigative full time equivalents to violent fugitive apprehension; a reduction in misdemeanor cases received; and increased state and local fugitive apprehension efforts.

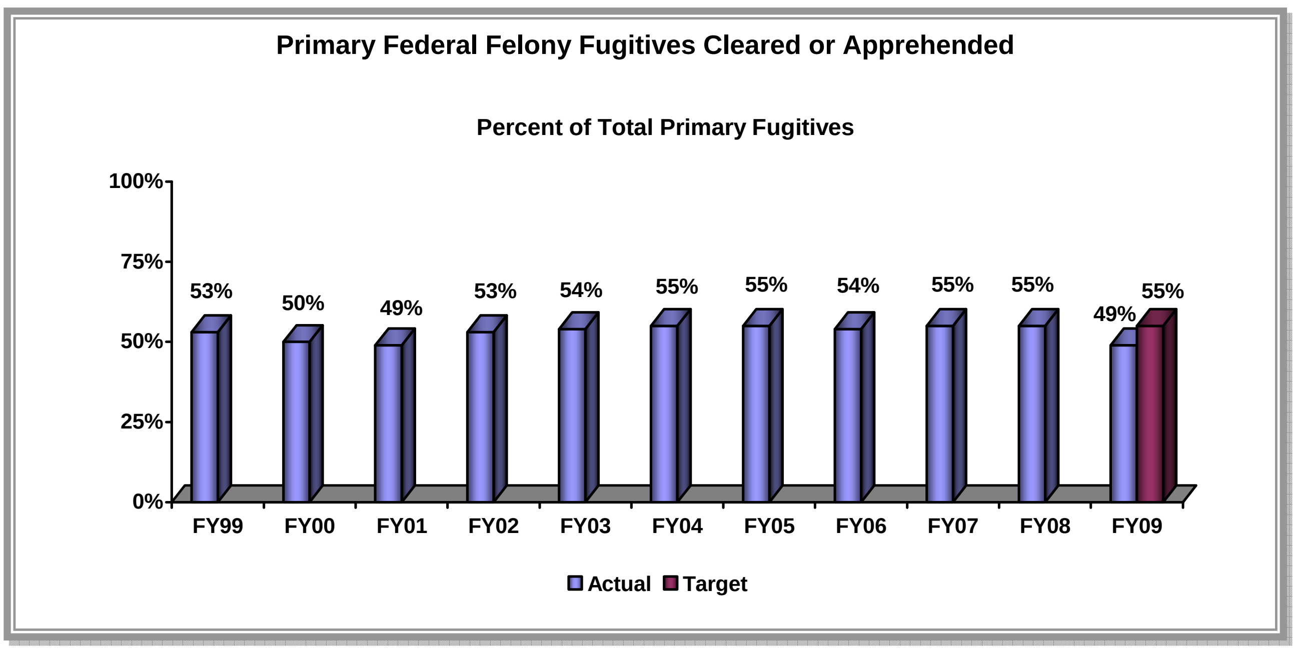
The USMS apprehended or cleared 31,119 primary federal felony fugitives in FY 2009. This resulted in 49 percent of total primary federal felony fugitives apprehended or cleared which is almost half of all warrants on hand or received during FY 2009. Among those arrested, 3,658 were for crimes of homicide, 3,871 were gang members, and 10,019 were sex offenders. In addition, the USMS extradited or deported 874 fugitives in FY 2009.

While the USMS did not reach its 2009 Federal fugitive performance target, it has continued to increase the overall number of fugitives, including state and local, brought to justice. The seven operating Regional Fugitive Task Forces, in addition to the 75 district task forces, are directing their investigative efforts toward reducing the number of violent crimes. These crimes include terrorist activities, organized crime, drugs, and gang violence. The Regional Fugitive Task Forces and District Fugitive Task Forces combined led to the arrest of 90,806 state and local fugitive felons in FY 2009. In addition, through the coordination of federal, state, and local law enforcement agencies (led by the USMS) through Operation FALCON (Federal and Local Cops Organized Nationally) 35,190 arrests were made, nationwide and internationally. The USMS initiated

1,545 federal investigations into the failure of sex offenders to meet their registration requirements. In addition, in FY 2009, the USMS and the DOJ sponsored Operation Big Easy, an intensive 10-week fugitive sweep aimed at cleaning up the streets of New Orleans. Operation Big Easy was a partnership with six state and local law enforcement agencies in the New Orleans metro area, which resulted in the arrest of 432 fugitives and the closure of 650 warrants.

The USMS is relying on the additional positions requested within its FY 2010 appropriation to increase staffing across operational and administrative areas and meet performance targets.





Data Definition: A primary federal felony fugitive has a warrant(s) in which the USMS has primary apprehension responsibility. The USMS has primary jurisdiction to conduct and investigate fugitive matters involving escaped federal prisoners; probation, parole, bond default violators; warrants generated by the DEA referred for USMS investigation; warrants referred by other federal law enforcement agencies; warrants referred by state and local agencies through USMS led district and regional fugitive task forces; and certain other related felony cases. A fugitive is considered cleared or apprehended if the fugitive is arrested, has a detainer issued, or the warrant is dismissed. The percent cleared is calculated by dividing the number of cleared fugitives by the sum of received fugitives (fugitives who had a warrant issued during the fiscal year) and on-hand fugitives (fugitives who had an active warrant at the beginning of the fiscal year).

Data Collection and Storage: Data are maintained in the WIN. WIN data are entered by Deputy U.S. Marshals (DUSMs). Upon receiving a warrant, DUSMs access the National Crime Information Center (NCIC) through WIN to look for previous criminal information. WIN data are stored centrally at USMS headquarters, are accessible to all 94 districts, and are updated as new information is collected.

Data Validation and Verification: Warrant and fugitive data are verified by a random sampling of NCIC records generated by the FBI. The USMS coordinates with district offices to verify that warrants are validated against the signed paper records. The USMS then forwards the validated records back to NCIC.

Data Limitations: These data are accessible to all 94 districts and are updated as new information is collected. There may be a lag in the reporting of data.

Revised FY 2012 Outcome Goal: Hold the average per day jail cost for federal detention at or below inflation.
FY 2009 Progress: The Department narrowly missed its goal in FY 2009 due to slightly higher per diem rates than originally projected. Adjustments to the FY 2010 projections have been made accordingly.

Background/Program Objectives: The mandate of the Office of the Federal Detention Trustee (OFDT) is to manage resource allocations, exercise financial supervision of detention operations, and set government-wide detention policy. OFDT has overall management and responsibility for federal detention services relating to the detention of federal prisoners in the custodial jurisdiction of the USMS.

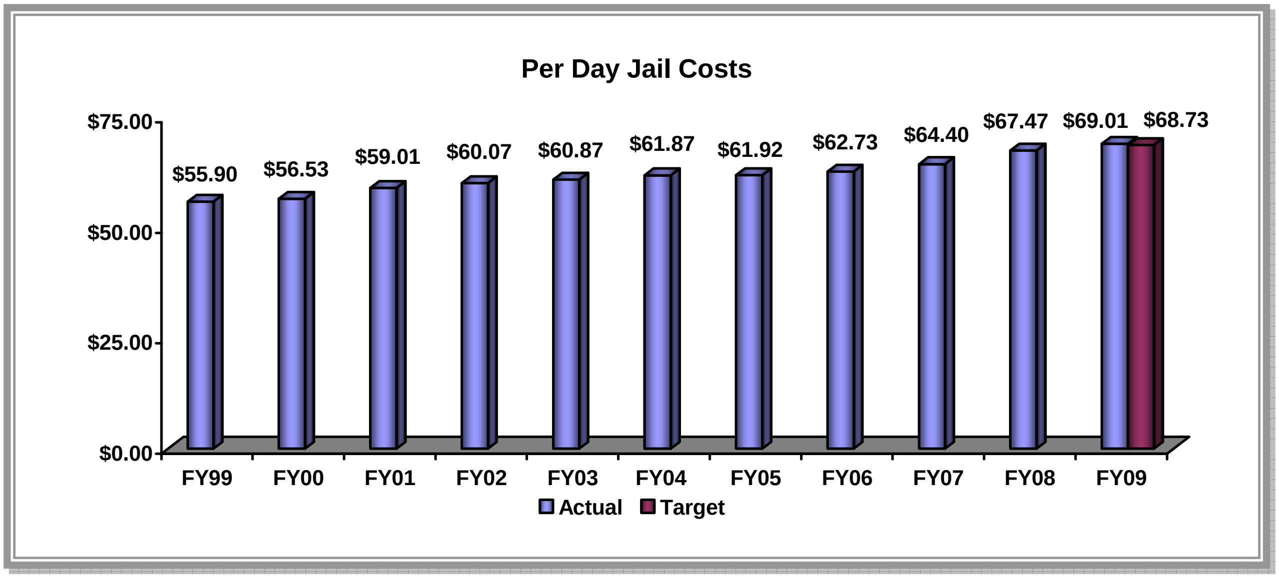
Costs begin at the time a prisoner is brought into USMS custody and extend through termination of the criminal proceeding and/or commitment to the Bureau of Prisons (BOP). Detention bed space for federal detainees is acquired as effectively and efficiently as possible through: (1) federal detention facilities, where the government pays for construction and operation of the facility through the BOP; (2) Intergovernmental Agreements (IGA) with State and local jurisdictions who have excess prison/jail bed capacity and where a daily rate is paid for the use of the bed; and, (3) private jail facilities where a daily rate is paid.

In recent years, DOJ has not been able to rely as much on IGAs and federal facilities to meet the surge in the detention population as State and local governments are increasingly using their facilities for their own detention requirements. With space unavailable in areas where more federal bed-space is needed, DOJ has increasingly turned to the private sector.

Ensuring safe, secure, and humane confinement for federal detainees is critically important. To address the variance between federal; State and local government; and privately owned and managed facilities, the federal Performance-Based Detention Standards were developed. To ensure compliance, federal contract vehicles are written or modified to reflect federal Performance-Based Detention Standards with private contractor performance compensation based on their ability to demonstrate compliance. The comprehensive Quality Assurance Review Program provides various methodologies for assessing a facility's operations to ensure that the safe, secure, and humane confinement criteria are met, as well as addressing Congress' concerns for public safety as it relates to violent prisoners (e.g., Interstate Transportation of Dangerous Criminals Act, also known as Jenna's Act).

Performance Measure: Per Day Jail Costs
FY 2009 Target: $68.73
FY 2009 Actual: $69.01

Discussion of FY 2009 Results: The actual Per Day Jail Costs for FY 2009 exceeded the target by less than half a percent. This was due to slightly higher per diem rates than originally projected. Adjustments to the FY 2010 projections have been made accordingly.



Data Definition: Per Day Jail Cost is actual price paid (over a 12-month period) by the USMS to house federal prisoners in non-federal detention facilities. Average price paid is weighted by actual day usage at individual detention facilities.

Data Collection and Storage: Data describing the actual price charged by State, local, and private detention facility operators is maintained by the USMS in their Prisoner Tracking System (PTS) and it is updated on an as-needed, case-by-case basis when rate changes are implemented. Rate information for specific facilities is maintained by USMS headquarters staff. For those private facilities where OFDT has a direct contract for bed space, the effective per diem is calculated using information obtained from OFDT's Procurement Division. In conjunction with daily reports to OFDT of prisoners housed, OFDT compiles reports describing the price paid for non-federal detention space on a weekly and monthly basis. Data are reported on both district and national levels.

Data Validation and Verification: Data reported to OFDT are validated and verified against monthly reports describing district-level jail utilization and housing costs prepared by the USMS. For direct contracts, contract terms are verified by OFDT Procurement staff.

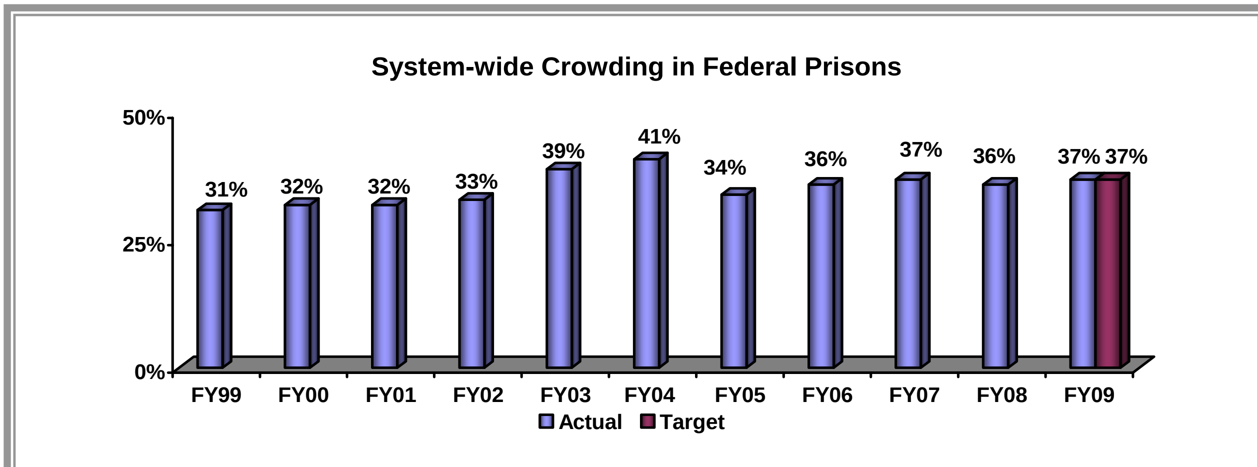
Data Limitations: The only limitation is ensuring that USMS district level input into PTS occurs in a timely and correct manner.

Revised FY 2012 Outcome Goal: Reduce system-wide crowding in federal prisons to 28% by 2012.
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The BOP constantly monitors facility capacity, population growth, and prisoner crowding. As federal inmate population levels are projected to increase and continue to exceed the rated capacity of the BOP, every possible action is being taken to protect the community, while keeping institutional crowding at manageable proportions to ensure that federal inmates continue to serve their sentences in a safe and humane environment.

Performance Measure: System-wide Crowding in Federal Prisons
FY 2009 Target: 37%
FY 2009 Actual: 37%

Discussion of FY 2009 Results: During FY 2009, the total BOP inmate population increased by 7,091. Capacity was added as a result of the activation of two new housing units (Federal Correctional Institution (FCI) Safford, AZ and FCI Otisville, NY) and one new institution (FCI Pollock, LA). By using available contract beds, expanding existing institutions, and adding new capacity, BOP institution crowding remained on target for FY 2009.



Data Definitions: The crowding levels are based on a mathematical ratio of the number of inmates divided by the rated capacity of the institutions at each of the specific security levels. The percent of crowding represents the rate of crowding that is over rated capacity. For example, if an institution had a number of inmates that equaled the rated capacity, this would represent 100% occupancy, which equals 0% crowding. Any occupancy above 100% represents a percentage of crowding. System-wide: represents all inmates in BOP facilities and all rated capacity, including secure and non-secure facilities, low, medium, and high security levels, as well as administrative maximum, detention, medical, holdover, and other special housing unit categories. Minimum security facilities: non-secure facilities that generally house non-violent, low risk offenders with shorter sentences. These facilities have limited or no perimeter security fences or armed posts. Low security facilities: double-fenced perimeters, mostly dormitory housing, and strong work/program components. Medium security facilities: strengthened perimeters, mostly cell-type housing, work and treatment programs and a higher staff-to-inmate ratio than low security facilities. High security facilities: also known as U.S. Penitentiaries, highly secure perimeters, multiple and single cell housing, highest staff-to-inmate ratio, close control of inmate movement.

Data Collection and Storage: Data are gathered from several computer systems. Inmate data are collected on the BOP on-line system (SENTRY). The BOP also utilizes a population forecast model to plan for future contracting and construction requirements to meet capacity needs.

Data Validation and Verification: Subject matter experts review and analyze population and capacity levels daily, both overall and by security level. BOP institutions print a SENTRY report, which provides the count of inmates within every institution cell house. The report further subdivides the cell houses into counting groups, based on the layout of the institution. Using this report, institution staff conducts an official inmate count five times per day to confirm the inmate count within SENTRY. The BOP Capacity Planning Committee (CPC), comprised of top BOP officials, meets bi-monthly to review, verify, and update population projections and capacity needs for the BOP. Offender data are collected regularly from the Administrative Office of the U.S. Courts by the BOP Office of Research and Evaluation in order to project population trends. The CPC reconciles bed space needs and crowding trends to ensure that adequate prison space is maintained, both in federal prisons and in contract care.

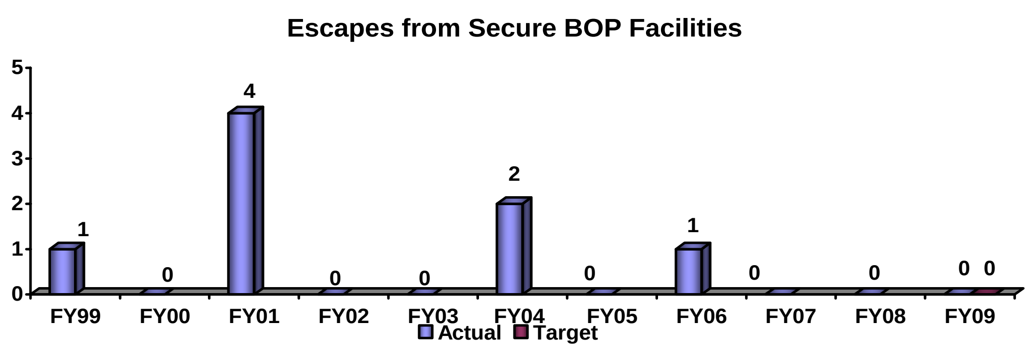
Data Limitations: None known at this time.

Revised FY 2012 Outcome Goal: Ensure that there will be no escapes from secure Bureau of Prison facilities
FY 2009 Progress: The Department is on target to achieve this long-term goal.

***Background/Program Objectives**:* The BOP significantly reduces the possibility of escape with long-term emphasis on security enhancements, physical plant improvements, enhanced training, and increased emphasis on staff supervision of inmates. In the event an escape does occur, the BOP will initiate immediate apprehension activities (escape posts, etc.) within the community, until the outside agency having jurisdiction assumes investigative and apprehension responsibilities.

Performance Measure: Escapes from Secure BOP Facilities
FY 2009 Target: 0
FY 2009 Actual: 0

Discussion of FY 2009 Results: During FY 2009, the BOP had no escapes from secure BOP facilities.



Data Definitions: All BOP institutions are assigned a security classification level based in part on the physical design of each facility. There are four security levels: minimum; low; medium; and high. Additionally, there is an administrative category for institutions that house a variety of specialized populations such as pre-trial, medical, mental health, sex offenders, and U.S. Department of Homeland Security, Immigration and Customs Enforcement (ICE) detainees. Low, medium, and high security levels and administrative institutions are defined as "secure," based on increased security features and type of offenders designated.

Data Collection and Storage: Data for this measure are taken from the Significant Incident Reports (recorded on BOP form 583) submitted by the institution where the incident occurred. The form is submitted to the BOP's Central Office where it is recorded in a log. Copies of the report are also sent to the respective regional office where the information is reviewed. The information from the log is transferred to, and maintained by, the Office of Research and Evaluation, which analyzes the data and makes it available through the Key Indicators Management Information System.

Data Validation and Verification: The most senior managers in the agency conduct annual reviews of institution performance including escapes. Additionally, during Program Reviews (which are conducted at least every three years), annual operational reviews, and Institution Character Profiles (which are conducted every three years), reviews of escapes (including attempts) are conducted, along with other inmate misconduct.

Data Limitations: None known at this time.

Revised FY 2012 Outcome Goal: Comparative recidivism rates for Federal Prison Industry (FPI) inmates: 15% 3 years following release, and 10% 6 years following release
FY 2009 Progress: The Department is on target to achieve this long-term goal.

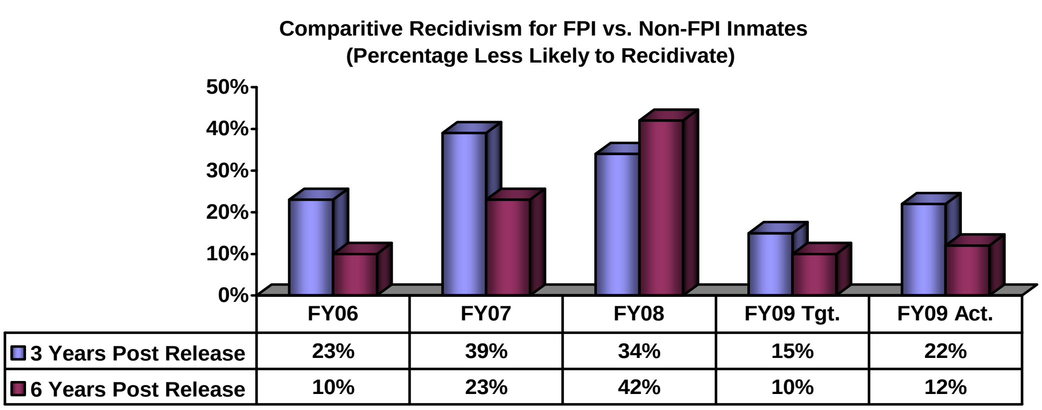
Background/Program Objectives: An objective of FPI is to reduce recidivism by providing job training and helping inmates develop a basic work ethic and marketable skills, thereby allowing them to become productive law-abiding citizens. The finding of the initial performance measurement in FY 2005 was consistent with an earlier well designed evaluation of the effects of the prison industries experience. Both evaluations found that inmates who had participated in FPI were less likely to recidivate after release from prison than similarly situated non-participants. This replication will assess group differences 3 years and 6 years after release for recidivism defined as return to federal prison for a new offense. The targets for inmates released in FY 2003-2006 are: Inmates who participate in FPI will remain 15% less likely to recidivate at 3 years, and 10% less likely to recidivate at 6 years, after release from a secure facility, compared to similarly situated inmates who did not participate.

Performance Measure: Comparative Recidivism for FPI Inmates vs. Non-FPI Inmates (Percentage less likely to recidivate)

FY 2009 Target: 3 years; 15%
6 years; 10%

FY 2009 Actual: 3 years; 22%
6 years; 12%

Discussion of FY 2009 Results: FPI exceeded the FY 2009 targets of 15% less likely to recidivate at 3 years and 10% less likely to recidivate at 6 years with actual results of 22% and 12% respectively. In one important aspect, the analysis performed in FY 2009 differs from that of the one performed in FY 2008. In FY 2009 recidivism rates were analyzed for inmates who had been released for up to 3 years whereas in the past the analysis included inmates who had been released for more than 3 years but less than 4 years. The 2009 methodology allows for a more comprehensive assessment of the program effects. One effect, however, of analyzing this larger group is a diminished relative reduction in recidivism**.** This lesser relative reduction does not reflect a decline in program effectiveness; rather, it results from the inclusion of many inmates with low rates of recidivism (due to their short time in the community following release). A comparison between two groups of offenders with low rates of recidivism will necessarily yield a small relative reduction.



	FY06	FY07	FY08	FY09 Tgt.	FY09 Act.
3 Years Post Release	23%	39%	34%	15%	22%
6 Years Post Release	10%	23%	42%	10%	12%

Data Definition: Recidivism means a tendency to relapse into a previous mode of behavior, such as criminal activity resulting in arrest and incarceration. The definition of recidivism employed for this performance measure is return to BOP custody due to conviction for a new offense.

Data Collection and Storage: Data are gathered from the BOP's operational computer system (SENTRY), and is analyzed by the BOP's Office of Research and Evaluation.

Data Validation and Verification: The data from the BOP SENTRY system is subject to verification and validation on a nearly daily basis; field staff modifies offenders' status on an on-going basis and update the files as appropriate. The BOP data undergoes a number of quality control procedures ensuring its accuracy.

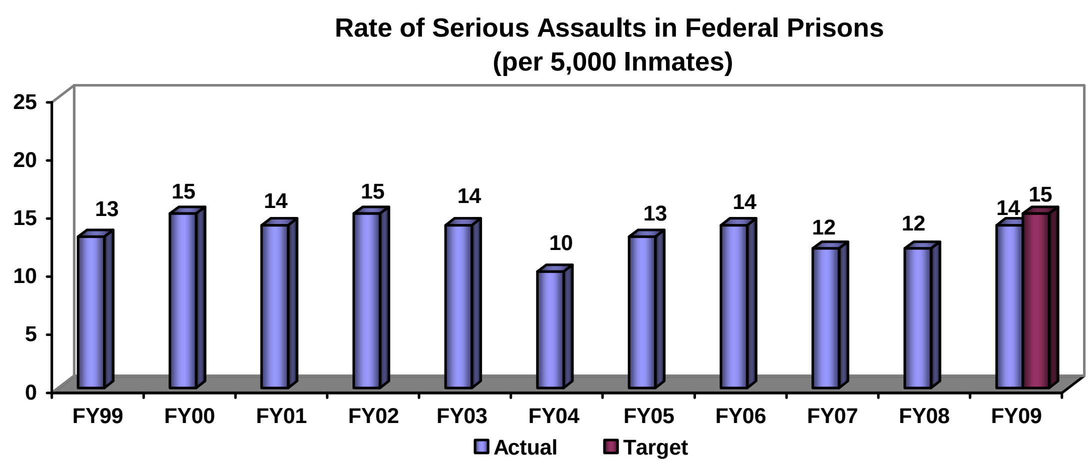
Data Limitations: Although non-citizens make up a large minority of the BOP population, they are excluded from analyses because many of them are deported following release from prison, and it is not known if they recidivate. Projected targets are based on an earlier study of recidivism by FPI participating inmates and their similarly situated non-participating counterparts. The results of this ongoing research may differ from earlier findings due to changes in the program, improved research methods, changes in the composition of the inmate population, and changes in the quality and comprehensiveness of data.

Revised FY 2012 Outcome Goal: Limit the rate of serious assaults in federal prisons to 14 assaults per 5,000 inmates
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Every reasonable precaution is taken to ensure that inmates are provided with a safe and secure environment in facilities according to their needs. While it is the objective of the DOJ and BOP to eliminate all assaults, the target reflects projections based on historical data and observed trends. This data represents the rate of adjudicated, serious assaults on inmates over a twelve-month period, per 5,000 inmates. Due to the time required to adjudicate allegations of assault, there is a lag between the occurrence of the incident and reporting guilty findings. Accordingly, the figure reported represents guilty findings for incidents that occurred during the twelve month period ending the last month of the previous quarter.

Performance Measure: Rate of Serious Assaults in Federal Prisons (per 5,000 Inmates)
FY 2009 Target: 15
FY 2009 Actual: 14

Discussion of FY 2009 Results: The FY 2009 target was met. The actual rate of serious assaults was 14 per 5,000 inmates, lower than the target rate of 15 per 5,000 inmates for FY 2009.



Data Definition: Reported assault rate is based on guilty findings of serious assaults. Serious assaults involve serious physical injury being attempted or carried out by an inmate. They include sexual assaults as well as armed assaults on the institution's secure perimeter.

Data Collection and Storage: Data is collected from the BOP's operational computer system (SENTRY), specifically the Chronological Disciplinary Record (CDR) module, which records all disciplinary measures taken with respect to individual inmates. This data is maintained and stored in the BOP's management information system (Key Indicators), which permits retrieval of data in an aggregated manner. The data represents guilty findings of serious assaults on inmates.

Data Validation and Verification: The most senior managers in the agency conduct annual reviews of institution performance including assaults and other misconduct. Additionally, during Program Reviews (which are conducted at least every three years), annual operational reviews, and Institution Character Profiles (which are conducted every three years), reviews of assaults and other misconduct patterns are accomplished.

The SENTRY system is the BOP's operational data system, whereas Key Indicators aggregates the Sentry data and provides an historical perspective.

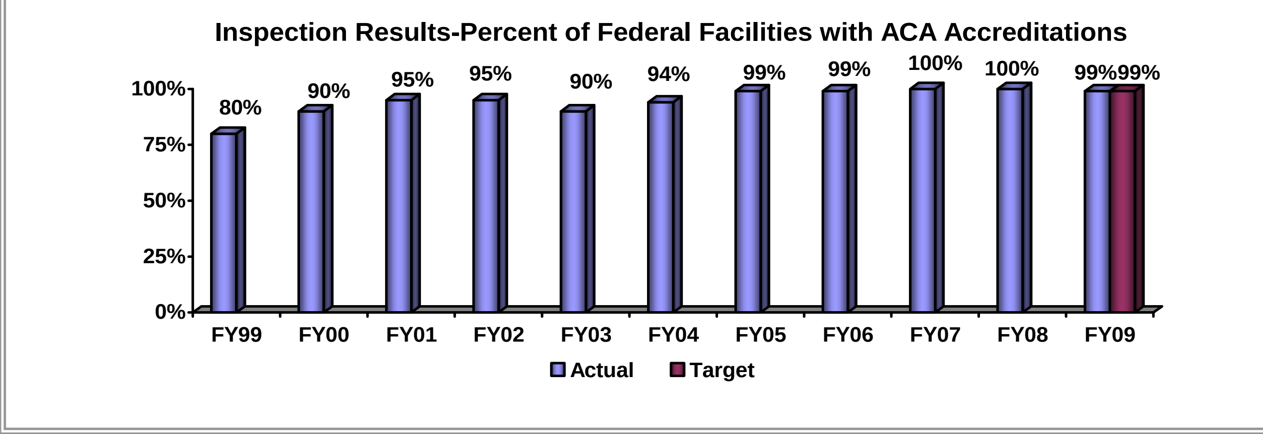
Data Limitations: The data represents the number of guilty findings for assaults over a twelve-month period per 5,000 inmates. Due to the time required to adjudicate allegations of assault, there is a lag between the occurrence of the assault and reporting of guilty findings. Due to accelerated reporting requirements (within 15 days of quarter and fiscal year end) and to provide a more accurate assault rate, the BOP is using 12 months of completed/adjudicated CDR data for each quarter and end of fiscal year reporting, showing twelve-month periods ending the last month of the previous quarter.

Revised FY 2012 Outcome Goal: Achieve a 99% positive rate in inspection/accreditation results for federal prison facilities (FY 2007-2012)
FY 2009 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The BOP has the highest regard for human rights and public safety. Therefore, it strives to maintain facilities that meet the accreditation standards of several professional organizations including the American Correctional Association (ACA). ACA auditors conduct on-site visits to BOP institutions during initial accreditation and re-accreditations. Institutions' ACA accreditation must be renewed tri-annually.

Performance Measure: Inspection Results—Percent of Federal Facilities with ACA Accreditations
FY 2009 Target: 99%
FY 2009 Actual: 99%

Discussion of FY 2009 Results: One hundred thirteen of the BOP's one hundred fourteen prisons eligible to participate in the reaccreditation program maintained their accreditation. FCI Lorretto, PA lost accreditation as a result of failing to meet the mandatory firearms standard. The BOP will seek to have this institution accredited again in FY 2010.



Data Definitions: Initial ACA Accreditation is awarded when an institution demonstrates 100 percent compliance with mandatory ACA standards, and substantial compliance with nonmandatory ACA standards. The BOP's policy requires all institutions to maintain ACA Accreditation.

Data Collection and Storage: Once an audit is completed, an electronic report is received from ACA. These reports are maintained in GroupWise shared folders by institutions, and in WordPerfect files.

Data Validation and Verification: On an annual basis, Program Review personnel develop a schedule for initial accreditation and re-accreditation of all eligible BOP facilities to ensure reviews are conducted on a regular and consistent basis. BOP policy requires institutions to initially be ACA accredited within two years of activation. Therefore, non-accredited institutions that have been activated for less than two years are excluded from calculations regarding this performance measure.

Subject matter experts review report findings to verify accuracy and develop any necessary corrective measures. The ACA accreditation meeting minutes, identifying the institutions receiving accreditation and re-accreditation, are now on file and maintained by the BOP Accreditation Manager.

Data Limitations: None known at this time.

Revised FY 2012 Outcome Goal: Complete 90% of Executive Office for Immigration Review priority cases within established timeframes.
FY 2009 Progress: The Department missed two of its four FY 2009 targets, primarily due to the dramatic increase in the detained caseload. EOIR intends to closely examine all of its priorities to ensure that the agency continues to complete its priority caseload in a timely manner.

Background/Program Objectives: The Executive Office for Immigration Review (EOIR) is an independent agency with jurisdiction over various immigration matters relating to the Department of Homeland Security (DHS), aliens, and other parties. EOIR comprises three adjudicating components: the Board of Immigration Appeals (BIA), the Immigration Courts, and the Office of the Chief Administrative Hearing Officer. EOIR's mission is to be the best administrative tribunal possible, rendering timely, fair, and well-considered decisions in the cases brought before it. EOIR's ability to achieve its mission is critical to the guarantee of justice and due process in immigration proceedings, and public confidence in the timeliness and quality of EOIR adjudications. Included in this context are the timely grants of relief from removal in meritorious cases, the expeditious removal of criminal and other inadmissible aliens, and the effective utilization of limited detention resources. To assure mission focus, EOIR has identified adjudication priorities and set specific time frames for most of its proceedings. These priorities include court cases involving criminal aliens, other detained aliens, and those seeking asylum as a form of relief from removal; and adjudicative time frames for all detained appeals filed with the BIA. These targets are related to percentages of cases actually completed.

Performance Measure: Percent of EOIR Priority Cases Completed Within Established Time Frames

FY 2009 Target: 90% (all categories)

FY 2009 Actual:

Immigration Court Expedited Asylum Cases Completed Within 180 Days: 82%

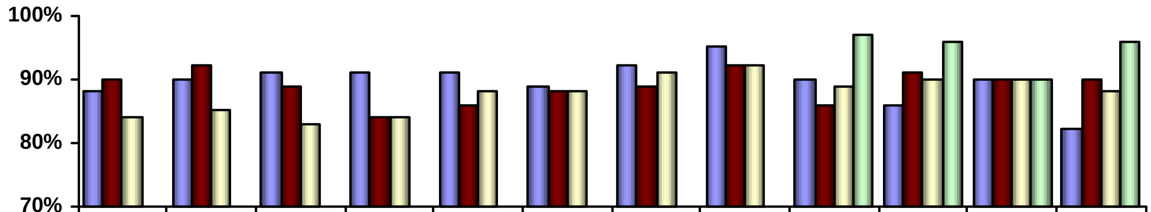
Immigration Court Institutional Hearing Program Cases Completed Prior to Release from Incarceration: 90%

Immigration Court Detained Cases (Without Applications for Relief) Completed Within 30 Days: 88%

Immigration Court Detained Appeals Completed Within 150 Days: 96%

Discussion of FY 2009 Results: In FY 2009, EOIR met two of four targets. The Board was able to exceed its target through two techniques: strict time lines for each step within the adjudicatory process and effective management of human resources. The immigration courts were able to meet the goal of completing 90 percent of Institutional Hearing Program cases prior to the aliens' release from incarceration by careful docket management in the locations that hear such cases. The dramatic increase in the detained caseload during FY 2009 was the primary reason for the immigration courts missing their other two goals. The detained caseload has increased by 70 percent in the past five years and now comprises approximately half of the immigration court caseload. Considering this dramatic increase, it is admirable that the courts came within two percent of meeting their goal of completing 90 percent of detained cases for individuals who did not file applications for relief within the short time frame of 30 days. EOIR shifted immigration judge resources away from the non-detained dockets to meet the increasing demand of the detained caseload. As a result, the priority shift to quickly completing detained cases severely impacted the courts' ability to complete 90 percent of expedited asylum cases within 180 days. EOIR intends to closely examine all of its priorities to ensure that the agency continues to complete its priority caseload in a timely manner.

Percent of EOIR Priority Cases Completed Within Established Time Frames



	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09 Tgt.	FY09 Act.
Asylum	88%	90%	91%	91%	91%	89%	92%	95%	90%	86%	90%	82%
IHP	90%	92%	89%	84%	86%	88%	89%	92%	86%	91%	90%	90%
Detained Cases	84%	85%	83%	84%	88%	88%	91%	92%	89%	90%	90%	88%
Detained Appeals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	97%	96%	90%	96%

Data Definition: The EOIR has defined its priority caseload as three types of immigration court cases (expedited asylum, Institutional Hearing Program, and detained without applications for relief) and one type of Board of Immigration Appeals case (detained appeals). Asylum regulations mandate that asylum applications be processed within 180 days. Consequently, expedited processing of asylum applications occurs when (1) an alien files "affirmatively" at a DHS Asylum Office and the application is referred to EOIR by DHS within 75 days of the filing; or (2) an alien files an application "defensively" with EOIR. The Institutional Hearing Program (IHP) is a collaborative effort between EOIR, DHS and various federal, State, and local corrections agencies. The program permits immigration judges to hold removal hearings inside correctional institutions prior to the alien completing his or her criminal sentence. Detained aliens are those in the custody of DHS or other entities. The priority caseload includes those detained aliens who have not filed an application for relief, as well as those detained aliens who have filed an appeal of an immigration judge's decision.

Data Collection and Storage: Data are collected from the Case Access System for EOIR or CASE, a nationwide case-tracking system at the trial and appellate levels.

Data Validation and Verification: All data entered by courts nationwide are instantaneously transmitted and stored at EOIR headquarters, which allows for timely and complete data. Data are verified by on-line edits of data fields. Headquarters and field office staff have manuals that list the routine daily, weekly, and monthly reports that verify data. Data validation is also performed on a routine basis through data comparisons between EOIR and DHS databases.

Data Limitations: None known at this time.

SECTION III
FINANCIAL SECTION

Section III Financial Section

Overview

While Section II of this Report provided performance data (required by GPRA), Section III provides financial information required by the Chief Financial Officers Act. This data outlines not only the costs of programs, but also the costs of achieving individual results by strategic goal. As required by OMB Circular A-136, the following section provides the Statements of Net Cost by major program for the Department of Justice, and it is aligned directly with the goals and objectives in the Department's Strategic Plan and Annual Performance Plan.

Following the Chief Financial Officer's message, the Office of the Inspector General's Commentary and Summary, and our Report of Independent Auditors, are the following statements:

Consolidated Balance Sheets – Presents resources owned or managed by the Department that are available to provide future economic benefits (assets); amounts owed by the Department that will require payments from those resources or future resources (liabilities) and residual amounts retained by the Department, comprising the difference (net position) as of September 30, 2009 and 2008.

Consolidated Statements of Net Cost – Presents the net cost of Department operations for the fiscal years ended September 30, 2009 and 2008. The Department's net cost of operations includes the gross costs incurred by DOJ less any exchange revenue earned from Department activities.

Consolidated Statements of Changes in Net Position – Presents the change in the Department's net position resulting from the net cost of operations, budgetary financing sources other than exchange revenues and other financing sources for the fiscal years ended September 30, 2009 and 2008.

Combined Statements of Budgetary Resources – Presents the budgetary resources available to the Department, the status of those resources, and the outlay of budgetary resources for the fiscal years ended September 30, 2009 and 2008.

Combined Statements of Custodial Activity – Presents the sources and disposition of non-exchange revenues collected or accrued by the Department on behalf of other recipient entities for the fiscal years ended September 30, 2009 and 2008.

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A Message From the Chief Financial Officer

November 9, 2009

During the past year, the Department of Justice has made measurable progress in improving our financial management practices. Our financial managers recognize their commitment to financial stewardship directly supports critical mission programs while ensuring transparency and accountability throughout the Department's programs.

I am very pleased to report that the Department has earned an unqualified audit opinion on its FY 2009 consolidated financial statements. More importantly, for the third straight year, the auditor's report on internal controls identified no material weaknesses at the consolidated level. For the fourth straight year, we had no Department-level material weaknesses in financial reporting. Overall, we were able to substantially reduce significant deficiencies across our components, yet another positive accomplishment. We will continue to aggressively correct the underlying causes of the remaining deficiencies in financial reporting and information systems controls.

This year, new challenges were addressed with the implementation of the Unified Financial Management System (UFMS) in the Drug Enforcement Administration. This was an important milestone, as it has set the stage for additional component conversions over the next several years. In addition, the Bureau of Prisons implemented the procurement acquisition solution of UFMS, and the United States Marshals Service is soon to follow. Also, the Federal Bureau of Investigation began use of the UFMS contract writing tool. These efforts have helped provide a strong baseline for further implementations throughout the Department.

Important to the American Taxpayers, the Department is committed to the accountability of four billion dollars associated with the American Recovery and Reinvestment Act of 2009. Efforts continue to ensure that all monies were not only awarded but accounted for throughout the Office of Justice Programs, Office on Violence Against Women, the Community Oriented Policing Services and in the Bureau of Alcohol, Tobacco, Firearms and Explosives. The trends in financial management reporting involving transparency and accountability from this initiative are already being focused on other targeted financial management areas.

We take our financial accountability seriously, and as demonstrated, we believe our positive results in FY 2009 demonstrate our commitment to sound agency performance results and providing taxpayer value. We look forward in FY 2010 to building on our achievements as we continue to support the important work of the Department, for our nation and our taxpayers.

Lee Lofthus
Chief Financial Officer

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U.S. DEPARTMENT OF JUSTICE ANNUAL FINANCIAL STATEMENT FISCAL YEAR 2009

OFFICE OF THE INSPECTOR GENERAL COMMENTARY AND SUMMARY

This audit report contains the Annual Financial Statement of the U.S. Department of Justice (Department) for the fiscal years (FY) ended September 30, 2009, and September 30, 2008. Under the direction of the Office of the Inspector General (OIG), KPMG LLP performed the Department's audit. The audit resulted in an unqualified opinion on the FY 2009 financial statements. An unqualified opinion means that the financial statements present fairly, in all material respects, the financial position and the results of the entity's operations in conformity with U.S. generally accepted accounting principles. For FY 2008, the Department also received an unqualified opinion on its financial statements.

KPMG LLP also issued reports on internal control and on compliance and other matters. For FY 2009, the *Independent Auditors' Report on Internal Control over Financial Reporting* identified two significant deficiencies, both of which were repeat issues. Weaknesses in the general controls over the financial management system related to access controls and configuration management were reported at two of the Department's nine reporting components as a significant deficiency. The Department's other significant deficiency related to several serious but isolated financial reporting issues, including the U.S. Marshals Service's funds management controls; the Assets Forfeiture Fund and Seized Asset Deposit Fund's seized and forfeited property reporting controls; the Office of Justice Programs' recording of budgetary upward and downward adjustments; the Drug Enforcement Administration's timely deobligation of funds; the Federal Prisons Industries' inventory count controls; and the Offices, Boards and Divisions' consideration of economic factors in funding analysis journal entries. The chart at the end of our discussion illustrates the FYs 2009 and 2008 financial statement results for the Department and the nine reporting components.

As reflected in the chart, the Department has continued to make progress in its financial management systems and has continued to address major weaknesses identified in the OIG's previous annual financial statement audits. For example, at the component level the number of significant deficiencies decreased from 14 in FY 2008 to 8 in FY 2009. The Department and its components deserve credit for these substantial improvements.

Yet, it is important to note that the Department still does not have a unified financial management system to readily support ongoing accounting operations and preparation of financial statements. As discussed in past years, we believe the most important challenge facing the Department in its financial management is to successfully implement an integrated financial management system to replace the disparate and, in some cases, antiquated financial systems used by Department components.

In the FY 2009 consolidated *Report on Compliance and Other Matters*, the auditors identified no instances of significant non-compliance with applicable laws and regulations. Although some instances of non-compliance were reported at some of the components, the consolidated auditors determined that none of the component level non-compliance issues caused the Department as a whole to be in significant non-compliance.

The OIG reviewed KPMG LLP's reports and related documentation and made necessary inquiries of its representatives. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on the Department's financial statements, conclusions about the effectiveness of internal control, conclusions on whether the Department's financial management systems substantially complied with the Federal Financial Management Improvement Act of 1996, or conclusions on compliance with laws and regulations. KPMG LLP is responsible for the attached auditors' reports dated November 9, 2009, and the conclusions expressed in the reports. However, our review disclosed no instances where KPMG LLP did not comply, in all material respects, with generally accepted government auditing standards.

Comparison of FY 2009 and FY 2008 Audit Results

Reporting Entity	Auditors' Opinion On Financial Statements		Number of Material Weaknesses[1]				Number of Significant Deficiencies[2]			
			Financial		Information Systems		Financial		Information Systems	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Consolidated DOJ	U[3]	U 0		0 0		0 1		1 1		1
OBDs U		U 0		0 0		0 1		1 0		0
AFF/SADF U		U 0		0 0		0 1		3 0		1
FBI U		U 0		0 0		0 0		1 0		0
DEA U		U 0		0 0		0 1		0 0		0
OJP U		U 0		0 0		0 1		1 0		1
USMS U		U 1		1 0		0 0		1 1		1
BOP U		U 0		0 0		0 0		0 1		1
FPI U		U 0		0 0		0 1		0 0		1
ATF U		U 0		0 0		0 0		1 0		0
Component Totals			1	1 0		0 5		8 2		5

Consolidated Department of Justice (Consolidated DOJ); Offices, Boards and Divisions (OBDs); Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF); Federal Bureau of Investigation (FBI); Drug Enforcement Administration (DEA); Office of Justice Programs (OJP); U.S. Marshals Service (USMS); Federal Bureau of Prisons (BOP); Federal Prisons Industries, Inc. (FPI); Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)

[1] A material weakness is a significant deficiency (see below), or combination of deficiencies, that results in more than a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected by the Department's internal control on a timely basis.

[2] A significant deficiency is a deficiency, or combination of deficiencies, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis.

[3] Unqualified opinion – An auditor's report that states the financial statements present fairly, in all material respects, the financial position and results of operations of the reporting entity, in conformity with generally accepted accounting principles.

KPMG LLP
2001 M Street, NW
Washington, DC 20036

Independent Auditors' Report on Financial Statements

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the accompanying consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2009 and 2008, and the related consolidated statements of net cost and changes in net position, and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended. These consolidated financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of the U.S. Marshals Service, which statements reflect total assets of $945.7 million and $878.5 million, and total net costs of $1.3 billion and $1.3 billion, as of and for the years ended September 30, 2009 and 2008, respectively. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the U.S. Marshals Service, is based solely on the report of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the U.S. Department of Justice as of September 30, 2009 and 2008, and its net costs, changes in net position, budgetary resources, and custodial activity for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in Note 26 to the consolidated financial statements, the Department changed its method of accounting for temporary rescissions of budgetary authority in fiscal year 2009.

The information in the *Management's Discussion and Analysis* and *Required Supplementary Stewardship Information* sections is not a required part of the consolidated financial statements, but is supplementary information required by U.S. generally accepted accounting principles. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of this information. However, we and the other auditors did not audit this information and, accordingly, we express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating and combining information in the *Consolidating and Combining Financial Statements* section is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, net costs, changes in net position, budgetary resources, and custodial activity of the Department's components individually. The consolidating and combining information has been subjected to the auditing procedures applied by us and the other auditors in the audits of the consolidated financial statements and, in our opinion, based on our audit and the report of the other auditors, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The information in the *Introduction*, *Performance Section*, *Management Section*, and *Appendices* is presented for purposes of additional analysis and is not required as part of the consolidated financial statements. This information has not been subjected to the auditing procedures applied by us and the other auditors in the audits of the consolidated financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 9, 2009, on our consideration of the Department's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audits.

KPMG LLP

November 9, 2009

KPMG LLP
2001 M Street, NW
Washington, DC 20036

Independent Auditors' Report on Internal Control over Financial Reporting

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2009 and 2008, and the related consolidated statements of net cost and changes in net position and the combined statements of budgetary resources and custodial activity (hereinafter referred to as the "consolidated financial statements") for the years then ended, and have issued our report thereon dated November 9, 2009. We did not audit the financial statements of the U.S. Marshals Service as of and for the years ended September 30, 2009 and 2008. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our report, insofar as it related to the amounts included for the U.S. Marshals Service, was based solely on the report of the other auditors. As discussed in Note 26 to the consolidated financial statements, the Department changed its method of accounting for temporary rescissions of budgetary authority in fiscal year 2009.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

As stated above, we did not audit the fiscal year 2009 financial statements of the U.S. Marshals Service. Those financial statements were audited by other auditors whose reports thereon, including the other auditors' *Independent Auditors' Report on Internal Control over Financial Reporting*, have been furnished to us. Accordingly, our report on the Department's internal control over financial reporting, insofar as it relates to that component, is based solely on the report and findings of the other auditors.

The Department's management is responsible for establishing and maintaining effective internal control. In planning and performing our fiscal year 2009 audit, we considered the Department's internal control over financial reporting by obtaining an understanding of the Department's internal control, determining whether internal controls had been placed in operation, assessing control risk, and performing tests of controls as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements. To achieve this purpose, we did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*. The objective of our audit was not to express an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

In our fiscal year 2009 audit, we did not, nor did the report of the other auditors, identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we noted, and the report of the other auditors identified, deficiencies in internal control over financial reporting that we consider to be significant deficiencies and that are described in Exhibits I and II. Exhibit I is an overview of the significant deficiencies identified in the Department's component auditors' *Independent Auditors' Reports on Internal Control over Financial Reporting*, and includes an explanation of how these component-level significant deficiencies are reported at the Department level. Exhibit II provides the details of the Department-wide significant deficiencies. Exhibit III presents the status of prior years' findings and recommendations.

The Department's responses to the findings identified in our audit are presented in Exhibit II. We did not audit the Department's responses, and accordingly, we express no opinion on them.

This report is intended solely for the information and use of the management of the U.S. Department of Justice, the U.S. Department of Justice Office of the Inspector General, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 9, 2009

EXHIBIT I

OVERVIEW OF SIGNIFICANT DEFICIENCIES

The following table summarizes the eight significant deficiencies identified by the Department's component auditors during fiscal year 2009. The component auditors also considered one of these significant deficiencies to be a material weakness. We analyzed the component-level material weakness and significant deficiencies to determine their effect on the Department's internal control over financial reporting and concluded that they comprise two Department-wide significant deficiencies.

Department Significant Deficiencies Noted During Fiscal Year 2009		DOJ	OBDS	AFF	FBI	DEA	OJP	ATF	USMS (1)	BOP	FPI
Improvements are needed in the Department's component financial systems' general controls.		S							S	S	
Improvements are needed in the components' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with generally accepted accounting principles.		S	S	S		S	S		M		S
Total Material Weaknesses Reported by Components' Auditors	FY 2009	1	0	0	0	0	0	0	1	0	0
	FY 2008	1	0	0	0	0	0	0	1	0	0
Total Significant Deficiencies Reported by Components' Auditors	FY 2009	7	1	1	0	1	1	0	1	1	1
	FY 2008	13	1	4	1	0	2	1	2	1	1

Offices, Boards and Divisions (OBDs); Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF); Federal Bureau of Investigation (FBI); Drug Enforcement Administration (DEA); Office of Justice Programs (OJP); Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); United States Marshals Service (USMS); Federal Bureau of Prisons (BOP); and Federal Prison Industries, Inc. (FPI).

Legend:
(1) USMS's financial statements were audited by other auditors.

M – Material weakness
S – Significant deficiency

In Exhibit II we discuss in detail the Department-wide significant deficiencies noted above.

EXHIBIT II

SIGNIFICANT DEFICIENCIES

IMPROVEMENTS ARE NEEDED IN THE DEPARTMENT'S COMPONENT FINANCIAL MANAGEMENT SYSTEMS' GENERAL CONTROLS.

While the Department has made significant progress in addressing previously reported information systems (IS) significant deficiencies, the component entities' auditors continue to identify opportunities for improvement in the general controls designed and implemented to protect the integrity of IS data. Although the corrective actions taken by the Department and its component entities over the past year have resolved the significant deficiencies at three of the Department's five component entities with prior year IS-related significant deficiencies, the component auditors continue to report significant deficiencies at two component entities. These two component entities comprise 24 percent and 27 percent of the Department's total assets and total net cost of operations, respectively.

In performing procedures on the components' financial management information systems, we and the other auditors considered the Government Accountability Office's *Federal Information System Controls Audit Manual*; the Department's Order No. 2640.2F, *Information Technology Security*; OMB Circular No. A-130, *Management of Federal Information Resources*; and technical publications issued by the National Institute of Standards and Technology (NIST).

In support of the Department's fiscal year 2009 consolidated financial statement audit, we performed a review of the DOJ IS general controls environment that provides general control support for several DOJ components' financial applications. The Department's Operation Services Staff (OSS) has primary responsibility over the IS general controls environment and service delivery and support.

The following table depicts the IS general control weaknesses identified by the auditors at two of the Department's nine component entities for fiscal year 2009. Following the table, we present brief summaries of the specific conditions reported by the components' auditors.

General Control Weaknesses[1]	USMS	BOP
Access Controls	X	X
Configuration Management	X	X

[1] This table summarizes the IS significant deficiencies reported in the component auditors' *Independent Auditors' Reports on Internal Control over Financial Reporting*.

USMS – Improvements have been made; however, opportunities for further improvement continue to exist within the IS environment. Prior year issues remain open and new issues were identified during fiscal year 2009. Specifically, access controls and configuration management need to be strengthened. It should be noted that the configuration management significant deficiency was partly remediated prior to the end of the fiscal year. However, the significant deficiency was included in the component auditors' *Independent Auditors' Report on Internal Control over Financial Reporting*, in accordance with *Government Auditing Standards*.

BOP – Improvements continue to be made; however, access controls and configuration management weaknesses continue to exist in controlling access to financially-significant systems. It should be noted that the access controls significant deficiency was remediated prior to the end of the fiscal year. However, the significant deficiency was included in the component auditors' *Independent Auditors' Report on Internal Control over Financial Reporting*, in accordance with *Government Auditing Standards*.

The conditions identified by the component auditors increase the risk of unauthorized access, unauthorized modifications, unauthorized disclosure of data, unintentional errors, and unnecessary downtime.

Recommendation

We recommend the Department:

1. Require the components to submit and implement corrective action plans that address the weaknesses identified above. The corrective action plans should focus on correcting the deficiencies in access controls and configuration management discussed in the component auditors' *Independent Auditors' Reports on Internal Control over Financial Reporting*, to the extent that the significant deficiencies had not been remediated prior to the end of the fiscal year. The corrective action plans should also include a timeline that establishes when major events must be completed. The Department's CIO should monitor the components' efforts to correct deficiencies, hold them accountable for meeting the action plan timelines, and ensure the corrective actions are implemented adequately to address the noted deficiencies. *(Updated)*

Management Response:

DOJ management concurs. The Department's Chief Information Officer (CIO), working with the Chief Financial Officer and component program managers as well as their respective CIOs, have made substantial progress in eliminating prior year significant deficiencies in Assets Forfeiture Fund, the Office of Justice Programs and in Federal Prison Industries, Inc. (FPI). For the remaining two components with significant deficiencies, Bureau of Prisons and the U.S. Marshals Service, the Department's CIO will ensure that rigorous corrective action plans are developed to address the weaknesses identified. These plans will be validated and monitored quarterly by the Department's CIO to ensure corrective actions are institutionalized and program improvements made. In addition, the Department's CIO will ensure that all weaknesses identified in prior year audits are addressed and that enhancements in policies and standardization of practices are implemented to provide the best possible support for successful financial audits. The corrective action plans are a subset of the Department's overall capital Plans of Actions and Milestones and are available to the Office of the Inspector General and reported to OMB in the Department's quarterly Federal Information Security Management Act (FISMA) Reports.

IMPROVEMENTS ARE NEEDED IN THE COMPONENTS' INTERNAL CONTROLS TO PROVIDE REASONABLE ASSURANCE THAT TRANSACTIONS ARE PROPERLY RECORDED, PROCESSED, AND SUMMARIZED TO PERMIT THE PREPARATION OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

The Department and its component entities have made significant progress in addressing previously reported material weaknesses and significant deficiencies. However, several of the component entities' auditors continue to report significant deficiencies in internal controls that inhibit the preparation of financial statements in accordance with generally accepted accounting principles. Further improvement is needed in the component entities' internal controls designed to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with generally accepted accounting principles.

The following component entity-level significant deficiencies comprise the Department-wide significant deficiency.

Funds Management Controls. The USMS does not have adequate financial and compliance controls to ensure that obligation transactions are executed and recorded in accordance with laws and regulations and the related undelivered orders and accounts payable balances are accurate and complete. The component auditors identified accounting errors and instances of noncompliance with accounting standards; OMB Circular No. A-11, *Preparation, Submission and Execution of the Budget*, and the United States Standard General Ledger, as follows:

Undelivered Orders (UDOs). As a result of their interim and year-end test work, the component auditors identified accounting errors related to the accuracy of undelivered orders balances. Included in the errors identified by the component auditors were (1) UDOs found to be invalid due to accounts payable accruals or deobligations not recorded after the period of performance had expired, (2) a UDO that was overstated due to the failure to establish an accounts payable upon receipt of the goods, (3) UDOs that were understated due to the failure to record an accrual at quarter-end, in addition to reimbursable agreements not fully obligated originally, (4) UDOs that were understated due to posting errors, and (5) UDOs that were understated due to errors made in calculating accruals based on intra-Departmental provider listings. As a result of these accounting errors, the USMS's undelivered orders balance was misstated at quarter-end, as follows: a net likely understatement of $43 million as of June 30, 2009, and net likely overstatements of $46 million and $9 million as of March 31, 2009 and September 30, 2009, respectively.

Delivered Orders – Obligations Unpaid (Accounts Payable). As a result of their interim and year-end testing of accounts payable, the component auditors identified accounting errors related to the USMS's accounts payable accrual estimates. Included in the errors identified by the component auditors were accounts payable that were incorrect due to: errors made in calculating accrual amounts or by failing to accrue for services received before quarter-end, posting errors, and failure to record goods or services received. As a result of these accounting errors, the USMS's accounts payable balance was misstated at quarter-end, as follows: net likely understatements of $3 million and $163 thousand, respectively, as of March 31, 2009 and June 30, 2009, and a net likely overstatement of $6 million as of September 30, 2009.

Unauthorized Commitments. The component auditors noted that the USMS made unauthorized commitments during the fiscal year in connection with projects related to security system monitoring, court security officers, guard services, and prisoner medical services and prescriptions. These unauthorized commitments resulted in 38 contract ratifications totaling $4 million. In addition, seven ratifications were in process pending receipt of additional documentation from the program offices. The *Federal Acquisition Regulation* prohibits agencies from entering into contracts unless the contracting officer ensures that all requirements of law, executive orders, regulations, and other applicable procedures have been satisfied. Unauthorized commitments could result in Anti-Deficiency Act violations if sufficient funds are not available to cover the unauthorized commitments.

Seized and Forfeited Property. The component auditors noted that the AFF's internal controls are in need of improvement with respect to the: (1) status and valuation of seized and forfeited assets, and (2) deletion of property records from the asset tracking system, as described below.

Internal Controls Related to Status and Valuation. In conducting interim and year-end tests of transactions recorded in the Consolidated Asset Tracking System (CATS), the component auditors identified various status and valuation errors, including: (1) seized property items that were either misclassified or improperly valued, (2) forfeited property items that were either misclassified or improperly valued, (3) seized cash not-on-deposit items that were either misclassified or improperly valued, and (4) forfeited property items recorded as "on-hand" that should have been classified as "disposed of".

As a result of the status and valuation errors noted above, the seized property balances were overstated by net likely amounts of $21 million and $600 thousand as of June 30, 2009 and September 30, 2009, respectively; the forfeited property balances were overstated by net likely amounts of $5 million and $871 thousand as of June 30, 2009 and September 30, 2009, respectively; and the seized cash not-on-deposit balance was overstated by a likely amount of $2 million as of June 30, 2009.

Internal Controls Related to the Deletion of Records from CATS. In conducting tests related to the deletion of property records from CATS, the component auditors noted that 8 out of 80 records were not supported by evidence of authorization prior to their removal from CATS. If not properly authorized, such deletions could result in misstatements in the notes to the AFF's financial statements.

Budgetary Upward and Downward Adjustments. The component auditors noted that improvements were needed in OJP's system and internal controls related to budgetary upward and downward adjustments. OJP's Financial Management Information System 2 (FMIS2) is not configured to immediately record upward and downward adjustments when changes are made to prior year obligations. As a result, OJP developed a process to record its upward and downward adjustments at a program level. When performing tests of OJP's "Recoveries of Prior Year Obligations Unpaid" line item on the Statement of Budgetary Resources, the component auditors identified recording errors that totaled approximately $71 million as of September 30, 2009. Of the $71 million, $52 million was related to correcting transactions that were misclassified as upward and downward adjustments. The remaining $19 million was related to re-postings of grant activity from one program to another or from direct to reimbursable funding. The upward and downward adjustments for these items should have been eliminated. Additionally, these errors were not detected during supervisory review.

As a result of these errors, "Recoveries of Prior Year Obligations Unpaid" and the "Obligations Incurred" line items on the FY 2009 Statement of Budgetary Resources were each initially overstated by approximately $71 million. OJP concurred and recorded an adjusting journal entry to correct $52 million of the overstatement and the remaining $19 million was recorded as an immaterial unadjusted audit difference.

Deobligation of Funds. The component auditors noted that improvements were needed in the DEA's financial management controls to ensure the timely deobligation of funds. The component auditors noted that the DEA's obligated funds that were certified as valid open obligations during the DEA's quarterly certification process included amounts that should have been deobligated because the funds were no longer needed. The component auditors' interim and year-end test results follow:

- During interim test work as of March 31, 2009, the component auditors selected a sample of 5 allowance holders (i.e., an individual responsible for the DEA's administrative division of budgetary resources) from a total population of 98 and identified 2 certifying officers who did not properly investigate all of the outstanding obligations on the report that they certified as being valid.

- During interim test work as of June 30, 2009, the component auditors selected a sample of 203 undelivered orders totaling $191 million from a population of 33,803 undelivered orders totaling $561 million and noted: (1) certain items were not deobligated within a reasonable timeframe after the period of performance had expired, (2) certain items for which the obligation amount recorded in the general ledger was greater than the supporting documentation, and (3) certain items for which invalid expenses were charged against the obligation and the total expenses incurred against the obligation were not properly recorded. As a result of the exceptions noted, the reported balance of obligated funds was misstated at quarter-end by a likely amount of $27 million.

- During the component auditors' year-end test work as of September 30, 2009, improvements were noted in that the actual error rate was acceptable and the dollar amounts associated with the errors were inconsequential.

The DEA's policy related to reconciliation of obligations states, "The quarterly obligation certification is a certification of the DEA's obligations and must be certified by the Allowance Manager. The certification is based on a quarterly reconciliation of the DEA's obligations… The Allowance Approver is responsible for reviewing the reconciliation prior to the Allowance Manager's certification."

The financial reporting and financial management effects of not deobligating funds that are no longer needed for the original purpose are that the reported balance of obligated funds and current or expired authority is misstated; inaccurate budgetary information could be submitted to the Department, OMB, or Congress; and, the existence of obligations in excess of required amounts or of invalid obligations can lead to under-utilization of budgetary resources.

Inventory Controls. The component auditors noted that the FPI's internal controls over inventory are in need of improvement. When testing the inventory cycle count process and the annual work-in-process (WIP) inventory counts, the component auditors noted that the inventory cycle count process lacked proper segregation of duties, was incorrectly performed, and lacked adequate documentation to support the weekly cycle count. In addition, the WIP inventory count process lacked proper segregation of duties and was incorrectly performed.

FPI policy states that inventory counts should be performed weekly (unless waived by the Controller) by qualified personnel who are not otherwise involved in inventory control or recordkeeping. Two-member teams are required to perform the physical inventory. Each member must count each item independently to ensure count integrity. Supervisory review of all inventory discrepancies and adjustments to the inventory records is required.

As a result of the weaknesses noted, differences in the quantities of stock in raw materials, sub-assembly, work in process, and finished goods from the quantities and amounts recorded in the ledger may not be identified in the inventory count process and the general ledger may not be adjusted accurately for the inventory count results.

Consideration of Economic Factors in Funding Analysis Journal Entries. The component auditors noted that improvements are needed in the OBDs' financial reporting process to ensure that consideration is given to current economic factors that affect the funding analysis journal entry. As a result of the component auditors' analysis of Cumulative Results of Operations in the OBDs' September 30, 2009, certified financial statements, it was noted that JMD failed to update the Audited Financial Statements (AFS) funding analysis journal entry related to the mix of earmarked funding between appropriated and reimbursable sources, to reflect the significant reduction in reimbursable revenue received; thus the financial statements submitted for external audit contained an error. Specifically, Unexpended Appropriations of Earmarked Funds was overstated, and Cumulative Results of Operations was understated, by $103 million.

Government Accountability Office, *Standards for Internal Control in the Federal Government*, states that:

- Internal control should provide reasonable assurance that the objectives of the agency are being achieved in the following categories:
  - Effectiveness and efficiency of operations including the use of the entity's resources.
  - Reliability of financial reporting, including reports on budget execution, financial statements, and other reports for internal and external use.
  - Compliance with applicable laws and regulations.
- Because governmental, economic, industry, regulatory, and operating conditions continually change, mechanisms should be provided to identify and deal with any special risks prompted by such changes.
- Accurate and Timely Recording of Transactions and Events: Transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from the initiation and authorization through its final classification in summary records. In addition, control activities help to ensure that all transactions are completely and accurately recorded.

The OBDs records journal entries as "on-top" adjustments within the AFS Microsoft Access database. The complexity of these journal entries is increased by both the number and different types of activities performed by the OBDs. OBDs management did not appropriately consider the current economic environment and the impact on the earmarked funding activity and related AFS journal entries.

Summary

Certain components' internal controls do not provide reasonable assurance that financial transactions are properly recorded, processed, summarized, and documented to permit the preparation of financial statements in accordance with generally accepted accounting principles. Improvements are still needed in the components' day-to-day adherence to standardized financial reporting policies, as set forth in the Department's *Financial Statement Requirements and Preparation Guide*, to provide for accuracy and consistency in the preparation of the component entities' and the Department's financial statements.

Recommendations:

We recommend the Department:

2. Monitor the corrective actions taken by the USMS to improve the condition of its funds management controls, in response to the specific recommendations made in the component auditor's *Independent Auditors' Report on Internal Control over Financial Reporting* issued in connection with the audit of the USMS's financial statements as of and for the year ended September 30, 2009. *(Updated)*

Management Response:

DOJ management concurs. The Justice Management Division will continue to work with the USMS to document and improve processes related to external reporting to include a reevaluation of their business processes and financial activities associated with accounts payable and undelivered orders. In FY 2010, the USMS' Office of Finance will continue to coordinate with relevant offices, external and internal, to ensure that advance reconciliations and analyses are performed at least quarterly and discrepancies resolved timely. The USMS' Financial Services Division will continue to work with the Office of Compliance Review to provide continuous training and other information necessary so independent review of open obligations can routinely be conducted to identify risks and recommend corrective actions to ensure compliance with accounting standards and regulations.

3. Assess the adequacy of the Department's accounting, internal control, and financial reporting policies in the areas of: (1) seized and forfeited property, (2) budgetary upward and downward adjustments, (3) deobligation of funds, (4) inventory controls, and (5) consideration of economic factors in the funding analysis journal entry process. Based on the results of this assessment, determine the need to issue new guidance and/or reiterate to components the existing policies for those areas in which the components' auditors identified significant deficiencies related to the recording of transactions and the preparation of financial statements in accordance with generally accepted accounting principles. Monitor the components' adherence to the Department's accounting and financial reporting policies and procedures throughout the year. *(Updated)*

Management Response:

DOJ management concurs. AFF will continue to work closely with asset forfeiture components to strengthen data entry and period end closing procedures to ensure that property and accounting systems reflect accurate information. In addition, data quality control teams will be used to help validate and review the accuracy of the entries. OJP will strengthen its controls over the upward and downward review process. DEA, in conjunction with the implementation of a new financial management system, the Unified Financial Management System (UFMS), has taken and will continue actions to strengthen controls over fiscal and operational processes. FPI will develop an aggressive corrective action plan that is targeted to adhering to proper segregation of duties regarding inventory count duties for cycle counts coupled with the need to maintain complete files documenting the performance and results of inventory counts, along with established analytics. The Offices, Boards and Divisions (OBDs) will ensure that a review process is in place which factors in the effect of changes in the current economic environment on funds unique to the OBDs and the financial statements.

4. Continue efforts to implement a Department-wide integrated financial management system that is in compliance with the United States Government Standard General Ledger, conforms to the financial management systems requirements established by the Financial Systems Integration Office (formerly the Joint Financial Management Improvement Program), and can accommodate the requirements of applicable Federal accounting standards. *(Repeat)*

Management Response:

DOJ management concurs. The UFMS initiative is a keystone to the Department's financial systems improvement planning for the future. UFMS is replacing the Department's multiple core financial management and procurement system with an integrated Commercial-Off-The-Shelf (COTS) solution, Momentum, provided by CGI, Federal Inc. Implementation of the UFMS will improve financial management and procurement operations through streamlining and standardizing business processes and procedures across all components. Progress in FY 2009 regarding the Department's implementation of its UFMS included: implementation of DEA in January 2009, deployment of the contract writing tool at the FBI, and use of the front-end procurement module for the Bureau of Prisons. To date, there are over 2,000 system users, with plans to deploy ATF on UFMS beginning in FY 2011. JMD senior leadership meets on a regular basis to discuss and address the challenges associated with the implementation of the UFMS across the Department (excluding FPI).

EXHIBIT III

STATUS OF PRIOR YEARS' FINDINGS AND RECOMMENDATIONS

As required by *Government Auditing Standards* issued by the Comptroller General of the United States, and by OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended, we have reviewed the status of prior years' findings and recommendations. The following table provides our assessment of the progress the DOJ has made in correcting the previously identified significant deficiencies. We also provide the Office of the Inspector General report number where the deficiency was identified, our recommendation for improvement, and the status of the recommendation as of the end of fiscal year 2009:

Report	Significant Deficiency	Recommendation	Status
Annual Financial Statement Fiscal Year 2007 Report No. 08-01	Improvements are needed in the components' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with generally accepted accounting principles	**Recommendation No. 5:** Continue efforts to implement a Department-wide integrated financial management system that is in compliance with the United States Government Standard General Ledger, conforms to the financial management systems requirements established by the Financial Systems Integration Office (formerly the Joint Financial Management Improvement Program), and can accommodate the requirements of applicable Federal accounting standards.	In Process (FY 2009 Recommendation No. 4)
Annual Financial Statement Fiscal Year 2008 Report No. 09-06	Improvements are needed in the Department's component financial management systems' general and application controls	**Recommendation No. 1:** Require the components to submit and implement corrective action plans that address the weaknesses identified above. The corrective action plans should focus on correcting deficiencies in access controls, application change controls, segregation of duties, and system software weaknesses discussed in the component auditors' reports on internal control over financial reporting. The corrective action plans should also include a timeline that establishes when major events must be completed. The Department's CIO should monitor the components' efforts to correct deficiencies, hold them accountable for meeting the action plan timelines, and ensure the corrective actions are implemented adequately to address the noted deficiencies.	In Process (Updated by FY 2009 Recommendation No. 1)

	Improvements are needed in the components' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with generally accepted accounting principles	**Recommendation No. 2:** Monitor the corrective actions taken by the USMS to improve the condition of its funds management controls, in response to the specific recommendations made in the component auditor's *Independent Auditors' Report on Internal Control* issued in connection with the audit of the USMS's financial statements as of and for the year ended September 30, 2008.	In Process (Updated by FY 2009 Recommendation No. 2)
		Recommendation No. 3: Assess the adequacy and completeness of the Department's accounting and financial reporting policies in the areas of: (a) accounts payable; (b) grant advances and obligations; (c) obligations and disbursements; (d) seized and forfeited property; (e) financial accounting and reporting and related quality assurance processes; and (f) preparation, review, and approval of journal entries. Based on the results of this assessment, determine the need to issue new guidance and/or reiterate to components the existing policies for those areas in which the components' auditors identified significant deficiencies related to the recording of transactions and the preparation of financial statements in accordance with generally accepted accounting principles. Monitor the components' adherence to the Department's accounting and financial reporting policies and procedures throughout the year.	In Process (Updated by FY 2009 Recommendation No. 3)

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KPMG LLP
2001 M Street, NW
Washington, DC 20036

Independent Auditors' Report on Compliance and Other Matters

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2009 and 2008, and the related consolidated statements of net cost and changes in net position and the combined statements of budgetary resources and custodial activity (hereinafter referred to as the "consolidated financial statements") for the years then ended, and have issued our report thereon dated November 9, 2009. We did not audit the financial statements of the U.S. Marshals Service as of and for the years ended September 30, 2009 and 2008. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our report, insofar as it related to the amounts included for the U.S. Marshals Service, was based solely on the report of the other auditors. As discussed in Note 26 to the consolidated financial statements, the Department changed its method of accounting for temporary rescissions of budgetary authority in fiscal year 2009.

We and the other auditors conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

As stated above, we did not audit the fiscal year 2009 financial statements of the U.S. Marshals Service. Those financial statements were audited by other auditors whose report thereon, including the other auditors' *Independent Auditors' Report on Compliance and Other Matters*, has been furnished to us. Accordingly, our report on the Department's compliance and other matters, insofar as it relates to that component, is based solely on the report and findings of the other auditors.

The management of the Department is responsible for complying with laws, regulations, contracts, and grant agreements applicable to the Department. As part of obtaining reasonable assurance about whether the Department's fiscal year 2009 consolidated financial statements are free of material misstatement, we and the other auditors performed tests of the Department's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the consolidated financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 07-04, including the provisions referred to in Section 803(a) of the *Federal Financial Management Improvement Act of 1996* (FFMIA). We and the other auditors limited our tests of compliance to the provisions described in the preceding sentence, and we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to the Department. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our and the other auditors' tests of compliance described in the preceding paragraph of this report, exclusive of those referred to in FFMIA, disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 07-04.

The results of our and the other auditors' tests of FFMIA disclosed no instances in which the Department's financial management systems did not substantially comply with the (1) Federal financial management systems requirements, (2) applicable Federal accounting standards, and (3) United States Government Standard General Ledger at the transaction level.

This report is intended solely for the information and use of the management of the U.S. Department of Justice, the U.S. Department of Justice Office of the Inspector General, OMB, the U.S. Government Accountability Office, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 9, 2009

Principal Financial Statements and Related Notes

See Independent Auditors' Report on Financial Statements

U. S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2009 and 2008

Dollars in Thousands		2009		2008
ASSETS (Note 2)				
Intragovernmental				
Fund Balance with U.S. Treasury (Note 3)	$	20,857,015	$	15,595,443
Investments, Net (Note 5)		3,842,785		3,311,304
Accounts Receivable, Net (Note 6)		326,410		358,577
Other Assets (Note 10)		130,988		118,762
Total Intragovernmental		25,157,198		19,384,086
Cash and Monetary Assets (Note 4)		229,794		182,209
Accounts Receivable, Net (Note 6)		79,824		123,800
Inventory and Related Property, Net (Note 7)		298,701		284,217
Forfeited Property, Net (Note 8)		226,843		139,897
General Property, Plant and Equipment, Net (Note 9)		9,215,026		8,758,540
Advances and Prepayments		1,415,521		466,560
Other Assets (Note 10)		4,921		4,738
Total Assets	**$**	**36,627,828**	**$**	**29,344,047**
LIABILITIES (Note 11)				
Intragovernmental				
Accounts Payable	$	309,072	$	243,522
Accrued Federal Employees' Compensation Act Liabilities		236,258		226,553
Custodial Liabilities (Note 22)		136,106		186,206
Other Liabilities (Note 15)		545,205		742,080
Total Intragovernmental		1,226,641		1,398,361
Accounts Payable		2,253,013		2,140,129
Accrued Grant Liabilities		431,219		409,071
Actuarial Federal Employees' Compensation Act Liabilities		1,233,899		1,136,569
Accrued Payroll and Benefits		522,704		452,237
Accrued Annual and Compensatory Leave Liabilities		782,177		727,459
Environmental and Disposal Liabilities (Note 12)		22,316		22,112
Deferred Revenue		498,308		356,881
Seized Cash and Monetary Instruments (Note 14)		1,491,660		1,266,611
Contingent Liabilities (Note 16)		172,653		164,312
Capital Lease Liabilities (Note 13)		42,221		45,632
Radiation Exposure Compensation Act Liabilities		343,835		321,671
Other Liabilities (Note 15)		175,865		174,513
Total Liabilities	**$**	**9,196,511**	**$**	**8,615,558**
NET POSITION				
Unexpended Appropriations - Earmarked Funds (Note 17)	$	22,207	$	44,902
Unexpended Appropriations - All Other Funds		13,902,525		9,169,075
Cumulative Results of Operations - Earmarked Funds (Note 17)		5,631,023		4,052,221
Cumulative Results of Operations - All Other Funds		7,875,562		7,462,291
Total Net Position	**$**	**27,431,317**	**$**	**20,728,489**
Total Liabilities and Net Position	**$**	**36,627,828**	**$**	**29,344,047**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Net Cost
For the Fiscal Years Ended September 30, 2009 and 2008

Dollars in Thousands

		Gross Costs			Less: Earned Revenues			Net Cost of Operations (Note 18)
	FY	**Intra-governmental**	**With the Public**	**Total**	**Intra-governmental**	**With the Public**	**Total**	
Goal 1	**2009**	$ 1,133,358	$ 3,392,193	$ 4,525,551	$ 533,229	$ 26,729	$ 559,958	$ 3,965,593
	2008	$ 1,083,843	$ 3,045,378	$ 4,129,221	$ 244,861	$ 27,128	$ 271,989	$ 3,857,232
Goal 2	**2009**	3,482,029	11,395,987	14,878,016	769,559	620,025	1,389,584	13,488,432
	2008	3,121,561	10,818,593	13,940,154	591,045	648,787	1,239,832	12,700,322
Goal 3	**2009**	1,969,386	9,901,438	11,870,824	921,473	443,580	1,365,053	10,505,771
	2008	1,977,972	9,521,501	11,499,473	1,052,718	455,691	1,508,409	9,991,064
Total	**2009**	**$ 6,584,773**	**$ 24,689,618**	**$ 31,274,391**	**$ 2,224,261**	**$ 1,090,334**	**$ 3,314,595**	**$ 27,959,796**
	2008	**$ 6,183,376**	**$ 23,385,472**	**$ 29,568,848**	**$ 1,888,624**	**$ 1,131,606**	**$ 3,020,230**	**$ 26,548,618**

Goal 1: Prevent Terrorism and Promote the Nation's Security
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People
Goal 3: Ensure the Fair and Efficient Administration of Justice

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Changes in Net Position
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands

	2009			
	Earmarked Funds	**All Other Funds**	**Eliminations**	**Total**
Unexpended Appropriations				
Beginning Balances	**$ 44,902**	**$ 9,169,075**	**$ -**	**$ 9,213,977**
Budgetary Financing Sources				
Appropriations Received	125,076	30,327,827	-	30,452,903
Appropriations Transferred-In/Out	-	535,342	-	535,342
Other Adjustments	-	(231,068)	-	(231,068)
Appropriations Used	(147,771)	(25,898,651)	-	(26,046,422)
Total Budgetary Financing Sources	**(22,695)**	**4,733,450**	**-**	**4,710,755**
Unexpended Appropriations	**$ 22,207**	**$ 13,902,525**	**$ -**	**$ 13,924,732**
Cumulative Results of Operations				
Beginning Balances	**$ 4,052,221**	**$ 7,462,291**	**$ -**	**$ 11,514,512**
Budgetary Financing Sources				
Appropriations Used	147,771	25,898,651	-	26,046,422
Nonexchange Revenues	1,756,595	1,171	-	1,757,766
Donations and Forfeitures of Cash and Cash Equivalents	1,376,423	-	-	1,376,423
Transfers-In/Out Without Reimbursement	-	89,948	-	89,948
Other Budgetary Financing Sources	-	(100,000)	-	(100,000)
Other Financing Sources				
Donations and Forfeitures of Property	68,145	68	-	68,213
Transfers-In/Out Without Reimbursement	(42,202)	51,599	-	9,397
Imputed Financing from Costs Absorbed by Others (Note 19)	10,573	721,476	(28,349)	703,700
Total Financing Sources	**3,317,305**	**26,662,913**	**(28,349)**	**29,951,869**
Net Cost of Operations	**(1,738,503)**	**(26,249,642)**	**28,349**	**(27,959,796)**
Net Change	1,578,802	413,271	-	1,992,073
Cumulative Results of Operations	**$ 5,631,023**	**$ 7,875,562**	**$ -**	**$ 13,506,585**
Net Position	**$ 5,653,230**	**$ 21,778,087**	**$ -**	**$ 27,431,317**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Changes in Net Position
For the Fiscal Year Ended September 30, 2008

Dollars in Thousands

	2008			
	Earmarked Funds	All Other Funds	Eliminations	Total
Unexpended Appropriations				
Beginning Balances	$ 21,938	$ 9,714,869	$ -	$ 9,736,807
Budgetary Financing Sources				
Appropriations Received	44,902	24,035,805	-	24,080,707
Appropriations Transferred-In/Out	4,061	244,308	-	248,369
Other Adjustments	(10,260)	(395,026)	-	(405,286)
Appropriations Used	(15,739)	(24,430,881)	-	(24,446,620)
Total Budgetary Financing Sources	**22,964**	**(545,794)**	**-**	**(522,830)**
Unexpended Appropriations	**$ 44,902**	**$ 9,169,075**	**$ -**	**$ 9,213,977**
Cumulative Results of Operations				
Beginning Balances	$ 3,619,453	$ 6,951,339	$ -	$ 10,570,792
Budgetary Financing Sources				
Appropriations Used	15,739	24,430,881	-	24,446,620
Nonexchange Revenues	980,604	1,199	-	981,803
Donations and Forfeitures of Cash and Cash Equivalents	1,222,643	-	-	1,222,643
Transfers-In/Out Without Reimbursement	-	180,900	-	180,900
Other Budgetary Financing Sources	-	(41,000)	-	(41,000)
Other Financing Sources				
Donations and Forfeitures of Property	63,430	2,424	-	65,854
Transfers-In/Out Without Reimbursement	(65,492)	64,566	-	(926)
Imputed Financing from Costs Absorbed by Others (Note 19)	20,563	643,443	(27,562)	636,444
Total Financing Sources	**2,237,487**	**25,282,413**	**(27,562)**	**27,492,338**
Net Cost of Operations	**(1,804,719)**	**(24,771,461)**	**27,562**	**(26,548,618)**
Net Change	432,768	510,952	-	943,720
Cumulative Results of Operations	**$ 4,052,221**	**$ 7,462,291**	**$ -**	**$ 11,514,512**
Net Position	**$ 4,097,123**	**$ 16,631,366**	**$ -**	**$ 20,728,489**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Budgetary Resources
For the Fiscal Years Ended September 30, 2009 and 2008

Dollars in Thousands	2009	2008
Budgetary Resources		
Unobligated Balance, Net, Brought Forward, October 1	$ 3,549,862	$ 3,935,392
Adjustment to Unobligated Balance, Brought Forward, October 1	-	(20,000)
Unobligated Balance, Brought Forward, as Adjusted	3,549,862	3,915,392
Recoveries of Prior Year Unpaid Obligations	956,534	844,461
Budget Authority		
Appropriations Received	34,394,369	26,963,178
Spending Authority from Offsetting Collections		
Earned		
Collected	6,833,760	6,478,763
Change in Receivables from Federal Sources	121,266	76,157
Change in Unfilled Customer Orders		
Advance Received	(245,721)	(222,934)
Without Advance from Federal Sources	(32,542)	78,724
Subtotal Budget Authority	41,071,132	33,373,888
Nonexpenditure Transfers, Net, Anticipated and Actual	625,290	429,269
Temporarily not Available Pursuant to Public Law	(1,295,083)	(362,414)
Permanently not Available	(331,080)	(441,364)
Total Budgetary Resources (Note 20)	**$ 44,576,655**	**$ 37,759,232**
Status of Budgetary Resources		
Obligations Incurred		
Direct	$ 34,077,757	$ 27,919,589
Reimbursable	6,452,046	6,289,781
Total Obligations Incurred (Note 20)	40,529,803	34,209,370
Unobligated Balance - Available		
Apportioned	2,646,548	2,303,952
Exempt from Apportionment	101,425	147,934
Total Unobligated Balance - Available	2,747,973	2,451,886
Unobligated Balance not Available	1,298,879	1,097,976
Total Status of Budgetary Resources	**$ 44,576,655**	**$ 37,759,232**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Budgetary Resources - Continued
For the Fiscal Years Ended September 30, 2009 and 2008

Dollars in Thousands	2009	2008
Change in Obligated Balance		
Obligated Balance, Net - Brought Forward, October 1		
Unpaid Obligations	$ 13,268,917	$ 12,924,950
Less: Uncollected Customer Payments from Federal Sources	1,829,346	1,674,463
Total Unpaid Obligated Balance, Net - Brought Forward, October 1	11,439,571	11,250,487
Obligations Incurred	40,529,803	34,209,370
Less: Gross Outlays	35,195,818	33,020,941
Less: Recoveries of Prior Year Unpaid Obligations, Actual	956,534	844,461
Change in Uncollected Customer Payments from Federal Sources	(88,725)	(154,881)
Obligated Balance, Net - End of Period		
Unpaid Obligations	17,646,368	13,268,917
Less: Uncollected Customer Payments from Federal Sources	1,918,071	1,829,346
Total Unpaid Obligated Balance, Net - End of Period	$ 15,728,297	$ 11,439,571
Net Outlays		
Gross Outlays	$ 35,195,818	$ 33,020,941
Less: Offsetting Collections	6,588,035	6,255,828
Less: Distributed Offsetting Receipts (Note 20)	539,325	(121,927)
Total Net Outlays (Note 20)	**$ 28,068,458**	**$ 26,887,040**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Custodial Activity
For the Fiscal Years Ended September 30, 2009 and 2008

Dollars in Thousands	2009	2008
Revenue Activity		
Sources of Cash Collections		
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ 2,884,775	$ 2,758,710
Fees and Licenses	29,224	27,262
Fines, Penalties and Restitution Payments - Civil	44,979	21,956
Fines, Penalties and Restitution Payments - Criminal	22,997	26,895
Miscellaneous	357	2,469
Total Cash Collections	2,982,332	2,837,292
Accrual Adjustments	188	(222)
Total Custodial Revenue	2,982,520	2,837,070
Disposition of Collections		
Transferred to Federal Agencies		
U.S. Department of Agriculture	(92,073)	(140,289)
U.S. Department of Commerce	(771)	(1,884)
U.S. Department of the Interior	(25,059)	(23,239)
U.S. Department of Justice	(123,787)	(294,666)
U.S. Department of Labor	(528)	(3,268)
U.S. Postal Service	(4,435)	(10,817)
U.S. Department of the Treasury	(368,790)	(249,287)
Office of Personnel Management	(19,833)	(7,432)
National Credit Union Administration	(470)	(7)
Federal Communications Commission	(9,773)	(4,114)
Social Security Administration	(982)	(650)
Smithsonian Institution	(8)	(9)
U.S. Department of Veterans Affairs	(28,710)	(13,548)
General Services Administration	(116,631)	(1,516)
Securities and Exchange Commission	(4)	-
Federal Deposit Insurance Corporation	(1,958)	(14)
Railroad Retirement Board	(335)	(373)
Tennessee Valley Authority	(4,207)	(7,933)
Environmental Protection Agency	(223,334)	(440,033)
U.S. Department of Transportation	(1,357)	(36,213)
U.S. Department of Homeland Security	(17,169)	(46,329)
Small Business Administration	(5,332)	(10,740)
U.S. Department of Health and Human Services	(1,367,320)	(1,614,871)
National Aeronautics and Space Administration	(2,957)	(413)
U.S. Department of Housing and Urban Development	(18,347)	(8,467)
U.S. Department of Energy	(4,065)	(7,463)
U.S. Department of Education	(18,003)	(14,517)
Independent Agencies	(54,916)	(86,419)
U.S. Department of Defense	(113,023)	(115,735)
Transferred to the Public	(329,816)	(339,229)
(Increase)/Decrease in Amounts Yet to be Transferred	55,568	723,404
Refunds and Other Payments	(918)	(898)
Retained by the Reporting Entity	(83,177)	(80,101)
Net Custodial Activity (Note 22)	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Department of Justice (Department) has a wide range of responsibilities which include: detecting, apprehending, prosecuting, and incarcerating criminal offenders; operating federal prison factories; upholding the civil rights of all Americans; enforcing laws to protect the environment; ensuring healthy competition of business in the United States' free enterprise system; safeguarding the consumer from fraudulent activity; carrying out the immigration laws of the United States; and representing the American people in all legal matters involving the U.S. Government. Under the direction of the Attorney General, these responsibilities are discharged by the components of the Department.

For purposes of these consolidated/combined financial statements, the following components comprise the Department's reporting entity:

- Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF)
- Offices, Boards and Divisions (OBDs)
- U.S. Marshals Service (USMS)
- Office of Justice Programs (OJP)
- Drug Enforcement Administration (DEA)
- Federal Bureau of Investigation (FBI)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Bureau of Prisons (BOP)
- Federal Prison Industries, Inc. (FPI)

The American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5) was signed into law by President Obama on February 17, 2009. As one of its many elements, the Recovery Act provides the Department with funding for grants to assist state, local, and tribal law enforcement (including support for hiring), to combat violence against women, to fight internet crimes against children, to improve the functioning of the criminal justice system, to assist victims of crime, and to support youth mentoring.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

B. Basis of Presentation

These financial statements have been prepared from the books and records of the Department in accordance with United States generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) and presentation guidelines in the Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*. These financial statements are different from the financial reports prepared pursuant to OMB directives which are used to monitor and control the use of the Department's budgetary resources. The accompanying financial statements include the accounts of all funds under the Department's control. To ensure that the Department financial statements are meaningful at the entity level and to enhance reporting consistency within the Department, Other Assets and Other Liabilities as defined by OMB Circular A-136 have been disaggregated on the balance sheet. These included Forfeited Property, Net; Advances and Prepayments; Accrued Grant Liabilities; Accrued Federal Employees' Compensation Act Liabilities; Custodial Liabilities; Accrued Payroll and Benefits; Accrued Annual and Compensatory Leave Liabilities; Deferred Revenue; Seized Cash and Monetary Instruments; Contingent Liabilities; Capital Lease Liabilities; and Radiation Exposure Compensation Act Liabilities.

C. Basis of Consolidation

The consolidated/combined financial statements of the Department include the accounts of the AFF/SADF, OBDs, USMS, OJP, DEA, FBI, ATF, BOP, and FPI. All significant proprietary intra-departmental transactions and balances have been eliminated in consolidation. The Statements of Budgetary Resources and Statements of Custodial Activity are combined statements for FYs 2009 and 2008, and as such, intra-departmental transactions have not been eliminated.

D. Basis of Accounting

Transactions are recorded on the accrual and budgetary bases of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded when incurred, regardless of when cash is exchanged. Under the budgetary basis, however, funds availability is recorded based upon legal considerations and constraints. As a result, certain line items on the proprietary financial statements may not equal similar line items on the budgetary financial statements. FPI is non-appropriated and self-sustaining. While FPI performs budgetary accounting in preparing its financial statements, FPI does not record budgetary information at the transaction level.

Custodial activity reported on the Combined Statement of Custodial Activity is prepared on the modified cash basis. Civil and Criminal Debt Collections are recorded when the Department receives payment from debtors. Accrual adjustments are made related to collections of fees and licenses.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

D. Basis of Accounting (continued)

The financial statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity. One implication of this is that liabilities cannot be liquidated without legislation that provides resources and legal authority to do so.

E. Non-Entity Assets

Non-entity assets are not available for use by the Department and consist primarily of restricted undisbursed civil and criminal debt collections, seized cash, accounts receivable, and other monetary assets.

F. Fund Balance with U.S. Treasury and Cash

Funds with the Department of the Treasury (Treasury) represent primarily appropriated, revolving, and trust funds available to pay current liabilities and finance future authorized purchases. The Treasury, as directed by authorized certifying officers, processes cash receipts and disbursements. The Department does not, for the most part, maintain cash in commercial bank accounts. Certain receipts, however, are processed by commercial banks for deposit into individual accounts maintained at the Treasury. The Department's cash and other monetary assets consist of undeposited collections, imprest funds, cash used in undercover operations, cash held as evidence, and seized cash.

G. Investments

Investments are market-based Treasury securities issued by the Bureau of Public Debt. When securities are purchased, the investment is recorded at face value (the value at maturity). The Department's intent is to hold investments to maturity, unless securities are needed to sustain operations. No provision is made for unrealized gains or losses on these securities because, in the majority of cases, they are held to maturity. The market value of the investments is the current market value at the end of the reporting period. It is calculated by using the "End of Day" price listed in The FedInvest Price File which can be found on the Bureau of Public Debt website (http://www.fedinvest.gov/). Investments are reported on the Consolidated Balance Sheet at their net value, the face value plus or minus any unamortized premium or discount. Premiums and discounts are amortized over the life of the Treasury security. Amortization is based on the straight-line method over the term of the securities.

The AFF, the U.S. Trustee System Fund, and the Federal Prison Commissary Fund are three earmarked funds that invest in Treasury securities. The Treasury does not set aside assets to pay future expenditures associated with earmarked funds. Instead, the cash generated from earmarked funds is used by the Treasury for general Government purposes. When these earmarked funds redeem their Treasury securities to make expenditures, the Treasury will finance the expenditures in the same manner that it finances all other expenditures.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

G. Investments (continued)

Treasury securities are issued to the earmarked funds as evidence of earmarked receipts and provide the funds with the authority to draw upon the U.S. Treasury for future authorized expenditures. Treasury securities held by an earmarked fund are an asset of the fund and a liability of the Treasury, so they are eliminated in consolidation for the U.S. Government-wide financial statements.

H. Accounts Receivable

Net accounts receivable includes reimbursement and refund receivables due from federal agencies and others, less the allowance for doubtful accounts. Generally, most intragovernmental accounts receivable are considered fully collectible. The allowance for doubtful accounts for public receivables is estimated based on past collection experience and analysis of outstanding receivable balances at year end.

I. Inventory and Related Property

Inventory is maintained primarily for the manufacture of goods for sale to customers. This inventory is composed of three categories: Raw Materials, Work in Process, and Finished Goods. Raw material inventory value is based upon moving average costs, and the values of sub-assembly and finished goods inventories are based upon standard costs that are periodically adjusted to approximate actual costs that include material, labor and manufacturing overhead.

An allowance for inventory valuation and obsolescence is recorded for anticipated inventory losses of contracts where the current estimated cost to manufacture the item exceeds the total sales price, as well as estimated losses for inventories that may not be utilized in the future.

Additional inventories consist of new and rehabilitated office furniture, equipment and supplies used for the repair of airplanes, administrative supplies and materials, commissary sales to inmates (sundry items), metals, plastics, electronics, graphics, and optics.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

J. General Property, Plant and Equipment

Real property, except for land, is capitalized when the cost of acquiring and/or improving the asset is $100 or more and the asset has a useful life of two or more years. Land is capitalized regardless of the acquisition cost. Real property is depreciated or amortized, based on historical cost, using the straight-line method over the estimated useful life of the asset.

Except for BOP and FPI, Department acquisitions of personal property, excluding internal use software, $25 and over are capitalized if the asset has an estimated useful life of two or more years. Personal property is depreciated, based on historical cost, using the straight-line method over the estimated useful life of the asset. BOP and FPI capitalize personal property acquisitions over $5.

Internal use software is capitalized when developmental phase costs or enhancement costs are $500 or more and the asset has an estimated useful life of two or more years. Aircraft are capitalized when the initial cost of acquiring those assets is $100 or more. Internal use software and aircraft are depreciated, based on historical cost, using the straight-line method over the estimated useful life of the asset.

K. Advances and Prepayments

Advances and prepayments, classified as assets on the Consolidated Balance Sheets, consist primarily of funds disbursed to grantees in excess of total expenditures made by those grantees to third parties, funds advanced to state and local participants in the DEA Domestic Cannabis Eradication and Suppression Program, and travel advances issued to federal employees for official travel. Travel advances are limited to meals and incidental expenses expected to be incurred by the employees during official travel. Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of payment and are recognized as expenses when the goods and services are received.

L. Forfeited and Seized Property

Forfeited property is property for which the title has passed to the U.S. Government. This property is recorded at the estimated fair market value at the time of forfeiture and is not adjusted for any subsequent increases and decreases in estimated fair market value. The value of the property is reduced by the estimated liens of record.

Property is seized in consequence of a violation of public law. Seized property can include monetary instruments, real property, and tangible personal property of others in the actual or constructive possession of the custodial agency. Most non-cash property is held by the USMS from the point of seizure until its disposition. This property is recorded at the estimated fair market value at the time of seizure.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

M. Liabilities

Liabilities represent the monies or other resources that are likely to be paid by the Department as the result of a transaction or event that has already occurred. However, no liability can be paid by the Department absent proper budget authority. Liabilities that are not funded by the current year appropriation are classified as liabilities not covered by budgetary resources in Note 11.

On October 15, 1990, Congress passed the Radiation Exposure Compensation Act (RECA), 42 U.S.C. § 2210 note (1990), providing for compassionate payments to individuals who contracted certain cancers and other serious diseases as a result of their exposure to radiation released during above-ground nuclear weapons tests or as a result of their exposure to radiation during employment in underground uranium mines. The September 30, 2009 and 2008 estimated liabilities are based on historical data collected since the Program commenced operations in 1992, and management's assumptions concerning receipt and approval of claims in the future.

Key factors in determining liability are the number of claims filed, the number of claims approved, and estimates for these factors through FY 2022. These estimates are then discounted in accordance with the discount rates set by OMB.

N. Accrued Grant Liabilities

Disbursements of grant funds are recognized as expenses at the time of disbursement. However, some grant recipients incur expenditures prior to initiating a request for disbursement based on the nature of the expenditures. The OBDs and OJP accrue a liability for expenditures incurred by grantees prior to receiving grant funds for expenditures. The amount to be accrued is determined through an analysis of historic grant expenditures. These estimates are based on the most current information available at the time the financial statements are prepared.

O. Contingencies and Commitments

The Department is involved in various legal actions, including administrative proceedings, lawsuits, and claims. A liability is generally recognized as an unfunded liability for those legal actions where unfavorable decisions are considered "probable" and an estimate for the liability can be made. Contingent liabilities that are considered "probable" or "reasonably possible" are disclosed in Note 16. Liabilities that are considered "remote" are not recognized in the financial statements or disclosed in the notes to the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

P. Annual, Sick, and Other Leave

Annual and compensatory leave is expensed with an offsetting liability as it is earned and the liability is reduced as leave is taken. Each year, the balance in the accrued annual leave liability account is adjusted to reflect current pay rates. To the extent current or prior year appropriations are not available to fund annual and compensatory leave earned but not taken, funding will be obtained from future financing sources. Sick leave and other types of nonvested leave are expensed as taken.

Q. Interest on Late Payments

Pursuant to the Prompt Payment Act, 31 U.S.C. § 3901-3907, the Department pays interest on payments for goods or services made to business concerns after the due date. The due date is generally 30 days after receipt of a proper invoice or acceptance of the goods or services, whichever is later.

R. Retirement Plan

With few exceptions, employees hired before January 1, 1984 are covered by the Civil Service Retirement System (CSRS) and employees hired on or after that date are covered by the Federal Employees Retirement System (FERS). For employees covered by CSRS, the Department contributes 7% of the employees' gross pay for regular and 7.5% for law enforcement officers' retirement. For employees covered by FERS, the Department contributes 11.2% of employees' gross pay for regular and 24.9% for law enforcement officers' retirement. All employees are eligible to contribute to the Federal Thrift Savings Plan (TSP). For those employees covered by the FERS, a TSP account is automatically established to which the Department is required to contribute an additional 1% of gross pay and match employee contributions up to 4%. No contributions are made to the TSP accounts established by the CSRS employees. The Department does not report CSRS or FERS assets, accumulated plan benefits, or unfunded liabilities, if any, which may be applicable to its employees. Such reporting is the responsibility of the Office of Personnel Management (OPM). Statement of Federal Financial Accounting Standards (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, requires employing agencies to recognize the cost of pensions and other retirement benefits during their employees' active years of service. Refer to Note 19, *Imputed Financing from Costs Absorbed by Others*, for additional details.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

S. Federal Employee Compensation Benefits

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. The total FECA liability consists of an actuarial and an accrued portion as discussed below.

Actuarial Liability: The Department of Labor (DOL) calculates the liability of the federal government for future compensation benefits, which includes the expected liability for death, disability, medical, and other approved costs. The liability is determined using the paid-losses extrapolation method calculated over the next 37-year period. This method utilizes historical benefit payment patterns related to a specific incurred period to predict the ultimate payments related to that period. The projected annual benefit payments are discounted to present value. The resulting federal government liability is then distributed by agency. The Department portion of this liability includes the estimated future cost of death benefits, workers' compensation, medical, and miscellaneous cost for approved compensation cases for the Department employees. The Department liability is further allocated to component reporting entities on the basis of actual payments made to the FECA Special Benefits Fund (SBF) for the three prior years as compared to the total Department payments made over the same period.

The FECA actuarial liability is recorded for reporting purposes only. This liability constitutes an extended future estimate of cost, which will not be obligated against budgetary resources until the fiscal year in which the cost is actually billed to the Department. The cost associated with this liability cannot be met by the Department without further appropriation action.

Accrued Liability: The accrued FECA liability is the amount owed to the DOL for the benefits paid from the FECA SBF directly to Department employees.

T. Intragovernmental Activity

These transactions and/or balances result from business activities conducted between two different federal government entities.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

U. Revenues and Other Financing Sources

The Department receives the majority of funding needed to support its programs through Congressional appropriations. The Department receives annual, multi-year, and no-year appropriations that may be used, within statutory limits, for operating and capital expenditures. Additional funding is obtained through exchange revenues, nonexchange revenues, and transfers-in.

Appropriations Used are recognized as budgetary financing sources at the time the related program or administrative expenses are incurred. Exchange revenues are recognized when earned, for example, when goods have been delivered or services rendered. Nonexchange revenues are resources that the government demands or receives, for example, forfeiture revenue and fines and penalties.

The Department's exchange revenue consists of the following activities: licensing fees to manufacture and distribute controlled substances; services rendered for legal activities; space management; data processing services; sale of merchandise and telephone services to inmates; sale of manufactured goods and services to other federal agencies; and other services. Fees are set by law and are periodically evaluated in accordance with OMB guidance.

The Department's nonexchange revenue consists of forfeiture income resulting from the sale of forfeited property, penalties in lieu of forfeiture, recovery of returned asset management cost, judgment collections, and other miscellaneous income. Other nonexchange revenue includes the OJP Crime Victims Fund receipts, ATF fees from firearms and ammunition industries, and AFF/SADF interest on investments with the Treasury.

The Department's deferred revenue includes fees received for processing various applications and licenses with DEA for which the process was not completed at the end of fiscal year or for licenses that are valid for multiple years. These monies are recorded as liabilities in the financial statements. Deferred revenue also includes forfeited property held for sale. When the property is sold, deferred revenue is reversed and forfeiture revenue in the amount of the gross proceeds of the sale is recorded.

V. Earmarked Funds

SFFAS No. 27, *Identifying and Reporting Earmarked Funds*, defines 'earmarked funds' as being financed by specifically identified revenues, often supplemented by other financing sources, which remain available over time. These specifically identified revenues and other financing sources are required by statute to be used for designated activities, benefits or purposes, and must be accounted for separately from the government's general revenues. The three required criteria for an Earmarked Fund are:

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

V. Earmarked Funds (continued)

1. A statute committing the federal government to use specifically identified revenues and other financing sources only for designated activities, benefits or purposes;
2. Explicit authority for the earmarked fund to retain revenues and other financing sources not used in the current period for future use to finance the designated activities, benefits, or purposes; and
3. A requirement to account for and report on the receipt, use, and retention of the revenues and other financing sources that distinguishes the earmarked fund from the Government's general revenues.

The following funds meet the definition of an earmarked fund: AFF, UST System Fund, Antitrust Division, Crime Victims Fund, Diversion Control Fee Account, and Federal Prison Commissary Fund.

W. Tax Exempt Status

As an agency of the federal government, the Department is exempt from all taxes imposed by any governing body whether it be a federal, state, commonwealth, local or foreign government.

X. Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Y. Reclassifications

The FY 2008 financial statements were reclassified to conform to the FY 2009 Departmental financial statement presentation requirements. The reclassifications had no material effect on total assets, liabilities, net position, change in net position or budgetary resources as previously reported.

Z. Subsequent Events

Subsequent events and transactions occurring after September 30, 2009 through the date of the auditors' opinion have been evaluated for potential recognition or disclosure in the financial statements. The date of the auditors' opinion also represents the date that the financial statements were available to be issued.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 2. Non-Entity Assets

As of September 30, 2009 and 2008

	2009	2008
Intragovernmental		
Fund Balance with U.S. Treasury	$ 293,403	$ 532,327
Investments, Net	1,376,821	1,208,217
Total Intragovernmental	1,670,224	1,740,544
With the Public		
Cash and Monetary Assets	205,908	148,410
Accounts Receivable, Net	15,053	15,003
Total With the Public	220,961	163,413
Total Non-Entity Assets	1,891,185	1,903,957
Total Entity Assets	34,736,643	27,440,090
Total Assets	$ 36,627,828	$ 29,344,047

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 3. Fund Balance with U.S. Treasury

The Fund Balances with U.S. Treasury represent the unexpended balances on the Department's books for all the Department's Treasury Symbols.

As of September 30, 2009 and 2008

	2009	2008
Fund Balances		
Trust Funds	$ 96,440	$ 82,885
Special Funds	4,396,836	3,247,682
Revolving Funds	414,811	612,318
General Funds	15,886,777	11,595,325
Other Fund Types	62,151	57,233
Total Fund Balances with U.S. Treasury	$ 20,857,015	$ 15,595,443
Status of Fund Balances		
Unobligated Balance - Available	$ 2,747,973	$ 2,451,886
Unobligated Balance - Unavailable	1,298,879	1,097,976
Obligated Balance not yet Disbursed	15,728,297	11,439,571
Other Funds (With)/Without Budgetary Resources	1,081,866	606,010
Total Status of Fund Balances	$ 20,857,015	$ 15,595,443

Annual and multi-year budget authority expires at the end of its period of availability. During the first through the fifth expired years, the unobligated balance becomes unavailable and may be used to adjust obligations and disbursements that were recorded before the budgetary authority expired or to meet a legitimate or bona fide need arising in the fiscal year for which the appropriation was made. The unobligated balance for no-year budget authority may be used to incur obligations indefinitely for the purpose specified by the appropriation act. No-year budget authority unobligated balances are still subject to the annual apportionment and allotment process.

Other Funds (With)/Without Budgetary Resources primarily represent the net difference of 1) investments in short-term securities with budgetary resources, 2) resources temporarily not available pursuant to public law, 3) custodial liabilities, and 4) miscellaneous receipts.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 4. Cash and Monetary Assets

As of September 30, 2009 and 2008

	2009	2008
Cash		
Undeposited Collections	$ 10,022	$ 14,881
Imprest Funds	11,158	15,332
Seized Cash Deposited	135,002	91,144
Other Cash	7,691	7,625
Total Cash	163,873	128,982
Monetary Assets		
Seized Monetary Instruments	65,921	53,227
Total Cash and Monetary Assets	$ 229,794	$ 182,209

Note 5. Investments, Net

F	ace Value	Unamortized Premium (Discount)	Interest Receivable	Investments, Net	Market Value
As of September 30, 2009					
Intragovernmental					
Non-Marketable Securities					
Market Based	$ 3,843,066	$ (476)	$ 195	$ 3,842,785	$ 3,843,218
As of September 30, 2008					
Intragovernmental					
Non-Marketable Securities					
Market Based	$ 3,317,153	$ (5,849)	$ -	$ 3,311,304	$ 3,313,091

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 6. Accounts Receivable, Net

As of September 30, 2009 and 2008

	2009	2008
Intragovernmental		
Accounts Receivable	$ 332,216	$ 359,468
Allowance for Uncollectible Accounts	(5,806)	(891)
Total Intragovernmental	326,410	358,577
With the Public		
Accounts Receivable	94,791	146,123
Allowance for Uncollectible Accounts	(14,967)	(22,323)
Total With the Public	79,824	123,800
Total Accounts Receivable, Net	$ 406,234	$ 482,377

The accounts receivable with the public primarily consists of OBDs U.S. Trustee Chapter 11 quarterly fees, FBI Non Federal User Fee Program, FBI National Name Check Program, court mandated restitution, and refunds due from the public.

Note 7. Inventory and Related Property, Net

As of September 30, 2009 and 2008

	2009	2008
Inventory		
Raw Materials	$ 148,399	$ 134,422
Work in Process	49,282	53,648
Finished Goods	55,939	56,259
Inventory Purchased for Resale	16,653	20,599
Excess, Obsolete, and Unserviceable	22,825	20,288
Inventory Allowance	(12,213)	(14,501)
Operating Materials and Supplies		
Held for Current Use	17,816	13,502
Total Inventory and Related Property, Net	$ 298,701	$ 284,217

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property

Equitable Sharing Payments:

The statute governing the use of the AFF (28 U.S.C. §524(c)) permits the payment of equitable shares of forfeiture proceeds to participating foreign governments and state and local law enforcement agencies. The statute does not require such sharing and permits the Attorney General wide discretion in determining those transfers. Actual sharing is difficult to predict because many factors influence both the amount and timing of disbursement of equitable sharing payments, such as the length of time required to move an asset through the forfeiture process to disposition, the amount of net proceeds available for sharing, the elapse of time for Departmental approval of equitable sharing requests for cases with asset values exceeding $1 million, and appeal of forfeiture judgments. Because of uncertainties surrounding the timing and amount of any equitable sharing payment, an obligation and expense are recorded only when the actual disbursement of the equitable sharing payment is imminent. The anticipated equitable sharing allocation level for FY 2010 is $450 million.

Analysis of Change in Forfeited Property:

The number of items represents quantities calculated using many different units of measure. The adjustments for FYs 2009 and 2008 include property status and valuation changes received after, but properly credited to FYs 2008 and 2007, respectively. The valuation changes include updates and corrections to an asset's value recorded in a prior year.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2009

Forfeited Property Category		Beginning Balance	Adjust-ments	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	80	-	143	(133)	90	-	90
	Value	$ 1,847	$ -	$ 49,642	$ (31,809)	19,680	$ -	$ 19,680
Real Property	Number	478	-	451	(433)	496	-	496
	Value	$103,163	$ -	$ 93,195	$ (91,453)	104,905	$ (1,488)	$ 103,417
Personal Property	Number	2,899	-	5,725	(5,128)	3,496	-	3,496
	Value	$ 41,532	$ (3,252)	$123,799	$ (57,041)	105,038	$ (1,292)	$ 103,746
Non-Valued Firearms	Number	22,607	-	11,377	(12,044)	21,940	-	21,940
Total	Number	26,064	-	17,696	(17,738)	26,022	-	26,022
	Value	$146,542	$ (3,252)	$266,636	$ (180,303)	$229,623	$ (2,780)	$ 226,843

For the Fiscal Year Ended September 30, 2008

Forfeited Property Category		Beginning Balance	Adjust-ments	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	61	3	254	(238)	80	-	80
	Value	$ 2,123	$ (660)	$ 39,869	$ (39,485)	1,847	$ -	$ 1,847
Real Property	Number	411	1	391	(325)	478	-	478
	Value	$ 90,709	$ 2,500	$ 73,585	$ (63,631)	103,163	$ (4,640)	$ 98,523
Personal Property	Number	2,970	378	4,436	(4,885)	2,899	-	2,899
	Value	$ 35,601	$ 488	$ 94,075	$ (88,632)	41,532	$ (2,005)	$ 39,527
Non-Valued Firearms	Number	19,650	-	8,939	(5,982)	22,607	-	22,607
Total	Number	23,092	382	14,020	(11,430)	26,064	-	26,064
	Value	$128,433	$ 2,328	$207,529	$ (191,748)	$146,542	$ (6,645)	$ 139,897

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

Method of Disposition of Forfeited Property:

During FYs 2009 and 2008, $104,883 and $93,916 of forfeited property were sold, $7,032 and $32,652 were destroyed or donated, $24,831 and $11,188 were returned to owners, and $43,557 and $53,992 were disposed of by other means, respectively. Other means of distribution include property transferred to other federal agencies for official use or equitable sharing or property distributed to a state or local agency.

Analysis of Change in Seized Property:

Property seized for any purpose other than forfeiture and held by the seizing agency or a custodial agency should be disclosed by the seizing agency. All property seized for forfeiture, including property with evidentiary value, will be reported by the AFF/SADF. The Department has established a reporting threshold of $1,000 (one thousand) or more for Personal Property seized for evidentiary purposes.

A seizure is the act of taking possession of goods in consequence of a violation of public law. Seized property consists of seized cash, monetary instruments, real property and tangible personal property in the actual or constructive possession of the seizing and the custodial agencies. The Department, until judicially or administratively forfeited, does not legally own such property. Seized evidence includes cash, financial instruments, non-monetary valuables, firearms, and illegal drugs. The AFF/SADF reports property seized for forfeiture and the FBI, DEA, and ATF report property seized for evidence.

During FY 2008, management determined that reporting Department-wide seized firearms is a preferred practice, although the seizure of firearms is considered inconsequential to FBI and DEA's primary mission. The sensitive nature of these items led management to adopt this practice in fiscal year 2008 by recognizing a one-time adjustment for FBI and DEA to ensure Department-wide reporting. Beginning in FY 2009, the seizures and disposals of firearms will be reported for all components.

The adjustments for FYs 2009 and 2008 include property status and valuation changes received after, but properly credited to FYs 2008 and 2007, respectively. The valuation changes include updates and corrections to an asset's value recorded in a prior year. In addition, adjustments include FY 2008 non-valued seized property ending balances that were used to determine the FY 2009 beginning balances for non-valued seized property.

The DEA, FBI, and ATF have custody of illegal drugs taken as evidence for legal proceedings. In accordance with Federal Financial Accounting and Auditing Technical Release No. 4, *Reporting on Non-Valued Seized and Forfeited Property*, the Department reports the total amount of seized drugs by quantity only, as illegal drugs have no value and are destroyed upon resolution of legal proceedings.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

Analyzed drug evidence represents actual laboratory tested classification and weight in kilograms (KG). Since enforcing the controlled substances laws and regulations of the United States is a primary mission of the DEA, the DEA reports all analyzed drug evidence regardless of seizure weight. However, the enforcement of these laws and regulations is incidental to the missions of the FBI and ATF and therefore they only report those individual seizures exceeding 1 KG in weight.

"Adjustments" are primarily due to the validation of drug weights that occurs after the drugs have been analyzed. "Other Drugs" are illegal substances not including cocaine, heroin, marijuana, bulk drug evidence, and methamphetamine. "Bulk Drug Evidence" is comprised of controlled substances housed by the DEA in secured storage facilities of which only a sample is taken for laboratory analysis. The actual bulk drug weight may vary from seizure weight due to changes in moisture content over time.

Unanalyzed drug evidence is qualitatively different from analyzed and bulk drug evidence because unanalyzed drug evidence includes the weight of packaging and drug categories are based on the determination of Special Agents instead of laboratory chemists. For these reasons, unanalyzed drug evidence is not reported by the Department. Seized drug evidence must be analyzed and confirmed through laboratory testing to be placed in one of the five categories of drug above. "Disposals" occur when evidence is either returned to the owner or destroyed in accordance with federal guidelines.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2009

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Forfeiture								
Seized Cash Deposited and Seized Monetary Instruments	Value	$1,228,440	$ -	$1,544,033	$(1,321,214)	$ 1,451,259	$(62,683)	$ 1,388,576
Financial Instruments	Number	384	-	71	(90)	365	-	365
	Value	$ 102,209	$ -	$ 50,116	$ (27,747)	$ 124,578	$ (8,272)	$ 116,306
Real Property	Number	199	-	190	(179)	210	-	210
	Value	$ 65,663	$ -	$ 61,426	$ (60,911)	$ 66,178	$ (9,761)	$ 56,417
Personal Property	Number	7,365	3	7,501	(7,440)	7,429	-	7,429
	Value	$ 144,304	$ 389	$ 154,686	$ (140,499)	$ 158,880	$(15,238)	$ 143,642
Non-Valued Firearms	Number	42,708	-	14,919	(18,058)	39,569	-	39,569

For the Fiscal Year Ended September 30, 2008

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Forfeiture								
Seized Cash Deposited and Seized Monetary Instruments	Value	$1,265,908	$ 3,284	$1,032,772	$(1,073,524)	$ 1,228,440	$(73,740)	$ 1,154,700
Financial Instruments	Number	304	36	190	(146)	384	-	384
	Value	$ 115,246	$ (239)	$ 24,528	$ (37,326)	$ 102,209	$ (6,455)	$ 95,754
Real Property	Number	203	-	254	(258)	199	-	199
	Value	$ 77,042	$ 600	$ 47,031	$ (59,010)	$ 65,663	$(10,582)	$ 55,081
Personal Property	Number	6,574	5	7,188	(6,402)	7,365	-	7,365
	Value	$ 163,624	$ 118	$ 108,469	$ (127,907)	$ 144,304	$(16,596)	$ 127,708
Non-Valued Firearms	Number	35,120	-	16,903	(9,315)	42,708	-	42,708

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2009

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Evidence								
Seized Monetary Instruments	Value	$ 38,171	$ (4,946)	$ 35,375	$ (28,199)	$ 40,401	$ -	$ 40,401
Personal Property	Number	51,693	(50,625)	740	(323)	$ 1,485	-	1,485
	Value	$ 29,459	$(18,475)	$ 25,717	$ (8,758)	$ 27,943	$ -	$ 27,943
Non-Valued								
Firearms	Number	45,259	(269)	6,807	(7,919)	$ 43,878	-	43,878
Drug Evidence								
Cocaine	KG	393,021	540	58,114	(102,224)	349,451	-	349,451
Heroin	KG	3,489	(81)	654	(490)	3,572	-	3,572
Marijuana	KG	21,017	(1,776)	5,359	(4,687)	19,913	-	19,913
Bulk Drug Evidence	KG	216,689	2,358	1,200,533	(1,195,644)	223,936	-	223,936
Methamphetamine	KG	6,212	204	1,741	(1,366)	6,791	-	6,791
Other Drugs	KG	52,598	(370)	6,217	(11,265)	47,180	-	47,180
Total Drug Evidence	KG	693,026	875	1,272,618	(1,315,676)	650,843	-	650,843

For the Fiscal Year Ended September 30, 2008

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Evidence								
Seized Monetary Instruments	Value	$ 33,305	$ (3,927)	$ 33,655	$ (24,862)	$ 38,171	$ -	$ 38,171
Personal Property	Number	58,193	(9,757)	16,750	(13,493)	51,693	-	51,693
	Value	$ 26,034	$ 1,786	$ 12,129	$ (10,490)	$ 29,459	$ -	$ 29,459
Non-Valued								
Firearms	Number	15,814	28,994	6,012	(5,561)	45,259	-	45,259
Drug Evidence								
Cocaine	KG	470,579	97	38,138	(115,793)	393,021	-	393,021
Heroin	KG	3,345	(19)	738	(575)	3,489	-	3,489
Marijuana	KG	22,450	539	4,320	(6,292)	21,017	-	21,017
Bulk Drug Evidence	KG	196,341	5,891	824,464	(810,007)	216,689	-	216,689
Methamphetamine	KG	6,999	(262)	1,353	(1,878)	6,212	-	6,212
Other Drugs	KG	50,882	44	8,910	(7,238)	52,598	-	52,598
Total Drug Evidence	KG	750,596	6,290	877,923	(941,783)	693,026	-	693,026

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

Method of Disposition of Seized Property:

During FYs 2009 and 2008, $1,402,885 and $1,197,402 of seized property were forfeited, $136,939 and $92,606 were returned to parties with a bonafide interest, and $47,504 and $43,111 were disposed of by other means, respectively. Other means of disposition include seized property that is sold, converted to cash, or destroyed.

Note 9. General Property, Plant and Equipment, Net

As of September 30, 2009

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	$ 192,971	$ -	$ 192,971	N/A
Improvements to Land	4,518	(251)	4,267	15 yrs
Construction in Progress	884,163	-	884,163	N/A
Buildings, Improvements and Renovations	8,789,318	(3,374,721)	5,414,597	2-50 yrs
Other Structures and Facilities	774,780	(358,344)	416,436	10-50 yrs
Aircraft	343,708	(102,815)	240,893	5-30 yrs
Boats	10,061	(4,709)	5,352	5-25 yrs
Vehicles	500,119	(311,073)	189,046	2-25 yrs
Equipment	1,548,950	(982,552)	566,398	2-25 yrs
Assets Under Capital Lease	107,247	(54,366)	52,881	5-30 yrs
Leasehold Improvements	971,367	(509,398)	461,969	2-20 yrs
Internal Use Software	333,728	(151,195)	182,533	3-10 yrs
Internal Use Software in Development	603,520	-	603,520	N/A
Total	$ 15,064,450	$ (5,849,424)	$ 9,215,026	

	Federal	Public	Total
Sources of Capitalized Property, Plant and Equipment Purchases for FY 2009	$ 252,302	$ 911,475	$ 1,163,777

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 9. General Property, Plant and Equipment, Net (continued)

As of September 30, 2008

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	$ 191,090	$ -	$ 191,090	N/A
Construction in Progress	882,838	-	882,838	N/A
Buildings, Improvements and Renovations	8,521,747	(3,087,493)	5,434,254	2-50 yrs
Other Structures and Facilities	728,679	(323,457)	405,222	10-50 yrs
Aircraft	268,484	(88,848)	179,636	5-30 yrs
Boats	9,250	(4,097)	5,153	5-25 yrs
Vehicles	474,756	(283,562)	191,194	2-25 yrs
Equipment	1,435,683	(921,869)	513,814	2-25 yrs
Assets Under Capital Lease	102,118	(49,083)	53,035	5-30 yrs
Leasehold Improvements	778,083	(431,048)	347,035	2-20 yrs
Internal Use Software	278,920	(115,281)	163,639	3-10 yrs
Internal Use Software in Development	391,630	-	391,630	N/A
Total	$ 14,063,278	$ (5,304,738)	$ 8,758,540	

	Federal	Public	Total
Sources of Capitalized Property, Plant and Equipment Purchases for FY 2008	$ 181,226	$ 1,020,773	$ 1,201,999

Note 10. Other Assets

As of September 30, 2009 and 2008

	2009	2008
Intragovernmental		
Advances and Prepayments	$ 130,878	$ 118,675
Other Intragovernmental Assets	110	87
Total Intragovernmental	130,988	118,762
Other Assets With the Public	4,921	4,738
Total Other Assets	$ 135,909	$ 123,500

Other Assets With the Public primarily consist of farm livestock held by the BOP.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 11. Liabilities not Covered by Budgetary Resources

As of September 30, 2009 and 2008

	2009	2008
Intragovernmental		
Accrued FECA Liabilities	$ 234,173	$ 224,679
Other Unfunded Employment Related Liabilities	1,528	3,406
Other 46		-
Total Intragovernmental	235,747	228,085
With the Public		
Actuarial FECA Liabilities	1,233,899	1,136,569
Accrued Annual and Compensatory Leave Liabilities	771,814	717,168
Environmental and Disposal Liabilities (Note 12)	22,112	22,112
Deferred Revenue	269,840	215,330
Contingent Liabilities (Note 16)	172,653	164,312
Capital Lease Liabilities (Note 13)	36,956	42,735
RECA Liabilities	343,835	321,671
Other	14,282	8,375
Total With the Public	2,865,391	2,628,272
Total Liabilities not Covered by Budgetary Resources	3,101,138	2,856,357
Total Liabilities Covered by Budgetary Resources	6,095,373	5,759,201
Total Liabilities	$ 9,196,511	$ 8,615,558

Generally, liabilities not covered by budgetary resources are liabilities for which Congressional action is needed before budgetary resources can be provided. However, some liabilities do not require appropriations and will be liquidated by the assets of the entities holding these liabilities. Such assets include civil and criminal debt collections, seized cash and monetary instruments, and revolving fund operations.

Note 12. Environmental and Disposal Liabilities

The BOP operates firing ranges on 64 of the sites where its institutions are located. Use of these firing ranges generates waste consisting primarily of lead shot and spent rounds from rifles, shotguns, pistols, and automatic weapons. At operational firing ranges, lead-containing bullets are fired and eventually fall to the ground at or near the range. In FYs 2009 and 2008, BOP management determined that an estimated cleanup liability of $22,112 should be recorded in both years.

An extensive review of the current and past safety practices of FPI's Recycling business segment revealed that cleanup of past lead and other contamination was recommended as the result of their glass breaking operation. Included in FPI's Balance Sheet as of September 30, 2009 is $204 in Environmental and Disposal Liabilities.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 13. Leases

Capital leases include a Federal Detention Center (25 year lease term) in Oklahoma City, Oklahoma; an airplane hangar (20 year lease term) in Oklahoma City, Oklahoma; and other machinery and equipment that expire over future periods.

As of September 30, 2009 and 2008

Capital Leases	2009	2008
Summary of Assets Under Capital Lease		
Land and Buildings	$ 100,352	$ 100,352
Machinery and Equipment	6,895	1,766
Accumulated Amortization	(54,366)	(49,083)
Total Assets Under Capital Lease (Note 9)	$ 52,881	$ 53,035

The net capital lease liability not covered by budgetary resources primarily represents the capital lease of the Federal Detention Center for which the Department received Congressional authority to fund with annual appropriations.

Future Capital Lease Payments Due

Fiscal Year	Land and Buildings	Machinery and Equipment	Total
2010	$ 10,086	$ 1,641	$ 11,727
2011	10,086	1,027	11,113
2012	9,073	877	9,950
2013	9,073	526	9,599
2014	9,073	-	9,073
After 2014	161	-	161
Total Future Capital Lease Payments	$ 47,552	$ 4,071	$ 51,623
Less: Imputed Interest	(8,765)	(637)	(9,402)
FY 2009 Net Capital Lease Liabilities	$ 38,787	$ 3,434	$ 42,221
FY 2008 Net Capital Lease Liabilities	$ 45,392	$ 240	$ 45,632

	2009	2008
Net Capital Lease Liabilities Covered by Budgetary Resources	$ 5,265	$ 2,897
Net Capital Lease Liabilities not Covered by Budgetary Resources	$ 36,956	$ 42,735

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 13. Leases (continued)

Operating leases have been established for multiple years. Many of the operating leases that expire over an extended period of time include an option to purchase the equipment at the current fair market value, or to renew the lease for additional periods.

Operating Lease Expenses

Lease Type	2009	2008
Noncancelable Operating Leases	$ 100,079	$ 98,874
Cancelable Operating Leases	1,500,363	1,524,156
Total Operating Lease Expenses	$ 1,600,442	$ 1,623,030

Future Noncancelable Operating Lease Payments Due

Fiscal Year		Land and Buildings	Machinery and Equipment	Total
2010	11	$ 6,469	$ 19,691	$ 136,160
2011	17	5,160	6,268	181,428
2012	24	0,789	4,629	245,418
2013	27	5,924	4,617	280,541
2014		289,598	12	289,610
After 2014		3,426,961	3	3,426,964
Total Future Noncancelable Operating Lease Payments		$ 4,524,901	$ 35,220	$ 4,560,121

Note 14. Seized Cash and Monetary Instruments

The Seized Cash and Monetary Instruments represent liabilities for seized assets held by the Department pending disposition.

As of September 30, 2009 and 2008

	2009	2008
Investments, Net	$ 1,290,737	$ 1,122,240
Seized Cash Deposited	135,002	91,144
Seized Monetary Instruments	65,921	53,227
Total Seized Cash and Monetary Instruments	$ 1,491,660	$ 1,266,611

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 15. Other Liabilities

As of September 30, 2009 and 2008

	2009	2008
Intragovernmental		
Employer Contributions and Payroll Taxes Payable	$ 151,946	$ 127,944
Other Post-Employment Benefits Due and Payable	125	-
Other Unfunded Employment Related Liabilities	1,528	3,558
Advances from Others	259,841	309,144
Liability for Deposit Funds, Clearing Accounts and Undeposited Collections	31,773	15,153
Other Liabilities	99,992	286,281
Total Intragovernmental	545,205	742,080
With the Public		
Other Accrued Liabilities	14,400	8,467
Advances from Others	8,591	7,406
Liability for Deposit Funds, Clearing Accounts and Undeposited Collections	46,438	46,236
Custodial Liabilities	104,446	108,965
Other Liabilities	1,990	3,439
Total With the Public	175,865	174,513
Total Other Liabilities	$ 721,070	$ 916,593

Intragovernmental Other Liabilities primarily represent civil debt collections where the Treasury General Fund is designated as the recipient of either a portion of a collection or the entire amount of a collection.

Other Accrued Liabilities with the Public consists of future funded utilities and judgment fund settlements.

The majority of Liabilities are current with the exception of a portion that consists of capital leases and those liabilities related to future employee related expenses.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 16. Contingencies and Commitments

The Department is party to various administrative proceedings, legal actions, and claims. The balance sheet includes an estimated liability for those legal actions where the management and Chief Counsel consider adverse decisions "probable" and the amounts are reasonably estimable. For those legal actions where the management and Chief Counsel consider adverse decisions "reasonably possible" and amounts are reasonably estimable information is disclosed below. However, there are cases where amounts have not been accrued or disclosed below because the amounts of the potential loss cannot be estimated or the likelihood of an unfavorable outcome is less than reasonably possible.

	Accrued Liabilities	Estimated Range of Loss	
		Lower	Upper
As of September 30, 2009			
Probable	$ 172,653	$ 172,653	$ 197,535
Reasonably Possible		173,765	200,307
As of September 30, 2008			
Probable	$ 164,312	$ 164,312	$ 184,595
Reasonably Possible		193,229	225,777

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Earmarked Funds

Earmarked funds are financed by specifically identified revenues and are required by statute to be used for designated activities or purposes, and must be accounted for separately from the Government's general revenues. See SFFAS 27, *Identifying and Reporting Earmarked Funds*, for the required criteria for an earmarked fund.

As of September 30, 2009

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Balance Sheet							
Assets							
Fund Balance with U. S. Treasury	$ 39,583	$ 9,018	$ 45,651	$ 4,203,542	$ 143,100	$ 76,756	$ 4,517,650
Investments, Net	2,072,999	129,065	-	-	-	-	2,202,064
Other Assets	235,695	11,223	6,091	3,807	46,228	26,997	330,041
Total Assets	$ 2,348,277	$ 149,306	$ 51,742	$ 4,207,349	$ 189,328	$ 103,753	$ 7,049,755
Liabilities							
Accounts Payable	$ 695,551	$ 13,222	$ 11,660	$ 36,329	$ 995	$ 19,165	$ 776,922
Other Liabilities	226,843	19,943	14,348	58,039	288,891	11,539	619,603
Total Liabilities	$ 922,394	$ 33,165	$ 26,008	$ 94,368	$ 289,886	$ 30,704	$ 1,396,525
Net Position							
Unexpended Appropriations	$ -	$ -	$ 22,207	$ -	$ -	$ -	$ 22,207
Cumulative Results of Operations	1,425,883	116,141	3,527	4,112,981	(100,558)	73,049	5,631,023
Total Net Position	$ 1,425,883	$ 116,141	$ 25,734	$ 4,112,981	$ (100,558)	$ 73,049	$ 5,653,230
Total Liabilities and Net Position	$ 2,348,277	$ 149,306	$ 51,742	$ 4,207,349	$ 189,328	$ 103,753	$ 7,049,755

For the Fiscal Year Ended September 30, 2009

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Statement of Net Cost							
Gross Cost of Operations	$ 1,001,512	$ 223,649	$ 159,370	$ 588,070	$ 217,450	$ 328,415	$ 2,518,466
Less: Exchange Revenues	6,723	231,498	42,208	-	179,933	319,601	779,963
Net Cost (Revenue) of Operations	$ 994,789	$ (7,849)	$ 117,162	$ 588,070	$ 37,517	$ 8,814	$ 1,738,503
Statement of Changes in Net Position							
Net Position Beginning of Period	$ 1,007,809	$ 107,305	$ 17,330	$ 2,955,373	$ (69,174)	$ 78,480	$ 4,097,123
Budgetary Financing Sources	1,387,107	234	125,075	1,745,678	-	-	3,258,094
Other Financing Sources	25,756	753	491	-	6,133	3,383	36,516
Total Financing Sources	1,412,863	987	125,566	1,745,678	6,133	3,383	3,294,610
Net Cost (Revenue) of Operations	(994,789)	7,849	(117,162)	(588,070)	(37,517)	(8,814)	(1,738,503)
Net Change	418,074	8,836	8,404	1,157,608	(31,384)	(5,431)	1,556,107
Net Position End of Period	$ 1,425,883	$ 116,141	$ 25,734	$ 4,112,981	$ (100,558)	$ 73,049	$ 5,653,230

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Earmarked Funds (continued)

As of September 30, 2008

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Balance Sheet							
Assets							
Fund Balance with U. S. Treasury	$ 111,756	$ 6,304	$ 17,007	$ 3,015,259	$ 113,076	$ 72,291	$ 3,335,693
Investments, Net	1,635,344	115,043	-	-	-	-	1,750,387
Other Assets	145,121	15,300	22,536	6,073	51,922	33,845	274,797
Total Assets	$ 1,892,221	$ 136,647	$ 39,543	$ 3,021,332	$ 164,998	$ 106,136	$ 5,360,877
Liabilities							
Accounts Payable	$ 744,515	$ 11,023	$ 9,026	$ 3,351	$ 586	$ 16,713	$ 785,214
Other Liabilities	139,897	18,319	13,187	62,608	233,586	10,943	478,540
Total Liabilities	$ 884,412	$ 29,342	$ 22,213	$ 65,959	$ 234,172	$ 27,656	$ 1,263,754
Net Position							
Unexpended Appropriations	$ -	$ -	$ 44,902	$ -	$ -	$ -	$ 44,902
Cumulative Results of Operations	1,007,809	107,305	(27,572)	2,955,373	(69,174)	78,480	4,052,221
Total Net Position	$ 1,007,809	$ 107,305	$ 17,330	$ 2,955,373	$ (69,174)	$ 78,480	$ 4,097,123
Total Liabilities and Net Position	$ 1,892,221	$ 136,647	$ 39,543	$ 3,021,332	$ 164,998	$ 106,136	$ 5,360,877

For the Fiscal Year Ended September 30, 2008

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Statement of Net Cost							
Gross Cost of Operations	$ 1,033,894	$ 225,145	$ 161,841	$ 642,195	$ 216,644	$ 313,322	$ 2,593,041
Less: Exchange Revenues	3,178	171,783	102,939	-	191,356	319,066	788,322
Net Cost (Revenue) of Operations	$ 1,030,716	$ 53,362	$ 58,902	$ 642,195	$ 25,288	$ (5,744)	$ 1,804,719
Statement of Changes in Net Position							
Net Position Beginning of Period	$ 734,213	$ 153,216	$ 32,812	$ 2,700,816	$ (49,352)	$ 69,686	$ 3,641,391
Budgetary Financing Sources	1,306,333	162	38,703	896,752	-	-	2,241,950
Other Financing Sources	(2,021)	7,289	4,717	-	5,466	3,050	18,501
Total Financing Sources	1,304,312	7,451	43,420	896,752	5,466	3,050	2,260,451
Net Cost (Revenue) of Operations	(1,030,716)	(53,362)	(58,902)	(642,195)	(25,288)	5,744	(1,804,719)
Net Change	273,596	(45,911)	(15,482)	254,557	(19,822)	8,794	455,732
Net Position End of Period	$ 1,007,809	$ 107,305	$ 17,330	$ 2,955,373	$ (69,174)	$ 78,480	$ 4,097,123

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Earmarked Funds (continued)

The Comprehensive Crime Control Act of 1984 established the AFF to receive the proceeds of forfeiture and to pay the costs associated with such forfeitures, including the costs of managing and disposing of property, satisfying valid liens, mortgages, and other innocent owner claims, and costs associated with accomplishing the legal forfeiture of the property. Authorities of the fund have been amended by various public laws enacted since 1984. Under current law, authority to use the fund for certain investigative expenses shall be specified in annual appropriation acts. Expenses necessary to seize, detain, inventory, safeguard, maintain, advertise or sell property under seizure are funded through a permanent, indefinite appropriation. In addition, beginning in FY 1993, other general expenses of managing and operating the Asset Forfeiture Program are paid from the permanent, indefinite portion of the fund. Once all expenses are covered, the balance is maintained to meet ongoing expenses of the program. Excess unobligated balances may also be allocated by the Attorney General in accordance with 28 U.S.C. §524(c)(8)(E).

United States Trustees supervise the administration of bankruptcy cases and private trustees in the Federal Bankruptcy Courts. The Bankruptcy Judges, UST, and Family Farmer Bankruptcy Act of 1986 (Public Law 99–554) expanded the pilot trustee program to a 21 region, nationwide program encompassing 88 judicial districts. The UST System Fund collects user fees assessed against debtors, which offset the annual appropriation.

The Antitrust Division administers and enforces antitrust and related statutes. This program primarily involves the investigation of suspected violations of the antitrust laws, the conduct of civil and criminal proceedings in the federal courts, and the maintenance of competitive conditions. The Antitrust Division collects filing fees for pre-merger notifications and retains these fees for expenditure in support of its programs.

The Crime Victims Fund is financed by collections of fines, penalty assessments, and bond forfeitures from defendants convicted of federal crimes. This fund supports victim assistance and compensation programs around the country and advocates, through policy development, for the fair treatment of crime victims. The Office for Victims of Crime administers formula and discretionary grants for programs designed to benefit victims, provides training for diverse professionals who work with victims, develops projects to enhance victims' rights and services, and undertakes public education and awareness activities on behalf of crime victims.

The Diversion Control Fee Account is established in the general fund of the Treasury as a separate account. Fees charged by the DEA under the Diversion Control Program are set at a level that ensures the recovery of the full costs of operating this program. The program’s purpose is to prevent, detect, and investigate the diversion of controlled substances from legitimate channels, while ensuring an adequate and uninterrupted supply of controlled substances required to meet legitimate needs.

The Federal Prison Commissary Fund was created in the early 1930s to allow inmates a means to purchase additional products and services above the necessities provided by appropriated federal funds, e.g., personal grooming products, snacks, postage stamps, and telephone services. The Trust Fund is a self-sustaining trust revolving fund account that is funded through sales of goods and services to inmates.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 18. Net Cost of Operations by Suborganization

For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost	$ -	$ 340,620	$ 5,138	$ -	$ 66,558	$ 4,220,194	$ 8,321	$ -	$ -	$ (115,280)	$ 4,525,551
Less: Earned Revenue	-	114,099	-	-	536	560,603	-	-	-	(115,280)	559,958
Net Cost (Revenue) of Operations	-	226,521	5,138	-	66,022	3,659,591	8,321	-	-	-	3,965,593
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost	1,001,512	5,265,364	4,129	1,919,976	2,672,648	3,819,673	1,153,318	6,987	-	(965,591)	14,878,016
Less: Earned Revenue	6,723	865,107	-	116,353	592,747	718,689	55,556	-	-	(965,591)	1,389,584
Net Cost (Revenue) of Operations	994,789	4,400,257	4,129	1,803,623	2,079,901	3,100,984	1,097,762	6,987	-	-	13,488,432
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost	-	2,156,636	2,792,695	1,024,312	-	-	-	6,573,615	1,061,586	(1,738,020)	11,870,824
Less: Earned Revenue	-	198,914	1,471,465	58,795	-	-	-	357,601	987,949	(1,709,671)	1,365,053
Net Cost (Revenue) of Operations	-	1,957,722	1,321,230	965,517	-	-	-	6,216,014	73,637	(28,349)	10,505,771
Net Cost (Revenue) of Operations	$ 994,789	$ 6,584,500	$ 1,330,497	$ 2,769,140	$ 2,145,923	$ 6,760,575	$ 1,106,083	$ 6,223,001	$ 73,637	$ (28,349)	$ 27,959,796

For the Fiscal Year Ended September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost	$ -	$ 373,938	$ 5,361	$ -	$ 78,422	$ 3,811,909	$ 7,388	$ -	$ -	$ (147,797)	$ 4,129,221
Less: Earned Revenue	-	113,635	-	-	216	305,935	-	-	-	(147,797)	271,989
Net Cost (Revenue) of Operations	-	260,303	5,361	-	78,206	3,505,974	7,388	-	-	-	3,857,232
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost	1,033,894	5,130,556	4,718	1,960,019	2,435,187	3,247,183	1,123,903	4,722	-	(1,000,028)	13,940,154
Less: Earned Revenue	3,178	814,369	-	126,467	574,956	675,521	45,369	-	-	(1,000,028)	1,239,832
Net Cost (Revenue) of Operations	1,030,716	4,316,187	4,718	1,833,552	1,860,231	2,571,662	1,078,534	4,722	-	-	12,700,322
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost	-	2,067,363	2,677,142	1,084,454	-	-	-	6,254,441	1,015,026	(1,598,953)	11,499,473
Less: Earned Revenue	-	204,917	1,404,981	131,855	-	-	-	356,367	981,680	(1,571,391)	1,508,409
Net Cost (Revenue) of Operations	-	1,862,446	1,272,161	952,599	-	-	-	5,898,074	33,346	(27,562)	9,991,064
Net Cost (Revenue) of Operations	$ 1,030,716	$ 6,438,936	$ 1,282,240	$ 1,938,151	$ 6,077,437	$ 1,085,636	$ 5,90 ,922	$ 3 2,796	$ 3,346	$ (27,562)	$ 26,548,618

Intragovernmental costs and exchange revenue, as presented on the Consolidated Statements of Net Cost, represent transactions made between two reporting entities within the federal government. The classification of revenue or cost as "intragovernmental" is defined on a transaction-by-transaction basis. The purpose of this classification is to enable the federal government to prepare consolidated financial statements, not to match intragovernmental revenue with the costs incurred to produce intragovernmental revenue.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 19. Imputed Financing from Costs Absorbed by Others

Imputed Inter-Departmental Financing Sources are the unreimbursed (i.e., non-reimbursed and under-reimbursed) portion of the full costs of goods and services received by the Department from a providing entity that is not part of the Department. In accordance with SFFAS No. 30, *Inter-Entity Cost Implementation Amending SFFAS 4, Managerial Cost Accounting Standards and Concepts*, the material Imputed Inter-Departmental financing sources currently recognized by the Department include the actual cost of future benefits for the Federal Employees Health Benefits Program (FEHB), the Federal Employees' Group Life Insurance Program (FEGLI), and the Federal Pension plans that are paid by other federal entities, and any un-reimbursed payments made from the Treasury Judgment Fund on behalf of the Department. The Treasury Judgment Fund was established by the Congress and funded at 31 U.S.C. §1304 to pay in whole or in part the court judgments and settlement agreements negotiated by the Department on behalf of agencies, as well as certain types of administrative awards. Interpretation of Federal Financial Accounting Standards Interpretation No. 2, *Accounting for Treasury Judgment Fund Transactions*, requires agencies to recognize liabilities and expenses when unfavorable litigation outcomes are probable and the amount can be estimated and will be paid by the Treasury Judgment Fund.

SFFAS No. 5, *Accounting for Liabilities of the Federal Government*, requires that employing agencies recognize the cost of pensions and other retirement benefits during their employees' active years of service. SFFAS No. 5 requires OPM to provide cost factors necessary to calculate cost. OPM actuaries calculate the value of pension benefits expected to be paid in the future, and then determine the total funds to be contributed by and for covered employees, such that the amount calculated would be sufficient to fund the projected pension benefits. For employees covered by Civil Service Retirement System (CSRS), the cost factors are 25.8% of basic pay for regular, 43.5% law enforcement officers, 20% regular offset, and 38.7% law enforcement officers offset. For employees covered by Federal Employees Retirement System (FERS), the cost factors are 12.3% of basic pay for regular and 26.7% for law enforcement officers.

The cost to be paid by other agencies is the total calculated future costs, less employee and employer contributions. In addition, other retirement benefits, which include health and life insurance that are paid by other federal entities, must also be disclosed.

For the Fiscal Years Ended September 30, 2009 and 2008

	2009	2008
Imputed Inter-Departmental Financing		
U.S. Treasury Judgment Fund	$ 40,448	$ 29,759
Health Insurance	540,484	478,215
Life Insurance	1,843	1,708
Pension	120,925	126,762
Total Imputed Inter-Departmental	$ 703,700	$ 636,444

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 19. Imputed Financing from Costs Absorbed by Others (continued)

Imputed Intra-Departmental Financing Sources as defined in SFFAS No. 4, *Managerial Cost Accounting Standards and Concepts*, are the unreimbursed portion of the full costs of goods and services received by a Department component from a providing entity that is part of the Department. Recognition is required for those transactions determined to be material to the receiving entity. The determination of whether the cost is material requires considerable judgment based on the specific facts and circumstances of each type of good or service provided. SFFAS No. 4 also states that costs for broad and general support need not be recognized by the receiving entity, unless such services form a vital and integral part of the operations or output of the receiving entity. Cost are considered broad and general if they are provided to many, if not all, reporting components and not specifically related to the receiving entity's output. The FPI imputed $28,349 and $27,562 for FYs 2009 and 2008, respectively of unreimbursed costs for BOP warehouse space used in the production of goods by the FPI and for managerial and operational services BOP provided to FPI. These imputed costs have been eliminated from the consolidated financial statements.

Note 20. Information Related to the Statement of Budgetary Resources

Apportionment Categories of Obligations Incurred:

	Direct Obligations	Reimbursable Obligations	Total Obligations Incurred
For the Fiscal Year Ended September 30, 2009			
Obligations Apportioned Under			
Category A	$ 32,327,966	$ 5,359,554	$ 37,687,520
Category B	1,749,791	66,542	1,816,333
Exempt from Apportionment	-	1,025,950	1,025,950
Total	$ 34,077,757	$ 6,452,046	$ 40,529,803
For the Fiscal Year Ended September 30, 2008			
Obligations Apportioned Under			
Category A	$ 26,182,998	$ 5,190,764	$ 31,373,762
Category B	1,736,591	69,475	1,806,066
Exempt from Apportionment	-	1,029,542	1,029,542
Total	$ 27,919,589	$ 6,289,781	$ 34,209,370

Per OMB Circular A-11, Category A obligations represent resources apportioned for calendar quarters. Category B obligations represent resources apportioned for other time periods; for activities, projects, and objectives or for a combination thereof.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Status of Undelivered Orders:

Undelivered Orders (UDO) represents the amount of goods and/or services ordered, which have not been actually or constructively received. This amount includes any orders which may have been prepaid or advanced but for which delivery or performance has not yet occurred.

As of September 30, 2009 and 2008

	2009	2008
UDO Obligations Unpaid	$ 13,063,814	$ 9,109,542
UDO Obligations Prepaid/Advanced	1,799,409	1,073,615
Total UDO	$ 14,863,223	$ 10,183,157

Permanent Indefinite Appropriations:

A permanent indefinite appropriation is open-ended as to both its period of availability (amount of time the agency has to spend the funds) and its amount. Following are the Department's permanent indefinite appropriations.

- 28 U.S.C. §524(c)(4) authorized the Attorney General to retain AFF receipts to pay operations expenses, equitable sharing to state and local law enforcement agencies who assist in forfeiture cases, and lien holders.

- On October 5, 1990, Congress passed the Radiation Exposure Compensation Act ("RECA" or "the Act"), 42 U.S.C. §2210 note, providing for compassionate payments to individuals who contracted certain cancers and other serious diseases as a result of their exposure to radiation released during above-ground nuclear weapons tests or as a result of their exposure to radiation during employment in underground uranium mines. Implementing regulations were issued by the Department of Justice and published in the Federal Register on April 10, 1992. These regulations established procedures to resolve claims in a reliable, objective, and non-adversarial manner, with little administrative cost to the United States or to the person filing the claim. Revisions to the regulations, published in the Federal Register on March 22, 1999, served to greater assist claimants in establishing entitlement to an award. On July 10, 2000, P.L. 106-245, the Radiation Exposure Compensation Act Amendments of 2000 ("the 2000 Amendments") were passed. On November 2, 2002, the President signed the "21st Century Department of Justice Appropriation Authorization Act" (P.L. 107-273). Contained in the law were several provisions relating to RECA. While most of these amendments were "technical" in nature, some affected eligibility criteria and revised claims adjudication procedures. The Consolidated Appropriations Act, 2005 provides a permanent indefinite appropriation for the OBDs' Radiation Exposure Compensation Act program beginning FY 2006.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Permanent Indefinite Appropriations (continued):

- Congress established the Federal Prison Commissary Fund (Trust Fund) in 1932 to allow inmates a means to purchase additional products and services above the necessities provided by appropriated federal funds. The BOP Trust Fund is now a self-sustaining revolving account that is funded through the sales of goods and services, rather than annual or no-year appropriations.

Legal Arrangements Affecting Use of Unobligated Balances:

Unobligated balances represent the cumulative amount of budget authority that is not obligated and that remains available for obligation under law, unless otherwise restricted. The use of unobligated balances is restricted based on annual legislation requirements and other enabling authorities. Funds are appropriated on an annual, multi-year, and no-year basis. Appropriated funds shall expire on the last day of availability and are no longer available for new obligations. Unobligated balances in unexpired fund symbols are available in the next fiscal year for new obligations unless some restrictions had been placed on those funds by law. Amounts in expired fund symbols are unavailable for new obligations, but may be used to adjust previously established obligations.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Statement of Budgetary Resources vs Budget of the United States Government:

The reconciliation as of September 30, 2008 is presented below. The reconciliation as of September 30, 2009 is not presented, because the submission of the Budget of the United States (Budget) for FY 2011, which presents the execution of the FY 2009 Budget, occurs after publication of these financial statements. The Department of Justice Budget Appendix can be found on the OMB website (http://www.whitehouse.gov/omb/budget) and will be available in early February 2010.

For the Fiscal Year Ended September 30, 2008 (Dollars in Millions)	Budgetary Resources	Obligations Incurred	Distributed Offsetting Receipts	Net Outlays
Statement of Budgetary Resources (SBR)	$ 37,759	$ 34,209	$ (122)	$ 26,887
Funds not Reported in the Budget				
Expired Funds: OBDs, USMS, DEA, OJP, FBI, ATF & BOP	(845)	(244)	-	-
AFF/SADF Forfeiture Activity	(37)	-	-	-
USMS Court Security Funds	(352)	(345)	-	(325)
Distributed Offsetting Receipts	-	-	632	(631)
AFF/SADF/OBDs/DEA Special and Trust Fund Receipts	-	-	-	513
Other	(12)	(1)	7	(5)
Budget of the United States	$ 36,513	$ 33,619	$ 517	$ 26,439

Other differences represent financial statement adjustments, timing differences and other immaterial differences between amounts reported in the Department SBR and the Budget of the United States.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 21. Allocation Transfers of Appropriation

During FY 2009 the Department transferred $17,000 from the Crime Victims Fund to the Department of Health and Human Services (HHS). For FY 2008, the OJP, as the parent, transferred the same amount to HHS. This funding is required by 42 U.S.C. §10603a {Sec. 14-4A} for *Child Abuse Prevention and Treatment Grants*. Amounts made available by section §10601(d)(2) of this title, for the purpose of this section, shall be obligated and expended by the Secretary of HHS for grants under section §5106c of this title. The activity related to these transfers is included as part of these financial statements.

The Department also allocated funds from BOP to the Public Health Service (PHS). PHS provides a portion of medical treatment for federal inmates. The money is designated and expended for current year obligation of PHS staff salaries, benefits, and applicable relocation expenses. The amounts BOP, as the parent, transferred to PHS totaled $82,000 and $72,000 for the fiscal years ended September 30, 2009 and 2008, respectively, and the related activity is included as part of these financial statements.

The Department receives allocation transfers of appropriation from the Administrative Office of U.S. Courts (AOUSC). However, the AOUSC is not an Executive Branch entity and is not required to report annual financial statements. Although the USMS is the child in the allocation transfer, per OMB guidance, all activity relative to these allocation transfers is reported in these financial statements. The allocation transfers are used for costs associated with protective guard services - Court Security Officers (CSOs) at United States courthouses and other facilities housing federal court operations. These costs include their salaries (paid through contracts), equipment, and supplies. This transfer is performed on an annual basis.

Note 22. Net Custodial Revenue Activity

Custodial revenue activity represents those collections of non-exchange revenue on behalf of other recipient entities. These collections are not recorded as revenue by the Department but as activity on the Statement of Custodial Activity. The custodial liabilities presented on the Consolidated Balance Sheet and Note 15 represent funds held by the Department that have yet to be disbursed to the appropriate Federal agency or individual.

The primary source of DCM collections consists of civil litigated matters (i.e., student loan defaults, health care fraud, etc.). The DCM also processes certain payments on criminal debts as an accommodation for the Bureau of Prisons (BOP) and the Clerks of the U.S. District Courts. The BOP aggregates collections of inmate criminal debt by correction facility, and the DCM sorts the collections by judicial district and disburses payments to the respective Clerks of the U.S. Court. The DCM also accepts wire transfers or other payments on a criminal debt if a Clerk of the U.S. Court is unable or unwilling to do so. In addition, other negligible custodial collections occur for interest, fines and penalties.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 22. Net Custodial Revenue Activity (continued)

The OBDs collect civil fines, penalties, and restitution payments that are incidental to its mission. By court order, the OBDs were given the investment authority and the settlement funds collected must be invested. The OBDs invest these funds with the Treasury, Bureau of the Public Debt. As of September 30, 2009 and 2008, the custodial assets and liabilities recorded by the OBDs on the balance sheet are $238,242 and $294,021 respectively. The OBDs custodial collections totaled $2,907,842 and $2,787,920 for the fiscal years ended September 30, 2009 and 2008.

For the fiscal years ended September 30, 2009 and 2008, DEA collected $59,961 and $36,936, respectively. DEA's collections include $15 million of the total fees collected for the Diversion Control Program and civil monetary penalties related to violations of the Controlled Substances Act that were incidental to DEA's mission. Since DEA has no statutory authority to use these excess funds, DEA transmits them to the Treasury General Fund. The DEA has a custodial liability for funds that have not yet been transmitted to the Treasury General Fund. The September 30, 2009 and 2008 balances for custodial liabilities were $2,310 and $1,150 respectively.

As an agent of the federal government and as authorized by 26 U.S.C. § 6301, ATF collects fees from firearms and explosives industries, as well as import, permit and license fees. In addition, Special Occupational Taxes are collected from certain firearms businesses. As ATF is unable to use these collections in its operations, ATF also has the authority to transfer these collections to the Treasury General Fund. The ATF custodial collections totaled $14,529 and $12,436 for the fiscal years ended September 30, 2009 and 2008, respectively.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 23. OMB Circular A-136 Consolidated Balance Sheet Presentation

U.S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2009 and 2008

Dollars in Thousands	2009	2008
ASSETS		
Intragovernmental		
Fund Balance with U.S. Treasury	$ 20,857,015	$ 15,595,443
Investments, Net	3,842,785	3,311,304
Accounts Receivable, Net	326,410	358,577
Other Assets	130,988	118,762
Total Intragovernmental	25,157,198	19,384,086
Cash and Other Monetary Assets	229,794	182,209
Accounts Receivable, Net	79,824	123,800
Inventory and Related Property, Net	298,701	284,217
General Property, Plant and Equipment, Net	9,215,026	8,758,540
Other Assets	1,647,285	611,195
Total Assets	**$ 36,627,828**	**$ 29,344,047**
LIABILITIES		
Intragovernmental		
Accounts Payable	$ 309,072	$ 243,522
Other Liabilities	917,569	1,154,839
Total Intragovernmental	1,226,641	1,398,361
Accounts Payable	2,253,013	2,140,129
Federal Employee and Veteran Benefits	1,233,899	1,136,569
Environmental and Disposal Liabilities	22,316	22,112
Other Liabilities	4,460,642	3,918,387
Total Liabilities	**$ 9,196,511**	**$ 8,615,558**
NET POSITION		
Unexpended Appropriations - Earmarked Funds	$ 22,207	$ 44,902
Unexpended Appropriations - All Other Funds	13,902,525	9,169,075
Cumulative Results of Operations - Earmarked Funds	5,631,023	4,052,221
Cumulative Results of Operations - All Other Funds	7,875,562	7,462,291
Total Net Position	**$ 27,431,317**	**$ 20,728,489**
Total Liabilities and Net Position	**$ 36,627,828**	**$ 29,344,047**

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 24. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing)

For the Fiscal Years Ended September 30, 2009 and 2008

	2009	2008
Resources Used to Finance Activities		
Budgetary Resources Obligated		
Obligations Incurred	$ 40,529,803	$ 34,209,370
Less: Spending Authority from Offsetting Collections and Recoveries	7,633,297	7,255,171
Obligations Net of Offsetting Collections and Recoveries	32,896,506	26,954,199
Less: Offsetting Receipts	539,325	(121,927)
Net Obligations	32,357,181	27,076,126
Other Resources		
Donations and Forfeitures of Property	68,213	65,854
Transfers-In/Out Without Reimbursement	9,170	(3,860)
Imputed Financing from Costs Absorbed by Others (Note 19)	703,700	636,444
Net Other Resources Used to Finance Activities	781,083	698,438
Total Resources Used to Finance Activities	33,138,264	27,774,564
Resources Used to Finance Items not Part of the Net Cost of Operations		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not Yet Provided	(4,940,729)	(306,294)
Resources That Fund Expenses Recognized in Prior Periods (Note 25)	(7,656)	(31,122)
Budgetary Offsetting Collections and Receipts That do not Affect Net Cost of Operations	(65,939)	(627,115)
Resources That Finance the Acquisition of Assets	(1,174,153)	(1,282,348)
Other Resources or Adjustments to Net Obligated Resources That do not Affect Net Cost of Operations	29,514	38,635
Total Resources Used to Finance Items not Part of the Net Cost of Operations	(6,158,963)	(2,208,244)
Total Resources Used to Finance the Net Cost of Operations	$ 26,979,301	$ 25,566,320

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 24. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing) (continued)

For the Fiscal Years Ended September 30, 2009 and 2008	2009	2008
Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period		
Components of Net Cost of Operations That will Require or Generate Resources in Future Periods (Note 25)	$ 267,978	$ 296,964
Components not Requiring or Generating Resources		
Depreciation and Amortization	685,778	672,980
Revaluation of Assets or Liabilities	28,129	11,506
Other	(1,390)	848
Total Components of Net Cost of Operations That will not Require or Generate Resources	712,517	685,334
Total Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period	980,495	982,298
Net Cost of Operations	$ 27,959,796	$ 26,548,618

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 25. Explanation of Differences Between Liabilities not Covered by Budgetary Resources and Components of Net Cost of Operations Requiring or Generating Resources in Future Periods

Liabilities that are not covered by realized budgetary resources and for which there is not certainty that budgetary authority will be realized, such as the enactment of an appropriation, are considered liabilities not covered by budgetary resources. These liabilities totaling $3,101,138 and $2,856,357 on September 30, 2009 and 2008, respectively, are discussed in Note 11, *Liabilities not Covered by Budgetary Resources.* Decreases in these liabilities result from current year budgetary resources that were used to fund expenses recognized in prior periods. Increases in these liabilities represent unfunded expenses that were recognized in the current period. These increases along with the change in the portion of exchange revenue receivables from the public, which are not considered budgetary resources until collected, represent components of current period net cost of operations that will require or generate budgetary resources in future periods. The changes in liabilities not covered by budgetary resources and receivables generating resources in future periods are comprised of the following:

For the Fiscal Years Ended September 30, 2009 and 2008

	2009	2008
Resources that Fund Expenses Recognized in Prior Periods		
Decrease in Contingent Liabilities	-	(25,778)
Decrease in Capital Lease Liabilities	(5,779)	(5,344)
Decrease in Other Unfunded Employment Related Liabilities	(1,877)	-
Total Other	(7,656)	(31,122)
Total Resources that Fund Expenses Recognized in Prior Periods	$ (7,656)	$ (31,122)
Components of Net Cost of Operations Requiring or Generating Resources in Future Periods		
Increase in Accrued Annual and Compensatory Leave Liabilities	$ 54,646	$ 51,491
(Increase)/Decrease in Exchange Revenue Receivable from the Public	3,877	(1,147)
Other		
Increase in Actuarial FECA Liabilities	97,330	90,090
Increase in Accrued FECA Liabilities	9,494	10,787
Increase in Deferred Revenue	54,510	29,731
Increase in Contingent Liabilities	8,341	-
Increase in RECA Liabilities	22,164	133,213
Increase in Other Unfunded Employee Related Liabilities	-	1,815
Increase in Other Liabilities	5,953	3,814
(Increase)/Decrease in Nonexchange Receivables from the Public	113	195
(Increase)/Decrease in Surcharge Revenue Receivable from Other Federal Agencies	11,550	(23,025)
Total Other	209,455	246,620
Total Components of Net Cost of Operations Requiring or Generating Resources in Future Periods	$ 267,978	$ 296,964

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 26. Change in Accounting Principle

For FY 2009, in accordance with guidance provided by the Office of Management and Budget (OMB), the Department changed its method of reporting temporary rescissions of budgetary authority by reporting a $285 million rescission as unobligated balances not available in the status of budgetary resources section of AFF's SBR. In prior years, rescissions were reported as temporarily not available pursuant to public law in the budgetary resources section of the SBR. The new method of accounting for rescissions was adopted based on guidance received from OMB to better align rescissions reported in the SBR with the amounts reported in the SF-132, *Request for Apportionment/Reapportionment*, and SF-133, *Reports on Budget Execution and Budgetary Resources*.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

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Consolidating and Combining Financial Statements

See Independent Auditors' Report on Financial Statements

U. S. Department of Justice
Consolidating Balance Sheet
As of September 30, 2009

	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	$ 39,583	$ 4,900,344	$ 497,604	$ 9,306,877	$ 783,421	$ 3,292,066	$ 257,432	$ 1,758,029	$ 21,659	$ -	$ 20,857,015
Investments, Net	3,363,736	215,149	-	-	-	-	-	-	263,900	-	3,842,785
Accounts Receivable, Net	4,021	334,297	188,213	10,372	72,897	137,156	18,612	3,765	46,798	(489,721)	326,410
Other Assets	2,757	199,351	3,025	49,746	55,295	57,512	20,694	347	-	(257,739)	130,988
Total Intragovernmental	3,410,097	5,649,141	688,842	9,366,995	911,613	3,486,734	296,738	1,762,141	332,357	(747,460)	25,157,198
Cash and Monetary Assets	160,522	46	-	-	10,089	52,058	6,341	738	-	-	229,794
Accounts Receivable, Net	-	10,144	146	7,208	2,543	31,159	99	19,611	8,914	-	79,824
Inventory and Related Property, Net	-	120	2,150	-	6,862	8,804	-	16,533	264,232	-	298,701
Forfeited Property, Net	226,843	-	-	-	-	-	-	-	-	-	226,843
General Property, Plant and Equipment, Net	2,071	183,139	254,273	13,781	387,325	1,814,851	196,681	6,239,221	123,684	-	9,215,026
Advances and Prepayments	3	6,907	68	1,337,788	9,241	51,986	853	3,729	4,946	-	1,415,521
Other Assets	-	-	184	-	-	-	-	3,721	1,016	-	4,921
Total Assets	**$ 3,799,536**	**$ 5,849,497**	**$ 945,663**	**$ 10,725,772**	**$ 1,327,673**	**$ 5,445,592**	**$ 500,712**	**$ 8,045,694**	**$ 735,149**	**$ (747,460)**	**$ 36,627,828**
LIABILITIES											
Intragovernmental											
Accounts Payable	$ 67,523	$ 347,723	$ 35,165	$ 50,095	$ 65,505	$ 166,513	$ 18,366	$ 41,402	$ 4,982	$ (488,202)	$ 309,072
Accrued FECA Liabilities	-	8,973	15,222	136	25,594	32,785	19,751	132,154	1,643	-	236,258
Custodial Liabilities	-	133,796	-	-	2,310	-	-	-	-	-	136,106
Other Liabilities	-	178,149	20,878	230,852	21,888	87,513	8,332	62,659	194,192	(259,258)	545,205
Total Intragovernmental	67,523	668,641	71,265	281,083	115,297	286,811	46,449	236,215	200,817	(747,460)	1,226,641
Accounts Payable	628,028	329,785	353,922	29,365	113,778	356,100	46,047	343,619	52,369	-	2,253,013
Accrued Grant Liabilities	-	109,498	-	321,721	-	-	-	-	-	-	431,219
Actuarial FECA Liabilities	-	47,504	81,314	494	139,308	176,818	105,498	669,020	13,943	-	1,233,899
Accrued Payroll and Benefits	-	114,220	24,728	7,470	52,574	161,029	28,055	125,510	9,118	-	522,704
Accrued Annual and Compensatory Leave Liabilities	-	178,265	38,931	5,625	93,474	244,863	48,600	162,056	10,363	-	782,177
Environmental and Disposal Liabilities	-	-	-	-	-	-	-	22,112	204	-	22,316
Deferred Revenue	226,843	-	-	-	269,840	-	-	1,625	-	-	498,308
Seized Cash and Monetary Instruments	1,451,259	-	-	-	575	37,390	2,436	-	-	-	1,491,660
Contingent Liabilities	-	-	18,250	-	16,995	128,978	3,500	4,930	-	-	172,653
Capital Lease Liabilities	-	-	1,831	20	-	-	3,241	36,956	173	-	42,221
Radiation Exposure Compensation Act Liabilities	-	343,835	-	-	-	-	-	-	-	-	343,835
Other Liabilities	-	104,446	-	-	67	5,362	110	65,880	-	-	175,865
Total Liabilities	**$ 2,373,653**	**$ 1,896,194**	**$ 590,241**	**$ 645,778**	**$ 801,908**	**$ 1,397,351**	**$ 283,936**	**$ 1,667,923**	**$ 286,987**	**$ (747,460)**	**$ 9,196,511**
NET POSITION											
Unexpended Appropriations - Earmarked Funds	$ -	$ 22,207	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,207
Unexpended Appropriations - All Other Funds	-	3,782,236	222,502	5,951,999	540,670	2,114,589	183,607	1,106,922	-	-	13,902,525
Cumulative Results of Operations - Earmarked Funds	1,425,883	119,668	-	4,112,981	(100,558)	-	-	73,049	-	-	5,631,023
Cumulative Results of Operations - All Other Funds	-	29,192	132,920	15,014	85,653	1,933,652	33,169	5,197,800	448,162	-	7,875,562
Total Net Position	**$ 1,425,883**	**$ 3,953,303**	**$ 355,422**	**$ 10,079,994**	**$ 525,765**	**$ 4,048,241**	**$ 216,776**	**$ 6,377,771**	**$ 448,162**	**$ -**	**$ 27,431,317**
Total Liabilities and Net Position	**$ 3,799,536**	**$ 5,849,497**	**$ 945,663**	**$ 10,725,772**	**$ 1,327,673**	**$ 5,445,592**	**$ 500,712**	**$ 8,045,694**	**$ 735,149**	**$ (747,460)**	**$ 36,627,828**

U. S. Department of Justice
Consolidating Balance Sheet
As of September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	$ 111,756	$ 3,793,821	$ 455,838	$ 6,203,049	$ 717,382	$ 2,546,941	$ 235,179	$ 1,511,486	$ 19,991	$ -	$ 15,595,443
Investments, Net	2,757,584	201,020	-	-	-	-	-	-	352,700	-	3,311,304
Accounts Receivable, Net	1,646	286,977	164,364	9,773	32,905	223,486	24,113	5,018	36,497	(426,202)	358,577
Other Assets	848	414,301	1,667	29,761	17,670	75,872	27,136	1,172	-	(449,665)	118,762
Total Intragovernmental	2,871,834	4,696,119	621,869	6,242,583	767,957	2,846,299	286,428	1,517,676	409,188	(875,867)	19,384,086
Cash and Monetary Assets	106,200	-	-	5	8,414	59,658	7,189	743	-	-	182,209
Accounts Receivable, Net	6	29,350	357	10,667	2,573	43,699	212	28,564	8,372	-	123,800
Inventory and Related Property, Net	-	157	1,874	-	5,371	6,257	-	20,442	250,116	-	284,217
Forfeited Property, Net	139,897	-	-	-	-	-	-	-	-	-	139,897
General Property, Plant and Equipment, Net	2,724	156,353	254,164	12,995	368,795	1,453,524	182,945	6,195,389	131,651	-	8,758,540
Advances and Prepayments	-	6,376	88	393,959	7,629	46,698	185	3,639	7,986	-	466,560
Other Assets	-	-	184	-	-	-	-	3,953	601	-	4,738
Total Assets	**$ 3,120,661**	**$ 4,888,355**	**$ 878,536**	**$ 6,660,209**	**$ 1,160,739**	**$ 4,456,135**	**$ 476,959**	**$ 7,770,406**	**$ 807,914**	**$ (875,867)**	**$ 29,344,047**
LIABILITIES											
Intragovernmental											
Accounts Payable	$ 95,235	$ 297,906	$ 34,756	$ 23,648	$ 39,170	$ 126,049	$ 18,665	$ 27,919	$ 6,376	$ (426,202)	$ 243,522
Accrued FECA Liabilities	-	9,439	15,007	67	25,503	32,866	19,536	122,646	1,489	-	226,553
Custodial Liabilities	-	185,056	-	-	1,150	-	-	-	-	-	186,206
Other Liabilities	-	330,471	14,734	447,447	17,996	105,340	7,060	57,042	211,655	(449,665)	742,080
Total Intragovernmental	95,235	822,872	64,497	471,162	83,819	264,255	45,261	207,607	219,520	(875,867)	1,398,361
Accounts Payable	649,280	278,695	327,171	21,879	101,909	287,462	49,359	351,913	72,461	-	2,140,129
Accrued Grant Liabilities	-	104,070	-	305,001	-	-	-	-	-	-	409,071
Actuarial FECA Liabilities	-	48,076	74,673	189	137,373	170,902	102,822	590,524	12,010	-	1,136,569
Accrued Payroll and Benefits	-	97,699	21,531	6,795	47,181	135,840	24,552	109,254	9,385	-	452,237
Accrued Annual and Compensatory Leave Liabilities	-	165,144	36,334	4,918	88,089	223,956	44,896	153,831	10,291	-	727,459
Environmental and Disposal Liabilities	-	-	-	-	-	-	-	22,112	-	-	22,112
Deferred Revenue	139,897	-	-	-	215,330	-	-	1,654	-	-	356,881
Seized Cash and Monetary Instruments	1,228,440	-	-	-	489	33,898	3,784	-	-	-	1,266,611
Contingent Liabilities	-	8,000	17,000	-	11,120	120,770	3,500	3,922	-	-	164,312
Capital Lease Liabilities	-	-	2,657	24	-	-	-	42,735	216	-	45,632
Radiation Exposure Compensation Act Liabilities	-	321,671	-	-	-	-	-	-	-	-	321,671
Other Liabilities	-	108,965	-	-	13	6,296	87	59,152	-	-	174,513
Total Liabilities	**$ 2,112,852**	**$ 1,955,192**	**$ 543,863**	**$ 809,968**	**$ 685,323**	**$ 1,243,379**	**$ 274,261**	**$ 1,542,704**	**$ 323,883**	**$ (875,867)**	**$ 8,615,558**
NET POSITION											
Unexpended Appropriations - Earmarked Funds	$ -	$ 44,902	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 44,902
Unexpended Appropriations - All Other Funds	-	2,669,214	191,625	2,881,349	475,267	1,884,207	167,668	899,745	-	-	9,169,075
Cumulative Results of Operations - Earmarked Funds	1,007,809	79,733	-	2,955,373	(69,174)	-	-	78,480	-	-	4,052,221
Cumulative Results of Operations - All Other Funds	-	139,314	143,048	13,519	69,323	1,328,549	35,030	5,249,477	484,031	-	7,462,291
Total Net Position	**$ 1,007,809**	**$ 2,933,163**	**$ 334,673**	**$ 5,850,241**	**$ 475,416**	**$ 3,212,756**	**$ 202,698**	**$ 6,227,702**	**$ 484,031**	**$ -**	**$ 20,728,489**
Total Liabilities and Net Position	**$ 3,120,661**	**$ 4,888,355**	**$ 878,536**	**$ 6,660,209**	**$ 1,160,739**	**$ 4,456,135**	**$ 476,959**	**$ 7,770,406**	**$ 807,914**	**$ (875,867)**	**$ 29,344,047**

U. S. Department of Justice
Consolidating Statement of Net Cost
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost - Intragovernmental	$ -	$ 86,405	$ 5,138	$ -	$ 13,414	$ 1,143,681	$ -	$ -	$ -	$ (115,280)	$ 1,133,358
Gross Cost - With the Public	-	254,215	-	-	53,144	3,076,513	8,321	-	-	-	3,392,193
Subtotal Gross Costs	-	340,620	5,138	-	66,558	4,220,194	8,321	-	-	(115,280)	4,525,551
Earned Revenues - Intragovernmental	-	98,711	-	-	501	549,297	-	-	-	(115,280)	533,229
Earned Revenues - With the Public	-	15,388	-	-	35	11,306	-	-	-	-	26,729
Subtotal Earned Revenues	-	114,099	-	-	536	560,603	-	-	-	(115,280)	559,958
Subtotal Net Cost (Revenues) of Operations	$ -	$ 226,521	$ 5,138	$ -	$ 66,022	$ 3,659,591	$ 8,321	$ -	$ -	$ -	$ 3,965,593
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost - Intragovernmental	$ 291,499	$ 1,840,475	$ 4,129	$ 119,310	$ 817,575	$ 1,035,139	$ 339,493	$ -	$ -	$ (965,591)	$ 3,482,029
Gross Cost - With the Public	710,013	3,424,889	-	1,800,666	1,855,073	2,784,534	813,825	6,987	-	-	11,395,987
Subtotal Gross Costs	1,001,512	5,265,364	4,129	1,919,976	2,672,648	3,819,673	1,153,318	6,987	-	(965,591)	14,878,016
Earned Revenues - Intragovernmental	6,723	556,405	-	116,353	409,000	591,269	55,400	-	-	(965,591)	769,559
Earned Revenues - With the Public	-	308,702	-	-	183,747	127,420	156	-	-	-	620,025
Subtotal Earned Revenues	6,723	865,107	-	116,353	592,747	718,689	55,556	-	-	(965,591)	1,389,584
Subtotal Net Cost (Revenues) of Operations	$ 994,789	$ 4,400,257	$ 4,129	$ 1,803,623	$ 2,079,901	$ 3,100,984	$ 1,097,762	$ 6,987	$ -	$ -	$ 13,488,432
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost - Intragovernmental	$ -	$ 1,478,170	$ 467,739	$ 105,707	$ -	$ -	$ -	$ 1,398,657	$ 257,133	$ (1,738,020)	$ 1,969,386
Gross Cost - With the Public	-	678,466	2,324,956	918,605	-	-	-	5,174,958	804,453	-	9,901,438
Subtotal Gross Costs	-	2,156,636	2,792,695	1,024,312	-	-	-	6,573,615	1,061,586	(1,738,020)	11,870,824
Earned Revenues - Intragovernmental	-	166,974	1,468,876	58,795	-	-	-	17,598	918,901	(1,709,671)	921,473
Earned Revenues - With the Public	-	31,940	2,589	-	-	-	-	340,003	69,048	-	443,580
Subtotal Earned Revenues	-	198,914	1,471,465	58,795	-	-	-	357,601	987,949	(1,709,671)	1,365,053
Subtotal Net Cost (Revenues) of Operations	$ -	$ 1,957,722	$ 1,321,230	$ 965,517	$ -	$ -	$ -	$ 6,216,014	$ 73,637	$ (28,349)	$ 10,505,771
Total Net Cost (Revenue) of Operations	**$ 994,789**	**$ 6,584,500**	**$ 1,330,497**	**$ 2,769,140**	**$ 2,145,923**	**$ 6,760,575**	**$ 1,106,083**	**$ 6,223,001**	**$ 73,637**	**$ (28,349)**	**$ 27,959,796**

U. S. Department of Justice
Consolidating Statement of Net Cost
For the Fiscal Year Ended September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost - Intragovernmental	$ -	$ 99,676	$ 5,361	$ -	$ 17,134	$ 1,109,469	$ -	$ -	$ -	$ (147,797)	$ 1,083,843
Gross Cost - With the Public	-	274,262	-	-	61,288	2,702,440	7,388	-	-	-	3,045,378
	-	373,938	5,361	-	78,422	3,811,909	7,388	-	-	(147,797)	4,129,221
Earned Revenues - Intragovernmental	-	98,897	-	-	216	293,545	-	-	-	(147,797)	244,861
Earned Revenues - With the Public	-	14,738	-	-	-	12,390	-	-	-	-	27,128
	-	113,635	-	-	216	305,935	-	-	-	(147,797)	271,989
	$ -	$ 260,303	$ 5,361	$ -	$ 78,206	$ 3,505,974	$ 7,388	$ -	$ -	$ -	$ 3,857,232
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost - Intragovernmental	$ 225,965	$ 1,852,393	$ 4,718	$ 28,982	$ 749,679	$ 945,104	$ 314,748	$ -	$ -	$ (1,000,028)	$ 3,121,561
Gross Cost - With the Public	807,929	3,278,163	-	1,931,037	1,685,508	2,302,079	809,155	4,722	-	-	10,818,593
	1,033,894	5,130,556	4,718	1,960,019	2,435,187	3,247,183	1,123,903	4,722	-	(1,000,028)	13,940,154
Earned Revenues - Intragovernmental	3,178	509,217	-	126,467	378,732	528,249	45,230	-	-	(1,000,028)	591,045
Earned Revenues - With the Public	-	305,152	-	-	196,224	147,272	139	-	-	-	648,787
	3,178	814,369	-	126,467	574,956	675,521	45,369	-	-	(1,000,028)	1,239,832
	$ 1,030,716	$ 4,316,187	$ 4,718	$ 1,833,552	$ 1,860,231	$ 2,571,662	$ 1,078,534	$ 4,722	$ -	$ -	$ 12,700,322
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost - Intragovernmental	$ -	$ 1,387,261	$ 481,886	$ 119,429	$ -	$ -	$ -	$ 1,320,647	$ 267,702	$ (1,598,953)	$ 1,977,972
Gross Cost - With the Public	-	680,102	2,195,256	965,025	-	-	-	4,933,794	747,324	-	9,521,501
	-	2,067,363	2,677,142	1,084,454	-	-	-	6,254,441	1,015,026	(1,598,953)	11,499,473
Earned Revenues - Intragovernmental	-	173,918	1,401,586	131,855	-	-	-	15,724	901,026	(1,571,391)	1,052,718
Earned Revenues - With the Public	-	30,999	3,395	-	-	-	-	340,643	80,654	-	455,691
	-	204,917	1,404,981	131,855	-	-	-	356,367	981,680	(1,571,391)	1,508,409
	$ -	$ 1,862,446	$ 1,272,161	$ 952,599	$ -	$ -	$ -	$ 5,898,074	$ 33,346	$ (27,562)	$ 9,991,064
Total Net Cost (Revenue) of Operations	**$ 1,030,716**	**$ 6,438,936**	**$ 1,282,240**	**$ 2,786,151**	**$ 1,938,437**	**$ 6,077,636**	**$ 1,085,922**	**$ 5,902,796**	**$ 33,346**	**$ (27,562)**	**$ 26,548,618**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Unexpended Appropriations											
Beginning Balances											
Earmarked Funds	$ -	$ 44,902	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 44,902
All Other Funds	-	2,669,214	191,625	2,881,349	475,267	1,884,207	167,668	899,745	-	-	9,169,075
Budgetary Financing Sources											
Appropriations Received											
Earmarked Funds	-	125,076	-	-	-	-	-	-	-	-	125,076
All Other Funds	-	7,787,138	964,000	5,036,600	1,959,084	7,336,191	1,068,215	6,176,599	-	-	30,327,827
Appropriations Transferred-In/Out											
All Other Funds	-	(261,192)	354,616	283,817	158,467	(8,978)	16,647	(8,035)	-	-	535,342
Other Adjustments											
All Other Funds	-	(109,426)	-	(121,642)	-	-	-	-	-	-	(231,068)
Appropriations Used											
Earmarked Funds	-	(147,771)	-	-	-	-	-	-	-	-	(147,771)
All Other Funds	-	(6,303,498)	(1,287,739)	(2,128,125)	(2,052,148)	(7,096,831)	(1,068,923)	(5,961,387)	-	-	(25,898,651)
Total Financing Sources											
Earmarked Funds	-	(22,695)	-	-	-	-	-	-	-	-	(22,695)
All Other Funds	-	1,113,022	30,877	3,070,650	65,403	230,382	15,939	207,177	-	-	4,733,450
Net Change											
Earmarked Funds	-	(22,695)	-	-	-	-	-	-	-	-	(22,695)
All Other Funds	-	1,113,022	30,877	3,070,650	65,403	230,382	15,939	207,177	-	-	4,733,450
Ending Balances											
Earmarked Funds	-	22,207	-	-	-	-	-	-	-	-	22,207
All Other Funds	-	3,782,236	222,502	5,951,999	540,670	2,114,589	183,607	1,106,922	-	-	13,902,525
Total All Funds	$ -	$ 3,804,443	$ 222,502	$ 5,951,999	$ 540,670	$ 2,114,589	$ 183,607	$ 1,106,922	$ -	$ -	$ 13,924,732

U. S. Department of Justice
Consolidating Statement of Changes in Net Position - Continued
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Cumulative Results of Operations											
Beginning Balances											
Earmarked Funds	**$ 1,007,809**	**$ 79,733**	**$ -**	**$ 2,955,373**	**$ (69,174)**	**$ -**	**$ -**	**$ 78,480**	**$ -**	**$ -**	**$ 4,052,221**
All Other Funds	**-**	**139,314**	**143,048**	**13,519**	**69,323**	**1,328,549**	**35,030**	**5,249,477**	**484,031**	**-**	**7,462,291**
Beginning Balances, as Adjusted											
Earmarked Funds	**1,007,809**	**79,733**	**-**	**2,955,373**	**(69,174)**	**-**	**-**	**78,480**	**-**	**-**	4,052,221
All Other Funds	**-**	**139,314**	**143,048**	**13,519**	**69,323**	**1,328,549**	**35,030**	**5,249,477**	**484,031**	**-**	7,462,291
Budgetary Financing Sources											
Appropriations Used											
Earmarked Funds	-	147,771	-	-	-	-	-	-	-	-	147,771
All Other Funds	-	6,303,498	1,287,739	2,128,125	2,052,148	7,096,831	1,068,923	5,961,387	-	-	25,898,651
Nonexchange Revenues											
Earmarked Funds	10,684	233	-	1,745,678	-	-	-	-	-	-	1,756,595
All Other Funds	-	-	-	1,171	-	-	-	-	-	-	1,171
Donations and Forfeitures of Cash and Cash Equivalents											
Earmarked Funds	1,376,423	-	-	-	-	-	-	-	-	-	1,376,423
Transfers-In/Out Without Reimbursement											
All Other Funds	-	89,948	-	-	-	-	-	-	-	-	89,948
Other Budgetary Financing Sources											
All Other Funds	-	(100,000)	-	-	-	-	-	-	-	-	(100,000)
Other Financing Sources											
Donations and Forfeitures of Property											
Earmarked Funds	68,145	-	-	-	-	-	-	-	-	-	68,145
All Other Funds	-	-	-	-	-	-	-	68	-	-	68
Transfers-In/Out Without Reimbursement											
Earmarked Funds	(42,389)	-	-	-	180	-	-	7	-	-	(42,202)
All Other Funds	-	(88,381)	335	49,215	12,143	61,342	2,173	14,766	6	-	51,599
Imputed Financing from Costs Absorbed by Others											
Earmarked Funds	-	1,244	-	-	5,953	-	-	3,376	-	-	10,573
All Other Funds	-	160,000	32,295	4,054	60,445	207,505	33,126	186,289	37,762	(28,349)	693,127
Total Financing Sources											
Earmarked Funds	**1,412,863**	**149,248**	**-**	**1,745,678**	**6,133**	**-**	**-**	**3,383**	**-**	**-**	**3,317,305**
All Other Funds	**-**	**6,365,065**	**1,320,369**	**2,182,565**	**2,124,736**	**7,365,678**	**1,104,222**	**6,162,510**	**37,768**	**(28,349)**	**26,634,564**
Net Cost of Operations											
Earmarked Funds	(994,789)	(109,313)	-	(588,070)	(37,517)	-	-	(8,814)	-	-	(1,738,503)
All Other Funds	-	(6,475,187)	(1,330,497)	(2,181,070)	(2,108,406)	(6,760,575)	(1,106,083)	(6,214,187)	(73,637)	28,349	(26,221,293)
Net Change											
Earmarked Funds	418,074	39,935	-	1,157,608	(31,384)	-	-	(5,431)	-	-	1,578,802
All Other Funds	-	(110,122)	(10,128)	1,495	16,330	605,103	(1,861)	(51,677)	(35,869)	-	413,271
Ending Balances											
Earmarked Funds	**1,425,883**	**119,668**	**-**	**4,112,981**	**(100,558)**	**-**	**-**	**73,049**	**-**	**-**	**5,631,023**
All Other Funds	**-**	**29,192**	**132,920**	**15,014**	**85,653**	**1,933,652**	**33,169**	**5,197,800**	**448,162**	**-**	**7,875,562**
Total All Funds	**$ 1,425,883**	**$ 148,860**	**$ 132,920**	**$ 4,127,995**	**$ (14,905)**	**$ 1,933,652**	**$ 33,169**	**$ 5,270,849**	**$ 448,162**	**$ -**	**$ 13,506,585**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position
For the Fiscal Year Ended September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Unexpended Appropriations											
Beginning Balances											
Earmarked Funds	**$ -**	**$ 21,938**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 21,938**
All Other Funds	**-**	**3,241,246**	**215,147**	**3,049,478**	**437,415**	**1,647,372**	**170,656**	**953,555**	**-**	**-**	**9,714,869**
Budgetary Financing Sources											
Appropriations Received											
Earmarked Funds	-	44,902	-	-	-	-	-	-	-	-	44,902
All Other Funds	-	6,097,796	895,144	1,769,767	1,887,430	6,763,811	1,011,597	5,610,260	-	-	24,035,805
Appropriations Transferred-In/Out											
Earmarked Funds	-	4,061	-	-	-	-	-	-	-	-	4,061
All Other Funds	-	(226,909)	332,914	241,204	15,302	(169,298)	16,825	34,270	-	-	244,308
Other Adjustments											
Earmarked Funds	-	(10,260)	-	-	-	-	-	-	-	-	(10,260)
All Other Funds	-	(283,128)	-	(110,598)	-	(1,300)	-	-	-	-	(395,026)
Appropriations Used											
Earmarked Funds	-	(15,739)	-	-	-	-	-	-	-	-	(15,739)
All Other Funds	-	(6,159,791)	(1,251,580)	(2,068,502)	(1,864,880)	(6,356,378)	(1,031,410)	(5,698,340)	-	-	(24,430,881)
Total Financing Sources											
Earmarked Funds	**-**	**22,964**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22,964**
All Other Funds	**-**	**(572,032)**	**(23,522)**	**(168,129)**	**37,852**	**236,835**	**(2,988)**	**(53,810)**	**-**	**-**	**(545,794)**
Ending Balances											
Earmarked Funds	**-**	**44,902**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**44,902**
All Other Funds	**-**	**2,669,214**	**191,625**	**2,881,349**	**475,267**	**1,884,207**	**167,668**	**899,745**	**-**	**-**	**9,169,075**
Total All Funds	**$ -**	**$ 2,714,116**	**$ 191,625**	**$ 2,881,349**	**$ 475,267**	**$ 1,884,207**	**$ 167,668**	**$ 899,745**	**$ -**	**$ -**	**$ 9,213,977**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position - Continued
For the Fiscal Year Ended September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Cumulative Results of Operations											
Beginning Balances											
Earmarked Funds	**$ 734,213**	**$ 164,090**	**$ -**	**$ 2,700,816**	**$ (49,352)**	**$ -**	**$ -**	**$ 69,686**	**$ -**	**$ -**	**$ 3,619,453**
All Other Funds	**-**	**160,915**	**143,621**	**22,416**	**47,357**	**784,797**	**53,210**	**5,258,111**	**480,912**	**-**	**6,951,339**
Beginning Balances, as Adjusted											
Earmarked Funds	**734,213**	**164,090**	**-**	**2,700,816**	**(49,352)**	**-**	**-**	**69,686**	**-**	**-**	3,619,453
All Other Funds	**-**	**160,915**	**143,621**	**22,416**	**47,357**	**784,797**	**53,210**	**5,258,111**	**480,912**	**-**	6,951,339
Budgetary Financing Sources											
Appropriations Used											
Earmarked Funds	-	15,739	-	-	-	-	-	-	-	-	15,739
All Other Funds	-	6,159,791	1,251,580	2,068,502	1,864,880	6,356,378	1,031,410	5,698,340	-	-	24,430,881
Nonexchange Revenues											
Earmarked Funds	83,690	162	-	896,752	-	-	-	-	-	-	980,604
All Other Funds	-	-	-	1,199	-	-	-	-	-	-	1,199
Donations and Forfeitures of Cash and Cash Equivalents											
Earmarked Funds	1,222,643	-	-	-	-	-	-	-	-	-	1,222,643
Transfers-In/Out Without Reimbursement											
All Other Funds	-	180,900	-	-	-	-	-	-	-	-	180,900
Other Budgetary Financing Sources											
All Other Funds	-	(41,000)	-	-	-	-	-	-	-	-	(41,000)
Other Financing Sources											
Donations and Forfeitures of Property											
Earmarked Funds	63,430	-	-	-	-	-	-	-	-	-	63,430
All Other Funds	-	-	-	-	-	-	-	2,424	-	-	2,424
Transfers-In/Out Without Reimbursement											
Earmarked Funds	(65,451)	-	-	-	(41)	-	-	-	-	-	(65,492)
All Other Funds	-	(119,226)	674	61,855	5,795	77,901	4,885	32,682	-	-	64,566
Imputed Financing from Costs Absorbed by Others											
Earmarked Funds	-	12,006	-	-	5,507	-	-	3,050	-	-	20,563
All Other Funds	-	124,606	29,413	3,503	64,440	187,109	31,447	166,460	36,465	(27,562)	615,881
Other Financing Sources											
Total Financing Sources											
Earmarked Funds	**1,304,312**	**27,907**	**-**	**896,752**	**5,466**	**-**	**-**	**3,050**	**-**	**-**	**2,237,487**
All Other Funds	**-**	**6,305,071**	**1,281,667**	**2,135,059**	**1,935,115**	**6,621,388**	**1,067,742**	**5,899,906**	**36,465**	**(27,562)**	**25,254,851**
Net Cost of Operations											
Earmarked Funds	(1,030,716)	(112,264)	-	(642,195)	(25,288)	-	-	5,744	-	-	(1,804,719)
All Other Funds	-	(6,326,672)	(1,282,240)	(2,143,956)	(1,913,149)	(6,077,636)	(1,085,922)	(5,908,540)	(33,346)	27,562	(24,743,899)
Net Change											
Earmarked Funds	273,596	(84,357)	-	254,557	(19,822)	-	-	8,794	-	-	432,768
All Other Funds	-	(21,601)	(573)	(8,897)	21,966	543,752	(18,180)	(8,634)	3,119	-	510,952
Ending Balances											
Earmarked Funds	**1,007,809**	**79,733**	**-**	**2,955,373**	**(69,174)**	**-**	**-**	**78,480**	**-**	**-**	**4,052,221**
All Other Funds	**-**	**139,314**	**143,048**	**13,519**	**69,323**	**1,328,549**	**35,030**	**5,249,477**	**484,031**	**-**	**7,462,291**
Total All Funds	**$ 1,007,809**	**$ 219,047**	**$ 143,048**	**$ 2,968,892**	**$ 149**	**$ 1,328,549**	**$ 35,030**	**$ 5,327,957**	**$ 484,031**	**$ -**	**$ 11,514,512**

U. S. Department of Justice
Combining Statement of Budgetary Resources
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Resources										
Unobligated Balance, Net, Brought Forward, October 1	$ 595,213	$ 651,099	$ 93,320	$ 460,054	$ 161,745	$ 1,076,486	$ 53,971	$ 360,659	$ 97,315	$ 3,549,862
Recoveries of Prior Year Unpaid Obligations	79,515	252,846	61,319	106,867	86,345	270,506	80,237	18,899	-	956,534
Budget Authority:										
Appropriations Received	1,669,860	8,203,630	964,000	6,782,278	2,193,596	7,336,191	1,068,215	6,176,599	-	34,394,369
Spending Authority from Offsetting Collections:										
Earned										
Collected	7,215	1,845,846	1,482,381	240,818	385,364	1,442,098	61,800	372,994	995,244	6,833,760
Change in Receivables from Federal Sources	2,376	142,149	22,610	599	39,199	(86,453)	(5,500)	(4,015)	10,301	121,266
Change in Unfilled Customer Orders										
Advance Received	-	13,671	1,078	(216,745)	(9)	(26,471)	-	352	(17,597)	(245,721)
Without Advance from Federal Sources	(681)	16,972	9,393	(12,506)	42,199	(121,340)	33,421	-	-	(32,542)
Subtotal Budget Authority	1,678,770	10,222,268	2,479,462	6,794,444	2,660,349	8,544,025	1,157,936	6,545,930	987,948	41,071,132
Nonexpenditure Transfers, Net, Anticipated and Actual	-	(171,244)	354,616	283,817	158,467	(8,978)	16,647	(8,035)	-	625,290
Temporarily not Available Pursuant to Public Law	-	-	-	(1,295,083)	-	-	-	-	-	(1,295,083)
Permanently not Available	-	(209,438)	-	(121,642)	-	-	-	-	-	(331,080)
Total Budgetary Resources	**$ 2,353,498**	**$ 10,745,531**	**$ 2,988,717**	**$ 6,228,457**	**$ 3,066,906**	**$ 9,882,039**	**$ 1,308,791**	**$ 6,917,453**	**$ 1,085,263**	**$ 44,576,655**
Status of Budgetary Resources										
Obligations Incurred										
Direct	$ 1,151,330	$ 7,999,433	$ 1,375,617	$ 5,945,243	$ 2,304,512	$ 7,672,318	$ 1,132,564	$ 6,496,740	$ -	$ 34,077,757
Reimbursable	6,723	2,092,114	1,537,439	58,924	438,515	1,149,687	94,032	48,662	1,025,950	6,452,046
Total Obligations Incurred	1,158,053	10,091,547	2,913,056	6,004,167	2,743,027	8,822,005	1,226,596	6,545,402	1,025,950	40,529,803
Unobligated Balance - Available:										
Apportioned	539,014	450,832	51,934	225,179	313,155	737,212	44,648	284,574	-	2,646,548
Exempt from Apportionment	-	-	-	-	-	-	-	42,112	59,313	101,425
Total Unobligated Balance - Available	539,014	450,832	51,934	225,179	313,155	737,212	44,648	326,686	59,313	2,747,973
Unobligated Balance not Available	656,431	203,152	23,727	(889)	10,724	322,822	37,547	45,365	-	1,298,879
Total Status of Budgetary Resources	**$ 2,353,498**	**$ 10,745,531**	**$ 2,988,717**	**$ 6,228,457**	**$ 3,066,906**	**$ 9,882,039**	**$ 1,308,791**	**$ 6,917,453**	**$ 1,085,263**	**$ 44,576,655**

U. S. Department of Justice
Combining Statement of Budgetary Resources - Continued
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Change in Obligated Balance										
Obligated Balance, Net - Brought Forward, October 1										
Unpaid Obligations	$ 909,109	$ 3,271,864	$ 546,861	$ 3,927,350	$ 702,505	$ 2,262,951	$ 215,902	$ 1,120,502	$ 311,873	$ 13,268,917
Less: Uncollected Customer Payments from Federal Sources	2,327	587,412	191,462	36,317	139,516	792,162	31,288	12,365	36,497	1,829,346
Total Unpaid Obligated Balance, Net - Brought Forward, October 1	906,782	2,684,452	355,399	3,891,033	562,989	1,470,789	184,614	1,108,137	275,376	11,439,571
Obligations Incurred	1,158,053	10,091,547	2,913,056	6,004,167	2,743,027	8,822,005	1,226,596	6,545,402	1,025,950	40,529,803
Less: Gross Outlays	1,068,260	8,338,963	2,764,011	3,864,703	2,671,941	8,004,328	1,123,910	6,294,923	1,064,779	35,195,818
Obligated Balance Transferred, Net:							-			
Less: Recoveries of Prior Year Unpaid Obligations, Actual	79,515	252,846	61,319	106,867	86,345	270,506	80,237	18,899	-	956,534
Change in Uncollected Customer Payments from					0					
Federal Sources	(1,695)	(159,121)	(32,003)	11,907	(81,399)	207,793	(27,921)	4,015	(10,301)	(88,725)
Obligated Balance, Net - End of Period:										
Unpaid Obligations	919,387	4,771,602	634,587	5,959,947	687,246	2,810,122	238,351	1,352,082	273,044	17,646,368
Less: Uncollected Customer Payments from Federal Sources	4,022	746,533	223,465	24,410	220,915	584,369	59,209	8,350	46,798	1,918,071
Total Unpaid Obligated Balance, Net - End of Perioc	$ 915,365	$ 4,025,069	$ 411,122	$ 5,935,537	$ 466,331	$ 2,225,753	$ 179,142	$ 1,343,732	$ 226,246	$ 15,728,297
Outlays										
Gross Outlays	$ 1,068,260	$ 8,338,963	$ 2,764,011	$ 3,864,703	$ 2,671,941	$ 8,004,328	$ 1,123,910	$ 6,294,923	$ 1,064,779	$ 35,195,818
Less: Offsetting Collections	7,215	1,859,517	1,483,459	24,071	385,354	1,415,627	61,800	373,346	977,646	6,588,035
Less: Distributed Offsetting Receipts	10,684	287,073	(520)	1,362	235,998	1,668	247	2,813	-	539,325
Total Net Outlays	**$ 1,050,361**	**$ 6,192,373**	**$ 1,281,072**	**$ 3,839,270**	**$ 2,050,589**	**$ 6,587,033**	**$ 1,061,863**	**$ 5,918,764**	**$ 87,133**	**$ 28,068,458**

U. S. Department of Justice
Combining Statement of Budgetary Resources
For the Fiscal Year Ended September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Resources										
Unobligated Balance, Net, Brought Forward, October 1	$ 428,878	$ 899,325	$ 101,440	$ 650,068	$ 216,385	$ 1,127,650	$ 73,107	$ 273,362	$ 165,177	$ 3,935,392
Adjustment to Unobligated Balance, Brought Forward, October 1	-	-	-	-	-	-	-	-	(20,000)	(20,000)
Unobligated Blance, Brought Forward, October 1, as Adjusted	428,878	899,325	101,440	650,068	216,385	1,127,650	73,107	273,362	145,177	3,915,392
Recoveries of Prior Year Unpaid Obligations	40,051	248,702	62,869	145,759	72,085	210,019	58,819	6,157	-	844,461
Budget Authority:										
Appropriations Received	1,530,423	6,377,090	895,144	2,666,519	2,108,334	6,763,811	1,011,597	5,610,260	-	26,963,178
Spending Authority from Offsetting Collections:										
Earned										
Collected	3,219	1,982,366	1,413,426	370,815	398,626	899,710	46,518	385,999	978,084	6,478,763
Change in Receivables from Federal Sources	(11,963)	(47,329)	26,161	3,566	(10,026)	130,657	1,321	2,304	(18,534)	76,157
Change in Unfilled Customer Orders										
Advance Received	-	10,510	(13,816)	(256,220)	(318)	16,716	-	(1,936)	22,130	(222,934)
Without Advance from Federal Sources	(535)	(44,278)	(14,880)	13,126	18,184	106,643	464	-	-	78,724
Subtotal Budget Authority	1,521,144	8,278,359	2,306,035	2,797,806	2,514,800	7,917,537	1,059,900	5,996,627	981,680	33,373,888
Nonexpenditure Transfers, Net, Anticipated and Actual	-	(41,948)	332,914	241,204	15,302	(169,298)	16,825	34,270	-	429,269
Temporarily not Available Pursuant to Public Law	(240,000)	-	-	(122,414)	-	-	-	-	-	(362,414)
Permanently not Available	-	(329,466)	-	(110,598)	-	(1,300)	-	-	-	(441,364)
Total Budgetary Resources	**$ 1,750,073**	**$ 9,054,972**	**$ 2,803,258**	**$ 3,601,825**	**$ 2,818,572**	**$ 9,084,608**	**$ 1,208,651**	**$ 6,310,416**	**$ 1,126,857**	**$ 37,759,232**
Status of Budgetary Resources										
Obligations Incurred										
Direct	$ 1,151,682	$ 6,269,675	$ 1,260,224	$ 3,014,321	$ 2,249,663	$ 6,991,925	$ 1,101,579	$ 5,880,520	$ -	$ 27,919,589
Reimbursable	3,178	2,134,198	1,449,714	127,450	407,164	1,016,197	53,101	69,237	1,029,542	6,289,781
Total Obligations Incurred	1,154,860	8,403,873	2,709,938	3,141,771	2,656,827	8,008,122	1,154,680	5,949,757	1,029,542	34,209,370
Unobligated Balance - Available:										
Apportioned	400,865	442,090	71,872	220,624	152,562	727,352	25,372	263,215	-	2,303,952
Exempt from Apportionment	-	-	-	-	-	-	-	50,619	97,315	147,934
Total Unobligated Balance - Available	400,865	442,090	71,872	220,624	152,562	727,352	25,372	313,834	97,315	2,451,886
Unobligated Balance not Available	194,348	209,009	21,448	239,430	9,183	349,134	28,599	46,825	-	1,097,976
Total Status of Budgetary Resources	**$ 1,750,073**	**$ 9,054,972**	**$ 2,803,258**	**$ 3,601,825**	**$ 2,818,572**	**$ 9,084,608**	**$ 1,208,651**	**$ 6,310,416**	**$ 1,126,857**	**$ 37,759,232**

U. S. Department of Justice
Combining Statement of Budgetary Resources - Continued
For the Fiscal Year Ended September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Change in Obligated Balance										
Obligated Balance, Net - Brought Forward, October 1										
Unpaid Obligations	$ 1,051,329	$ 3,357,243	$ 540,136	$ 4,046,993	$ 541,717	$ 1,669,766	$ 219,716	$ 1,191,107	$ 306,943	$ 12,924,950
Less: Uncollected Customer Payments from Federal Sources	14,824	679,019	180,181	19,625	131,358	554,862	29,503	10,061	55,030	1,674,463
Total Unpaid Obligated Balance, Net - Brought Forward, October 1	1,036,505	2,678,224	359,955	4,027,368	410,359	1,114,904	190,213	1,181,046	251,913	11,250,487
Obligations Incurred	1,154,860	8,403,873	2,709,938	3,141,771	2,656,827	8,008,122	1,154,680	5,949,757	1,029,542	34,209,370
Less: Gross Outlays	1,257,030	8,240,549	2,640,344	3,115,655	2,423,953	7,204,918	1,099,675	6,014,205	1,024,612	33,020,941
Less: Recoveries of Prior Year Unpaid Obligations, Actua	40,051	248,702	62,869	145,759	72,085	210,019	58,819	6,157	-	844,461
Change in Uncollected Customer Payments from Federal Sources	12,498	91,607	(11,281)	(16,692)	(8,158)	(237,300)	(1,785)	(2,304)	18,534	(154,881)
Obligated Balance, Net - End of Period:										
Unpaid Obligations	909,109	3,271,864	546,861	3,927,350	702,505	2,262,951	215,902	1,120,502	311,873	13,268,917
Less: Uncollected Customer Payments from Federal Sources	2,327	587,412	191,462	36,317	139,516	792,162	31,288	12,365	36,497	1,829,346
Total Unpaid Obligated Balance, Net - End of Perioc	$ 906,782	$ 2,684,452	$ 355,399	$ 3,891,033	$ 562,989	$ 1,470,789	$ 184,614	$ 1,108,137	$ 275,376	$ 11,439,571
Outlays										
Gross Outlays	$ 1,257,030	$ 8,240,549	$ 2,640,344	$ 3,115,655	$ 2,423,953	$ 7,204,918	$ 1,099,675	$ 6,014,205	$ 1,024,612	$ 33,020,941
Less: Offsetting Collections	3,219	1,992,875	1,399,610	114,596	398,308	916,426	46,518	384,063	1,000,213	6,255,828
Less: Distributed Offsetting Receipts	83,690	(418,768)	(3,805)	-	221,908	1,171	(6,670)	547	-	(121,927)
Total Net Outlays	**$ 1,170,121**	**$ 6,666,442**	**$ 1,244,539**	**$ 3,001,059**	**$ 1,803,737**	**$ 6,287,321**	**$ 1,059,827**	**$ 5,629,595**	**$ 24,399**	**$ 26,887,040**

U. S. Department of Justice
Combining Statement of Custodial Activity
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ -	$ 2,884,775	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,884,775
Fees and Licenses	-	-	-	-	15,000	-	14,224	-	-	29,224
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	44,961	-	18	-	-	44,979
Fines, Penalties and Restitution Payments - Criminal	-	22,959	-	-	-	-	38	-	-	22,997
Miscellaneous	-	108	-	-	-	-	249	-	-	357
Total Cash Collections	**$ -**	**$ 2,907,842**	**$ -**	**$ -**	**$ 59,961**	**$ -**	**$ 14,529**	**$ -**	**$ -**	**$ 2,982,332**
Accrual Adjustments	-	-	-	-	211	-	(23)	-	-	188
Total Custodial Revenue	**$ -**	**$ 2,907,842**	**$ -**	**$ -**	**$ 60,172**	**$ -**	**$ 14,506**	**$ -**	**$ -**	**$ 2,982,520**
Disposition of Collections										
Transferred to Federal Agencies										
U.S. Department of Agriculture	-	(92,073)	-	-	-	-	-	-	-	(92,073)
U.S. Department of Commerce	-	(771)	-	-	-	-	-	-	-	(771)
U.S. Department of the Interior	-	(25,059)	-	-	-	-	-	-	-	(25,059)
U.S. Department of Justice	-	(123,787)	-	-	-	-	-	-	-	(123,787)
U.S. Department of Labor	-	(528)	-	-	-	-	-	-	-	(528)
U.S. Postal Service	-	(4,435)	-	-	-	-	-	-	-	(4,435)
U.S. Department of the Treasury	-	(294,619)	-	-	(59,961)	-	(14,210)	-	-	(368,790)
Office of Personnel Management	-	(19,833)	-	-	-	-	-	-	-	(19,833)
National Credit Union Administration	-	(470)	-	-	-	-	-	-	-	(470)
Federal Communications Commission	-	(9,773)	-	-	-	-	-	-	-	(9,773)
Social Security Administration	-	(982)	-	-	-	-	-	-	-	(982)
Smithsonian Institution	-	(8)	-	-	-	-	-	-	-	(8)
U.S. Department of Veterans Affairs	-	(28,710)	-	-	-	-	-	-	-	(28,710)
General Services Administration	-	(116,631)	-	-	-	-	-	-	-	(116,631)
Securities and Exchange Commission	-	(4)	-	-	-	-	-	-	-	(4)
Federal Deposit Insurance Corporation	-	(1,958)	-	-	-	-	-	-	-	(1,958)
Railroad Retirement Board	-	(335)	-	-	-	-	-	-	-	(335)
Tennessee Valley Authority	-	(4,207)	-	-	-	-	-	-	-	(4,207)
Environmental Protection Agency	-	(223,334)	-	-	-	-	-	-	-	(223,334)
U.S. Department of Transportation	-	(1,357)	-	-	-	-	-	-	-	(1,357)
U.S. Department of Homeland Security	-	(17,169)	-	-	-	-	-	-	-	(17,169)
Small Business Administration	-	(5,332)	-	-	-	-	-	-	-	(5,332)
U.S. Department of Health and Human Services	-	(1,367,320)	-	-	-	-	-	-	-	(1,367,320)
National Aeronautics and Space Administration	-	(2,957)	-	-	-	-	-	-	-	(2,957)
U.S. Department of Housing and Urban Development	-	(18,347)	-	-	-	-	-	-	-	(18,347)
U.S. Department of Energy	-	(4,065)	-	-	-	-	-	-	-	(4,065)
U.S. Department of Education	-	(18,003)	-	-	-	-	-	-	-	(18,003)
Independent Agencies	-	(54,916)	-	-	-	-	-	-	-	(54,916)
U.S. Department of Defense	-	(113,023)	-	-	-	-	-	-	-	(113,023)
Transferred to the Public	-	(329,816)	-	-	-	-	-	-	-	(329,816)
(Increase)/Decrease in Amounts Yet to be Transferred	-	55,779	-	-	(211)	-	-	-	-	55,568
Refunds and Other Payments	-	(622)	-	-	-	-	(296)	-	-	(918)
Retained by the Reporting Entity	-	(83,177)	-	-	-	-	-	-	-	(83,177)
Net Custodial Activity	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

U. S. Department of Justice
Combining Statement of Custodial Activity
For the Fiscal Year Ended September 30, 2008

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ -	$ 2,758,710	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,758,710
Fees and Licenses	-	-	-	-	15,000	-	12,262	-	-	27,262
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	21,936	-	20	-	-	21,956
Fines, Penalties and Restitution Payments - Criminal	-	26,851	-	-	-	-	44	-	-	26,895
Miscellaneous	-	2,359	-	-	-	-	110	-	-	2,469
Total Cash Collections	**$ -**	**$ 2,787,920**	**$ -**	**$ -**	**$ 36,936**	**$ -**	**$ 12,436**	**$ -**	**$ -**	**$ 2,837,292**
Accrual Adjustments	-	(19)	-	-	(203)	-	-	-	-	(222)
Total Custodial Revenue	**$ -**	**$ 2,787,901**	**$ -**	**$ -**	**$ 36,733**	**$ -**	**$ 12,436**	**$ -**	**$ -**	**$ 2,837,070**
Disposition of Collections										
Transferred to Federal Agencies										
U.S. Department of Agriculture	-	(140,289)	-	-	-	-	-	-	-	(140,289)
U.S. Department of Commerce	-	(1,884)	-	-	-	-	-	-	-	(1,884)
U.S. Department of the Interior	-	(23,239)	-	-	-	-	-	-	-	(23,239)
U.S. Department of Justice	-	(294,666)	-	-	-	-	-	-	-	(294,666)
U.S. Department of Labor	-	(3,268)	-	-	-	-	-	-	-	(3,268)
U.S. Postal Service	-	(10,817)	-	-	-	-	-	-	-	(10,817)
U.S. Department of the Treasury	-	(200,173)	-	-	(36,936)	-	(12,178)	-	-	(249,287)
Office of Personnel Management	-	(7,432)	-	-	-	-	-	-	-	(7,432)
National Credit Union Administration	-	(7)	-	-	-	-	-	-	-	(7)
Federal Communications Commission	-	(4,114)	-	-	-	-	-	-	-	(4,114)
Social Security Administration	-	(650)	-	-	-	-	-	-	-	(650)
Smithsonian Institution	-	(9)	-	-	-	-	-	-	-	(9)
U.S. Department of Veterans Affairs	-	(13,548)	-	-	-	-	-	-	-	(13,548)
General Services Administration	-	(1,516)	-	-	-	-	-	-	-	(1,516)
Federal Deposit Insurance Corporation	-	(14)	-	-	-	-	-	-	-	(14)
Railroad Retirement Board	-	(373)	-	-	-	-	-	-	-	(373)
Tennessee Valley Authority	-	(7,933)	-	-	-	-	-	-	-	(7,933)
Environmental Protection Agency	-	(440,033)	-	-	-	-	-	-	-	(440,033)
U.S. Department of Transportation	-	(36,213)	-	-	-	-	-	-	-	(36,213)
U.S. Department of Homeland Security	-	(46,329)	-	-	-	-	-	-	-	(46,329)
Small Business Administration	-	(10,740)	-	-	-	-	-	-	-	(10,740)
U.S. Department of Health and Human Services	-	(1,614,871)	-	-	-	-	-	-	-	(1,614,871)
National Aeronautics and Space Administration	-	(413)	-	-	-	-	-	-	-	(413)
U.S. Department of Housing and Urban Development	-	(8,467)	-	-	-	-	-	-	-	(8,467)
U.S. Department of Energy	-	(7,463)	-	-	-	-	-	-	-	(7,463)
U.S. Department of Education	-	(14,517)	-	-	-	-	-	-	-	(14,517)
Independent Agencies	-	(86,419)	-	-	-	-	-	-	-	(86,419)
U.S. Department of Defense	-	(115,735)	-	-	-	-	-	-	-	(115,735)
Transferred to the Public	-	(339,229)	-	-	-	-	-	-	-	(339,229)
(Increase)/Decrease in Amounts Yet to be Transferred	-	723,201	-	-	203	-	-	-	-	723,404
Refunds and Other Payments	-	(640)	-	-	-	-	(258)	-	-	(898)
Retained by the Reporting Entity	-	(80,101)	-	-	-	-	-	-	-	(80,101)
Net Custodial Activity	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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Required Supplementary Stewardship Information Unaudited

See Independent Auditors' Report on Financial Statements

U.S. Department of Justice
Required Supplementary Stewardship Information
Consolidated Stewardship Investments
For the Fiscal Years Ended September 30, 2009, 2008, 2007, 2006 and 2005

The Violent Offender Incarceration and Truth-In Sentencing (VOI/TIS) and the Correctional Grants for Tribal Programs are administered by OJP's Bureau of Justice Assistance (BJA). The VOI/TIS and Correctional Grants for Tribal Land programs provide grants to all states as well as the District of Columbia, Puerto Rico, Virgin Islands, American Samoa, Guam, the Northern Mariana Islands, and Tribes for the purposes of building or expanding correctional facilities and jails to increase secure confinement space for violent offenders. The facilities built or expanded with these funds constitute non-federal physical property.

The Recovery Act Correctional Facilities on Tribal Lands Program and the Correctional Facilities on Tribal Lands Program assist tribes in cost effectively constructing and renovating correctional facilities associated with the incarceration and rehabilitation of juvenile and adult offenders subject to tribal jurisdiction. In addition, this funding allows tribes to explore community-based alternatives to help control and prevent jail overcrowding due to alcohol and other substance abuse. The Bureau of Justice Assistance administers both programs in coordination with the Bureau of Indian Affairs and the Office of Juvenile Justice and Delinquency Prevention.

VOI/TIS and Correctional Grants for Tribal Lands funds expended from FY 2005 through FY 2009 are as follows:

Dollars in Thousands	2009	2008	2007	2006	2005
Cooperative Agreement Program Administered by USMS	$ 0	$1,140	$2,839	$2,521	$3,605
Discretionary Grants to Indian Tribes	14,320	5,094	11,334	4,007	16,723
Formula Grants to States	41,561	59,011	188,171	222,650	249,892
Total	$55,881	$65,245	$202,344	$229,178	$270,220

SECTION IV
MANAGEMENT SECTION

Section IV Management Section (Unaudited)

Overview

Each year, the Department identifies existing and potential management challenges, weaknesses, and areas in need of improvement. Two primary sources used to identify these issues are the Department's OIG-identified Top Management and Performance Challenges and the Federal Managers' Financial Integrity Act (FMFIA) assessment process. The challenges identified by the Department's OIG are from an auditor's perspective and include areas of concern that bear significantly on how well the Department carries out its mission and meets its responsibilities as a steward of public funds. The FMFIA assessment process evaluates the effectiveness of internal controls to support effective and efficient programmatic operations and compliance with applicable laws and regulations (FMFIA § 2) and whether financial management systems conform to government-wide requirements (FMFIA § 4).

Presented on the following pages are the OIG-identified Top Management and Performance Challenges in the Department, Department management's response to those challenges, and the corrective action plans resulting from the FMFIA assessment.

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OIG Top Management and Performance Challenges in the Department of Justice

November 13, 2009

MEMORANDUM FOR THE ATTORNEY GENERAL
THE DEPUTY ATTORNEY GENERAL

FROM: GLENN A. FINE
INSPECTOR GENERAL

SUBJECT: Top Management and Performance Challenges in the Department of Justice

Attached to this memorandum is the Office of the Inspector General's (OIG) 2009 list of top management and performance challenges facing the Department of Justice (Department). We have prepared similar lists since 1998. By statute, this list is required to be included in the Department's annual Performance and Accountability Report.

We hope that this document will assist Department managers in developing strategies to address the top management and performance challenges facing the Department. We look forward to continuing to work with the Department to address these important issues.

Attachment

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Top Management and Performance Challenges in the Department of Justice – 2009

1. Counterterrorism: Counterterrorism remains the highest priority of the Department of Justice (Department or DOJ). While recent terrorism arrests demonstrate the Department's focus on and progress in its counterterrorism efforts, the Department in general and the Federal Bureau of Investigation (FBI) in particular still face significant challenges in fully performing this critical mission.

For example, in May 2009 the Office of the Inspector General (OIG) issued an audit that examined the FBI's practices for making nominations to the consolidated terrorist watchlist. The watchlist is used by frontline government screening personnel to determine how to respond when a known or suspected terrorist requests entry into the United States. The failure either to place appropriate individuals on the watchlist or to place them on the watchlist in a timely manner increases the risk that they are able to enter and move freely within the United States. However, the OIG audit concluded that the FBI did not consistently nominate known or suspected terrorists to the consolidated terrorist watchlist in accordance with FBI policy and did not update or remove watchlist records as required.

The deficiencies identified in this audit followed our findings in a March 2008 audit report that watchlist nominations from FBI field offices often were incomplete or contained inaccuracies, which caused delays in the nominations process. Although the FBI agreed with our March 2008 recommendations and began taking corrective actions, our May 2009 audit report identified continued internal control weaknesses that contributed to incomplete and inaccurate watchlist records. In the May 2009 report, the OIG made 16 new recommendations to the FBI regarding nominations to, modifications of, and removal of identities from the consolidated terrorist watchlist, and the FBI agreed to implement all of these recommendations.

In another follow-up review, the OIG examined the FBI's Foreign Language Translation Program. The FBI's ability to timely translate the large amount of foreign language materials it regularly collects is critical to national security. OIG audits in 2004 and 2005 found significant deficiencies in the FBI's Foreign Language Translation Program. The OIG's October 2009 audit found that many of these deficiencies have not been fully corrected. Specifically, we found that the FBI continued to have significant amounts of unreviewed foreign language materials in counterterrorism and counter intelligence, the FBI's highest priority investigative areas. Moreover, the FBI still does not have an automated means for assessing the amount of material it collects for translation. In addition, while the FBI has improved its compliance with quality control requirements and begun requiring experienced linguists to have a formal quality control review performed once every four quarters, we identified numerous linguists who have not had the quality of their work reviewed for over 3 years. Moreover, the FBI continues to fall short in meeting its linguist hiring goals, resulting in a decrease in the number of linguists since 2005 at the same time there has been an increase in the amount of material for translation. The OIG made 24 new recommendations to assist the FBI in improving the management of its Foreign Language Translation Program.

As Attorney General Holder noted in his congressional testimony, communication and information sharing are critical to the Department's counterterrorism strategy. However, in a recent audit the OIG found that the FBI and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) are not adequately coordinating their explosives-related operations. The OIG audit found that jurisdictional disputes occur between the FBI and ATF, delaying explosives investigations and resulting in a disjointed federal response to explosives incidents, some of which involve terrorist incidents. Despite an Attorney General memorandum in August 2004 and a 2008 Memorandum of Understanding between the FBI and ATF, allocation of investigative authority between the two agencies is unclear, and disputes between the agencies have continued regarding lead agency authority for federal explosives investigations.

The FBI's development of an automated system to track terrorist threats and suspicious incidents was intended to disseminate immediate threat information to the FBI's law enforcement and intelligence partners. An OIG November 2008 report examining the FBI's Guardian Threat Tracking System (Guardian) revealed shortcomings in the accuracy, timeliness, and completeness of the information entered in Guardian. The deficiencies identified by this audit resulted in threat information not being made available to all Guardian users. The FBI has recently developed E-Guardian, a companion system to provide state and local law enforcement with the capability to share local terrorism incident information with the FBI and to receive nationwide unclassified terrorism incident information from the FBI. Following our review, the FBI officially launched E-Guardian in January 2009.

In accord with the *National Strategy for Combating Terrorist Use of Explosives in the United States*, the OIG evaluated the FBI's efforts to prepare for weapons of mass destruction (WMD) threats, including how the FBI ensures that WMD Coordinators in FBI field divisions identify WMD threats and attacks. Our audit found that although the FBI has established a WMD Coordinator position in each of its field divisions to serve as the point-person on WMD matters, the WMD Coordinators need to be more involved in the process used by each field office to identify and forecast WMD threats and vulnerabilities. We also recommended that the FBI enhance day-to-day coordination between WMD Coordinators and field office Intelligence Analysts. Additionally, we found that the FBI needs to develop qualification standards and training plans for field division personnel charged with preventing and detecting WMD threats. The OIG made 13 recommendations for the FBI to enhance the responsibilities and training of its WMD Coordinators and to help improve field division WMD-related efforts.

The OIG is currently evaluating the FBI's efforts to investigate national security cyber intrusion cases. We are assessing the efforts of the FBI National Cyber Investigative Task Force to address potential national security cyber intrusion threats. In addition, our audit is examining the FBI field offices' capabilities to investigate national security cyber intrusion cases.

Another recent OIG review determined that the Department had failed to appropriately perform its critical legal function during the early phases of a controversial intelligence gathering activity. In the weeks following the terrorist attacks of September 11, 2001, the President authorized the

National Security Agency (NSA) to conduct a classified program to detect and prevent further attacks in the United States. The program was reauthorized by the President every 45 days, with certain modifications. The activities carried out under these authorizations were referred to as the President's Surveillance Program (PSP). In July 2009, the OIG completed a 407-page classified report that examined the Department's controls over and use of information related to the PSP and the Department's compliance with legal requirements governing the PSP. The OIG report focused in particular on the Department's role in providing legal advice concerning the Program and on the FBI's role as a consumer of information from the Program. In conjunction with four other Intelligence Community OIGs, we also issued a 40-page summary of the unclassified material from the OIG reports.

In our review, we found that only one Office of Legal Counsel (OLC) attorney was read into the PSP during its first year and a half of operation. The OIG concluded that it was extraordinary and inappropriate that a single attorney was relied upon to conduct the initial legal assessment of the PSP, and that the lack of oversight and review of his work, as customarily is the practice of OLC, contributed to a legal analysis of the PSP that at a minimum was factually flawed. The OIG also concluded that the limited access to PSP information also undermined the Department's ability to perform its critical legal function during the PSP's early phase of operation.

The OIG also sought as part of its review to assess the role of PSP-derived information and its value to the FBI's overall counterterrorism efforts. Our interviews with FBI agents and analysts responsible for handling PSP information generally were supportive of the program as "one tool of many" in the FBI's anti-terrorism efforts that "could help move cases forward," although most PSP leads were determined not to have any connection to terrorism. The OIG concluded that although PSP-derived information had value in some counterterrorism investigations, it generally played a limited role in the FBI's overall counterterrorism efforts.

In sum, while the Department continues to make counterterrorism its top priority, recent OIG reviews have highlighted the continuing challenge for the Department in addressing this critical area.

DOJ RESPONSE:

The Department of Justice's highest priority and most important responsibility is to protect our national security. To fulfill that responsibility effectively and efficiently, the Department's leadership has identified several areas of potential improvement in this field, many of which were identified in the Inspector General's recommendations. The Department has already begun implementation of these new procedures and policies where appropriate.

The Department leadership and the FBI are on track to resolve all 24 OIG report recommendations directed to the FBI. In fact, many of OIG's recommendations are consistent with measures already taken by the Department as part of its overall strategic plan for improving the Departments overall management and efficiency. For instance, the FBI has successfully closed four of the seven recommendations in the OIG's February 2008 report and nine out of sixteen recommendations in the May 2009 report. Of particular

note, the Department and the FBI agree that the appropriate handling of watchlists is an important responsibility that must be addressed effectively and consistent with the law. As such, the FBI has reorganized the Terrorist Review and Examination Unit, which has oversight responsibility for watchlisting of FBI investigative subjects. To streamline the process and establish internal controls, the Unit was divided into teams to provide for more effective overall management. Similarly, a Metrics Team and Quality Assurance Team now formally identify watchlisting problems and ensure each issue is corrected in a timely manner. Compliance with watchlisting policy is now measured and reported on a monthly basis, which includes current trends and best practices observed across the FBI. The results continue to improve with compliance rates rising from 56 percent to 86 percent for timely case openings, and 64 percent to 89 percent for timely case closings. After a problem is identified, direct follow-up now ensures 100 percent of these issues are tracked and resolved. In addition, the FBI's draft watchlisting policy is nearly complete; it incorporates clear guidance for watchlisting FBI investigative subjects, non-investigative subjects, and those identified via our foreign partners. Once the policy is approved, an additional seven recommendations will be ready for closure. This review is ongoing and requires examination of approximately 80,000 records with completion expected by the end of the 2009 calendar year.

The FBI is encouraged by the progress made in collecting material for timely counterterrorism translation. In fact, the OIG's report on the FBI's Foreign Language Translation Program documents the significant improvements the FBI has made in the past four years in this program. That said, we take the OIG's concerns about this program very seriously, and it recognizes that much work is needed to improve the FBI's foreign language translation programs. The Department is fully committed to undertaking this effort. With regard to counterintelligence collections, the Department and the FBI will continue to carefully prioritize and monitor the most important material. Overall, the Department is confident that its language translation capabilities, including recruiting, hiring, training, and retaining effective linguists, have substantially improved.

The FBI is also working to decrease its audio backlog. The FBI is currently procuring and testing a new system that will facilitate the centralized management of this data. This system will enable the FBI to gather accurate statistics on audio backlog, which may demonstrate that the backlog is significantly less than that reported in the OIG report. With respect to unreviewed electronic files, moreover, the FBI takes an analytic approach to handling these files and uses advanced technology to assist in the identification and prioritization of those electronic files that are most relevant to the FBI's mission. To further improve upon this approach, the FBI is developing new technological and management tools that will reduce the volume of electronic files requiring review and translation.

In addition, the Department is working to resolve any residual challenges to coordination of explosives investigations. The Department agrees with OIG that this is an important concern. Indeed, the Department recognizes the critical importance of a well-coordinated and effective response to explosives incidents. Equally important is the need to adequately train our personnel and ensure effective information sharing with all

appropriate components and law enforcement partners. The OIG Report documents the Department's challenges concerning the most efficient application and balance of its explosives enforcement assets and responsibilities and offers some specific remedies to those challenges. The Department agrees with the recommendations that are reflected in the body of the Report and is currently taking steps to address each of those recommendations. While we may modify the ways in which we implement some of those recommendations in order to achieve the most successful and efficient resolution to the matters under review, the Department is committed to taking specific, effective, and measurable actions that address the concerns identified by OIG, including: coordinating efforts; determining roles and responsibilities during a federal response to an explosives incident (such as determining lead agency jurisdiction); and managing shared responsibilities such as information sharing, explosives training, research and technology development, outreach to the public and industry, and use of certain laboratory resources.

Furthermore, the Department remains committed to sharing terrorism information with federal, state, local, and tribal law enforcement partners. To that end, the FBI has created an unclassified version of its Guardian program called eGuardian. The eGuardian system will facilitate situational awareness with respect to potential terrorism threats and activity by providing law enforcement partners with a suspicious activity reporting (SAR) system accessible via Law Enforcement Online. Sharing information within the eGuardian network should eliminate the jurisdictional and bureaucratic impediments that otherwise delay communication and dissemination of information that could potentially affect the nation's security posture. Indeed, the eGuardian system will offer the United States law enforcement community a previously unrealized degree of connectivity with regard to the collection and dissemination of suspicious activity and threat reporting. The eGuardian system also will provide state and local users a uniform platform to cause actionable information with a potential terrorism nexus to be analyzed at the state Fusion Center level and reported to the Joint Terrorism Task Forces via the classified Guardian system.

Consistent with the OIG report entitled, "The Federal Bureau of Investigation's Weapons of Mass Destruction Coordinator Program," the FBI has made strides to professionalize and increase the competency of our WMD Coordinators and Intelligence Analysts through a formalized training curriculum and select performance requirements. These improvements build on the many strengths that the OIG report identified in this area. That said, the Department concurs with the thirteen recommendations in the OIG's report, and are in the process of creating increased professional opportunities and development for WMD Coordinators and Intelligence Analysts who prioritize WMD threats and coordinate activities within their respective domains. Through collaboration with the FBI's Directorate of Intelligence, the WMD Directorate will implement procedures and practices to address intelligence exchange, performance, tracking, and training relevant to effective domain management.

Finally, the Department adheres to longstanding OLC practice requiring that legal questions are fully and appropriately examined by more than one OLC attorney and that all written legal advice is approved by at least two senior-level attorneys. All opinions and other signed memoranda containing legal advice are now written or approved by the head

of the Office and at least one Deputy Assistant Attorney General. Indeed, in almost all cases, such documents are reviewed by the head of the Office and at least *two* Deputy Assistant Attorneys General. Accordingly, OLC regularly insists that, wherever possible, the head of the Office and at least one Deputy Assistant Attorney General are cleared into compartmented national security programs about which OLC is asked to provide legal advice.

2. Restoring Confidence in the Department of Justice: In the past several years, the Department of Justice has faced criticism for politicization in the hiring of career officials, dismissal of U.S. Attorneys, and alleged misconduct in several prosecutions. These issues involve a small number of the many important responsibilities the Department handles and also involve only a small percentage of the Department's dedicated work force. Yet, these issues can affect confidence in the objectivity and non-partisanship of the Department of Justice as a whole and can undermine the confidence in the many critical decisions the Department makes. Consequently, restoring confidence in the Department is an important and ongoing challenge.

In 2008, the OIG and the Department's Office of Professional Responsibility (OPR) issued two joint reports which substantiated serious allegations of improper politicized hiring practices in the hiring processes for career attorney positions in the Department's Honors Program and Summer Law Intern Program and in hiring for career positions by staff in the Office of the Attorney General.

Another joint OIG/OPR report issued in 2008 concluded that partisan political considerations played a part in the Department's removal of U.S. Attorneys in 2006. We concluded that the process used to select the U.S. Attorneys for removal was fundamentally flawed, and the oversight and implementation of the removal process by the Department's most senior leaders was significantly lacking. The Department's removal of the U.S. Attorneys and the controversy it created severely damaged the credibility of the Department and raised doubts about the integrity of Department prosecutorial decisions.

In January 2009, the OIG and OPR issued another joint report which found that Bradley Schlozman, the former Acting Assistant Attorney General (AAG) for the Civil Rights Division, had hired lawyers for career positions in the Division and had made personnel decisions based on attorneys' political or ideological affiliations. Our investigation concluded that in doing so Schlozman violated federal law (the *Civil Service Reform Act)* and Department policy, both of which prohibit discrimination in federal employment based on political affiliations.

As noted in our 2008 analysis of the Department's top management challenges, the Department has taken significant steps to correct problems we found in these four reviews. For example, the Department returned the responsibility for hiring career employees from politically appointed officials to career employees, and the Department provided training for these selecting officials. The Department also developed new briefing and training materials for Department political appointees that stresses that the process for hiring career employees must be merit based, and that ideological affiliations may not be used as a screening device for discriminating on the basis of political affiliations. In addition, the former Attorney General appointed a special counsel to investigate whether any crime was committed related to removal of the U.S. Attorneys, and that investigation is ongoing.

However, the Department has still not responded to the OIG's recommendation that the Department clarify its policies regarding the use of political or ideological affiliations to select career attorney candidates for temporary details within the Department. The Department's guidance on this issue is inconsistent, and we recommend that the Department clarify the circumstances under which political considerations may and may not be considered when assessing career candidates for details to various Department positions.

While the Department has taken important steps on the issues of politicized hiring and firing that we identified in our reports, the Department is also faced with significant issues arising from several recent prosecutions, including the prosecution of former Alaska Senator Ted Stevens. In April, after a jury trial, the Department moved to dismiss the indictment charging Stevens with violating government ethics laws. According to the Department, it dismissed the indictment after trial because it concluded that certain information should have been provided to the defense for use at trial. The Department's handling of this case created concern about the prosecutors' adherence to professional standards of conduct. Federal judges in other districts also have questioned whether the Department is adequately adhering to professional standards of conduct and addressing concerns of prosecutorial misconduct. For example, judges in the District of Massachusetts, the Northern District of Alabama, and elsewhere have questioned the professional conduct of Department prosecutors. The judges expressed concerns primarily about prosecutors failing to disclose exculpatory or impeachment information to the defense and the manner in which prosecutors handled certain informants and witnesses.

Other issues regarding the professional responsibility of the Department's attorneys have also been reported on during the past year, including the OIG report about the President's Surveillance Program, which is discussed in the previous management challenge. In another matter involving national security issues, allegations have arisen concerning the role Department attorneys played in providing legal advice relating to enhanced interrogation techniques. A report by OPR on this issue is pending.

In response to these concerns about prosecutorial conduct, the Department has taken a variety of actions. For example, in August 2009 the Department created a working group to consider best practices for prosecutors in fulfilling their disclosure obligations. The Department also announced a new training program in which all United States Attorneys' Offices have been directed to appoint a Discovery Trainer who will be required to attend a training conference, which will focus on discovery issues, including Brady-Giglio, Rule 16, Jencks, informants, and agent and attorney notes. The Discovery Trainers will then present mandatory training to all Assistant U.S. Attorneys in their districts by the end of the year. In addition, the Department plans to hire an official to oversee this training process, assess the need for additional improvements, and ensure continued implementation of the reforms.

In short, we believe that restoring confidence in the professionalism of the Department is a continuing challenge. The Department needs to ensure that the diligence, hard work, and sound ethics of the overwhelming majority of Department employees are not undermined by the few but highly visible incidents of potential misconduct. While the Department's leadership, both at the end of the past Administration and during this Administration, has taken important steps to confront this challenge, it must remain focused on this critical issue.

DOJ RESPONSE:

As noted by the OIG, the Department already has taken substantial steps to restore confidence in the professionalism and integrity of its work. Attorney General Holder has repeatedly said that "we must restore the credibility of this Department, which has been so badly shaken by allegations of improper political interference." The Department has maintained a singular focus on ensuring that its work is done without regard to political party or ideology. Indeed, the Attorney General explained on the day he was sworn into office, "We must fulfill our duties faithfully, and apply the law evenhandedly, without regard to politics, party or personal interest." In short, the Department of Justice is fully committed to restoring confidence in its work and reputation by upholding its vital traditions of independence, non-partisanship, transparency, and fealty to the law.

To that end, the Department has re-established its commitment to non-partisan hiring and enforcement. For instance, as part of its continuing effort to address hiring concerns, the Department invited attorneys who applied to the Department's Honors Program in 2006 (and may have been excluded for reasons of political affiliation) to apply again. Of the 167 attorneys who were offered this opportunity, 63 accepted interviews, 54 actually interviewed (9 withdrew prior to or after interviewing), and 15 were hired. Two candidates declined offers of employment. In addition, the Department is working through the legal issues regarding implementation of a policy concerning the selection of career attorney candidates for temporary details to confidential, policy-determining, policy-making, or policy-advocating positions within the Department and expects to clarify the policy in the current fiscal year.

The Department has taken various measures to help ensure that its attorneys are aware of, and act in accordance with, their professional obligations. The Department remains committed to meeting the highest standards during discovery—as in every stage of litigation—in its criminal and civil cases alike. In addition to the prosecutorial working group noted by the OIG, a parallel working group is examining the Department's civil discovery practices and capabilities. These working groups will clearly demonstrate that the goal of the United States Justice Department is not to keep count of convictions or civil judgments, but rather to be accountable for justice.

The Department is devoting significant resources to build on the training programs already in place to ensure our attorneys are the best trained in the field. As noted by the OIG, we are developing a comprehensive discovery curriculum for prosecutors, and we plan to provide discovery training to federal prosecutors, paralegals, and law enforcement agents. The Department recently convened a three-day discovery and case management course at the National Advocacy Center in Columbia, South Carolina, to train the "discovery experts" from all 93 U.S. Attorneys offices and the Department's litigating

components. Now that we have "trained the trainers," they will go back to their respective offices and provide in-depth training for new and current prosecutors.

Additionally, based on the Working Group's recommendations, the Department has designated "discovery experts" in all 93 United States Attorney's offices and in all the criminal litigating components of the Department. These discovery experts are senior members of their offices who have received additional training and will be an invaluable resource to their colleagues to address individual discovery issues and providing training to new prosecutors on an ongoing basis.

The Department also is creating an Intranet site that will serve as a central repository for discovery materials, including recent court decisions, training materials, sample case management tools and other materials to help prosecutors comply with their obligations to the defense and the court. The Computer Forensics Working Group will be reconvened to address the problem of properly cataloging electronically stored information recovered as part of federal investigations as well as the adequacy of computer forensic resources that support federal criminal investigations. In addition to those improvements we have already begun to implement, we agree with the OIG in the importance of this mission, and will continue to dedicate the Department's effort and resources to affirm the public's confidence in Department's integrity and professionalism.

3. Recovery Act Funding and Oversight: In addition to the traditional challenge the Department faces each year in managing more than $3 billion in grant funds, the Department has received additional grant funds from the *American Recovery and Reinvestment Act of 2009* (Recovery Act). The Recovery Act, which provides $787 billion in total funding intended to provide a stimulus to the economy, includes $4 billion in Department grant funding to enhance state, local, and tribal law enforcement; to combat violence against women; and to fight Internet crimes against children. The distribution of Recovery Act Funding among the various Department grant programs is shown in the chart below.

RECOVERY ACT-FUNDED PROGRAMS

Appropriations Title	Department Component	Total Funding	Allocation to Component Programs and Purpose
State and Local Law Enforcement Assistance, Recovery Act	Office of Justice Programs (OJP)	$2.765 billion	**$2 billion** – Edward Byrne Memorial Justice Assistance Grant (JAG) Program funding for a broad range of activities to prevent and control crime and improve the criminal justice system.
			$225 million – Edward Byrne Competitive Grant Program funding to help communities address targeted needs.
			$225 million – Grant funding for construction/renovation of correctional facilities on tribal lands.
			$125 million – Grant funding for rural law enforcement activities related to preventing and combating drug-related crime.
			$40 million – Grant funding for law enforcement activities along the southern border and in high-intensity drug trafficking areas (includes $10 million of pass-through funding for ATF).
			$50 million – Grant funding for initiatives related to Internet crimes against children.
			$100 million – Grant funding for victim compensation and assistance.
Community Oriented Policing Services, Recovery Act	Office of Community Oriented Policing Services (COPS)	$1 billion	**$1 billion** – Grant funding for the COPS Hiring Recovery Program (CHRP) to hire and rehire additional career law enforcement officers.
Violence Against Women Prevention and Prosecution, Recovery Act	Office on Violence Against Women (OVW)	$225 million	**$175 million** – Grant funding to support the work of state, local, and tribal governments and domestic violence and sexual assault coalitions.
			$50 million – Transitional Housing Assistance Grant Program funding to provide victims of crimes against women with transitional housing services and to move such individuals into permanent housing.
Salaries and Expenses, Office of Justice Programs, Recovery Act	OJP $10	million	**$10 million** – Administrative funding to OJP, further allocated as follows: OJP $7.0 million COPS $2.5 million OVW $ .5 million
Salaries and Expenses, Recovery Act	Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	(Funding received through OJP)	**$10 million** – Funding to support Project Gunrunner for the Southwest Border Initiative to reduce cross-border drug and weapons trafficking and violence on the border.
Office of the Inspector General, Recovery Act	Office of the Inspector General (OIG)	$2 million	**$2 million** – Funding for oversight activities and functions related to Recovery Act funding.
Totals	**Five Components**	**$4.002 billion**	**($3.990 billion or 99.7 percent is for grants)**

Source: U.S. Department of Justice Draft Agency Plan for Management of Recovery Act Funds

The management and oversight of Recovery Act funds is a significant challenge for the Department because the Department must distribute this large amount of grant funding quickly, monitor the use of these funds, and continue to manage its annual grant programs at the same time. For example, the Department's Edward Byrne Memorial Grant Program Justice Assistance Grant Program (JAG Program) received $2 billion in Recovery Act funds to be awarded to state and local governments to support a broad range of activities aimed at preventing and controlling crime and improving the criminal justice system. This money is approximately 4 to 18 times more than the annual funding that the Department awards through the JAG Program each year ($496 million in fiscal year (FY) 2005, $202 million in FY 2006, $305 million in FY 2007, and $108 million in FY 2008).

Yet, despite the significant influx of Recovery Act money that the Department must oversee, the number of grant administrators who award and oversee these grant programs has not significantly increased. Therefore, these same grant administrators who already were challenged to provide adequate oversight of annual JAG grant funds face additional challenges in overseeing the Recovery Act funding.

The Department plans to monitor grant recipients through a combination of oversight methods, including on-site program and financial reviews, desk reviews of recipient reports, and analyses of single audit results. Effective monitoring by each of the Department's three grant-making agencies is crucial to the early identification and correction of problems among the Recovery Act grant recipients. As discussed in more detail in the management challenge on grant management, the Office of Justice Programs (OJP) has taken steps to improve its monitoring efforts by strengthening its Office of Audit, Assessment, and Management (OAAM). The OIG will be assessing the effectiveness of these improvements as we audit the Department's oversight of Recovery Act awards.

In another example of the Recovery Act challenge, the Department's Office of Community Oriented Policing Services (COPS) received an additional $1 billion in Recovery Act funds in 2009 for the hiring of career law enforcement officers. This is approximately three times larger than the average annual appropriations for COPS grants over the past 5 years. In addition, the focus of COPS grants in recent years had shifted from hiring police officers to providing funds for law enforcement equipment and technology. The result is that COPS must now manage a $1 billion Recovery Act hiring program with staff that may need to be retrained and refocused in overseeing a significantly larger number of hiring grants. Yet, the COPS' staff to administer its grant programs has declined from 214 in 1999 to 116 in October 2009. While COPS has recently increased its staffing in response to the Recovery Act challenges, as of September 2009 only eight grant monitors were on board in the COPS Grant Monitoring Division. Consequently, we are concerned with COPS' ability to provide effective grant management over thousands of grants with such a limited number of staff.

To address the management challenges presented by the infusion of Recovery Act funding, the Department has taken important steps. These steps include:

- OJP has implemented a High Risk Grantee Designation program to assess a grantee's risk before awards are made and to strengthen its monitoring of these grantees.

- COPS created the 2009 COPS Hiring Recovery Program Grant Owner's Manual to assist grantees with the administrative and financial matters associated with the grant.

- COPS plans to offer free access to interactive online training courses and resources to help grantees manage their grants and implement their community policing plans under the Recovery Act.

- The Office on Violence Against Women (OVW) held several pre-award conference calls with potential applicants to clarify Recovery Act solicitation requirements, and OVW is developing a monitoring plan for Recovery Act awards.

At the same time, the OIG has taken proactive steps to help the Department in its oversight of Recovery Act money. For example, the OIG has provided Department officials and grant administrators with training on the grant management process in an effort to prevent fraud or misuse of the funds. Since enactment of the Recovery Act in February 2009, the OIG has trained over 800 Department grant officials in order to raise awareness of the specific fraud, waste, and misuse risks related to Recovery Act and other grant funding.

The OIG also has reviewed draft documents prepared by the Department, including both pre-award documents for grant applicants and post-award guidance for grant recipients, and provided advice to Department officials regarding these documents. We have also provided guidance to the Department regarding appropriate internal controls and best practices when awarding and overseeing Recovery Act funds.

In addition, the OIG prepared a document, entitled *Improving the Grant Management Process*, which contains recommendations and best practices that OIG auditors and investigators have identified which granting agencies should consider adopting to reduce waste, fraud, and abuse in grants. We distributed this document to Department grant managers and posted it on our website, and we also provided it to other Departments involved in grant activities.

The OIG also has initiated several reviews to examining DOJ's management of Recovery Act funds. For example, we have ongoing audits on the the Byrne formula and competitive grant programs; OJP's grants for correctional facilities on tribal lands; COPS Hiring Recovery Program; OVW's Recovery Act programs; and ATF's use of Recovery Act funds for Project Gunrunner, a national initiative to reduce firearms trafficking to Mexico. In our initial report on ATF's Project Gunrunner, we concluded that some of ATF's planned activities do not appear to represent the best use of Recovery Act resources to reduce firearms trafficking.

In addition to our reviews of the Department's management and oversight of Recovery Act funds, we also are auditing samples of individual grantees that received Recovery Act awards. Our audit work is being performed in phases, and we are providing grant administrators significant findings from our work as quickly as possible so that these issues can be promptly addressed.

Special agents from the OIG Investigations Division field offices and auditors from our regional audit offices have reached out to state administering and oversight agencies regarding DOJ

Recovery Act funds. In these meetings, we discuss our work and encourage these officials to report to us any evidence of potential waste, fraud, or abuse in the use of Department funds. In sum, grant management has been a long-standing challenge for the Department, and this year even more so when the Department must award and oversee an extra $4 billion in grant funds under the Recovery Act. While the Department has taken positive steps on oversight of Recovery Act funds, it must continue to focus on the challenge of protecting these funds from fraud, waste, and abuse.

DOJ RESPONSE:

The Department has taken several proactive steps to ensure sufficient monitoring of the Recovery Act grants and contracts. Having recognized the same management challenges identified by the IG, the Department has put into place substantial monitoring measures to ensure effective distribution of these grant funds.

For example, shortly after the Recovery Act was enacted, the Department directed our OJP bureaus and program offices, the Office of the Chief Financial Officer, and the OAAM to conduct programmatic, financial, and administrative monitoring of Recovery Act grants and contracts from award through the close-out of program activity. The Department will conduct on-site programmatic monitoring of 30 percent of the Recovery Act grant funding during the life of the Recovery Act awards. To ensure that the 30 percent threshold results in on-site monitoring for an adequate number of Recovery Act grants, we will also conduct on-site monitoring for at least 10 percent of the number of open awards by program until all Recovery Act grants are closed, with the exception of the Byrne Justice Assistance Grant Program, which will be at five percent due to the large volume of awards. The Department has directed the OAAM to then assess the level, quality, and completeness of monitoring conducted by the OJP bureaus and program offices, as well as the COPS Office.

In addition, since the enactment of the Recovery Act, OJP has been working closely with the OIG. The Department has a risk management plan in place, which includes identifying and closely monitoring high-risk grantees. We have proactively engaged the OIG to consult on methods to prevent the risk of waste, fraud, and abuse in the grant application and award process. For the duration of the Recovery Act post-award period, OJP and Department leadership will continue to meet routinely with the OIG to discuss programmatic progress and implementation issues, as well as to discuss strategies for improving grant program management across the Department.

The Department also has engaged OAAM to conduct program assessments of Recovery Act grant programs to measure performance against intended outcomes and assess compliance with Recovery Act requirements and guidelines. Using existing processes and procedures, program assessments will be designed to examine measures implemented by program offices and/or grantees to aid in enhanced transparency and accountability (e.g., performance measures tracking, compliance with grant requirements). In FY 2010, OAAM will review two Recovery Act programs, the Bureau of Justice Assistance's (BJA) Assistance to Rural Law Enforcement to Combat Crime and Drugs

Program and State and Local Law Enforcement Assistance Program for Combating Criminal Narcotics Activity Stemming from the Southern Border of the United States. These were selected after consultation with the DOJ OIG to avoid duplication of program reviews.

The Department leadership has also tasked the Antitrust Division to launch an "Economic Recovery Initiative" to assist federal, state, and local agencies receiving Recovery Act funds. This Initiative will help ensure that measures are in place to protect procurement and program funding processes from bid-rigging and other fraudulent conduct, as well as ensure that those who seek to corrupt the competitive bidding process are prosecuted to the fullest extent of the law. A principle aim of the Initiative is training government officials to prevent, detect, and report efforts by parties to unlawfully profit from stimulus awards before those awards are made and taxpayer money is wasted.

In addition, DOJ has implemented the following improvements to its grant management: The High Risk Grantee Designation program employed through OJP is being applied to grants awarded by both OJP and OVW. COPS is incorporating OJP's High Risk Grantee Designation program into its grant process as well. All three grant-making components have developed plans to implement the OIG's suggestions for improving the grant management process contained in the February 2009 report entitled, "Improving the Grant Management Process." Moreover, Department leadership now requires periodic reports from the grant components to assess their progress in implementing the suggestions in the OIG's report, and status reports on open OIG audits.

Finally, ATF has been able to expand Project Gunrunner through the financial support of the Recovery Act and other recent appropriations. ATF has taken a series of steps to identify new locations for Gunrunner teams. These include creating a new staffing structure, ensuring Spanish proficiency in more staff along the southwest border, and establishing program methodologies to evaluate the impact of these resources. ATF has considered the recommendations in OIG's Interim Review of ATF's Project Gunrunner and, for each one, has either created an action plan to address the noted deficiencies, or has studied the issue in light of the OIG's concern and provided further justification for its approach. In one instance, ATF is still considering the best approach to address the OIG's concern. Overall, however, these recommendations are consistent with the Department's planned improvements, which we intend to implement with these recent Recovery Act appropriations.

4. Civil Rights and Civil Liberties: Meeting the Department's counterterrorism and law enforcement responsibilities presents a variety of substantial challenges, but the Department must protect individual civil rights and civil liberties while pursuing these responsibilities.

The need for an appropriate balance was highlighted by our reviews of the FBI's misuse of national security letters (NSL), which the OIG first reported on in March 2007. As a follow-up to our reviews of the FBI's use of NSLs and Section 215 orders for business records, the OIG is completing a review of the FBI's use of exigent letters and other improper requests to obtain telephone records. In our March 2007 NSL report, we discovered a practice by which the FBI used over 700 exigent letters rather than NSLs to obtain telephone toll billing records. We determined that by issuing exigent letters, the FBI circumvented the NSL statutes and violated the Attorney General's Guidelines and internal FBI policy. Our ongoing review is examining in greater detail the FBI's use of exigent letters and is assessing accountability for the FBI's improper use of these letters and other informal requests for telephone records.

The Department and the FBI have taken steps to improve their use and oversight of intelligence authorities such as national security letters. In the OIG's March 2008 follow-up report on NSLs, we found that the FBI and the Department had made significant progress in implementing the recommendations contained in our first report and in adopting additional corrective measures to address the serious problems in NSL usage and oversight we had identified. We also found that the FBI had devoted substantial time and resources to ensure that its field managers and agents understood the seriousness of the FBI's shortcomings in its use of NSLs and their responsibility for correcting these deficiencies.

Yet, while we found that the FBI and the Department have taken positive steps to address the issues that contributed to the serious misuse of NSL authorities, significant additional work remains to be done. First, it remains to be seen how effectively the FBI's Office of Integrity and Compliance – established after issuance of the OIG's March 2007 NSL report – will be able to detect and correct non-compliance with the rules governing the intrusive investigative techniques available to the FBI. In the coming year, the OIG will review the work of the FBI's Office of Integrity and Compliance to determine the effectiveness of this new office.

In addition, the Department has yet to issue final minimization procedures concerning the retention of NSL-derived information. A Department Working Group has developed recommendations for NSL minimization procedures, which are still being considered within the Department and have not yet been issued. We believe that the Department should promptly issue final minimization procedures for NSLs that address the collection of information through NSLs, how the FBI can upload NSL information into FBI databases, the dissemination of NSL information, the appropriate tagging and tracking of NSL-derived information in FBI databases and files, and the time period for retention of NSL-obtained information. At this point, more than 2 years have elapsed since our first report was issued recommending such procedures, and final guidance is needed and overdue.

In addition, the *USA PATRIOT Reauthorization Act of 2005* (Reauthorization Act) required the Department to implement minimization procedures for business records obtained pursuant to Section 215 orders. The Reauthorization Act required that specific procedures be designed for Section 215 material that would minimize the retention and prohibit the dissemination of non-publicly available information concerning United States persons consistent with national security interests. The Reauthorization Act required that these procedures be adopted by September 5, 2006.

However, there was disagreement between the Department and the FBI regarding the definitions and scope of minimization procedures in general, including the time period for retention of Section 215 records, and whether to include procedures for addressing information received in response to but beyond the scope of a Section 215 order. To meet the statutory deadline, the

Department adopted sections of the Attorney General's Guidelines for FBI National Security Investigations and Foreign Intelligence Collection of October 31, 2003 (Guidelines) as "interim" minimization procedures for business records.

We concluded that these interim minimization procedures were deficient because the interim procedures were not specific to Section 215 records - in fact, compliance with the Guidelines was already a prerequisite to obtaining a Section 215 order. We therefore recommended again that the Department continue to work to develop appropriate standard minimization procedures for Section 215 records. According to the FBI, the Department has drafted new minimization procedures for business records. However, these procedures have not been issued.

Other OIG reports issued during the past year raise additional concerns about the need to balance aggressive law enforcement with protection of civil rights and civil liberties. As noted in the counterterrorism challenge, the OIG examined the FBI's management of the consolidated terrorist watchlist and raised a concern that while it is important to place names on the watchlist when appropriate, it is also important to remove names from the list when they no longer should be there. We found in our March 2008 audit that FBI case agents did not consistently update watchlist records when new information became known and that in many instances the FBI did not remove watchlist records when appropriate. In a follow-up audit issued in May 2009, the OIG similarly concluded that the internal controls over the processes used to nominate individuals to the terrorist watchlist are weak or nonexistent and that, similar to findings in our previous review, did not update or remove watchlist records as required.

In sum, while its counterterrorism responsibilities are its highest priority, the Department faces the ongoing challenge of balancing individual civil rights and civil liberties as it seeks to protect our nation's security.

DOJ RESPONSE*:*

The Attorney General has repeatedly observed that "there simply is no tension between an effective fight against those who have sworn to do us harm, and a respect for the most honored civil liberties that have made us who we are." Each day, this Department works to ensure vigilance in protecting our national security while doing so consistently with the rule of law, civil rights, and civil liberties. We cannot afford to relax our guard in the fight against terrorism and those who threaten our national security, but the Department of Justice is committed to doing so while upholding our fundamental individual rights and liberties. For example, as the Inspector General acknowledged, the Department has made significant progress in developing procedures for handling information derived from national security letters. The Department will finalize and announce these procedures after resolution of Patriot Act reauthorization legislation later this year, which could address this issue. In the meantime, however, the FBI has already adopted many of the new procedures.

For instance, the FBI's Office of Integrity and Compliance (OIC) has implemented (and is now overseeing) a program that facilitates the FBI's ability to comply with both the letter and the spirit of all applicable laws, regulations, rules, and policies. OIC also has

implemented a process for identifying and addressing issues which warrant attention based on the applicable compliance risk. Once the OIG initiates the above-mentioned audit, the FBI will work with the OIG to make relevant personnel available for interviews and to provide relevant documents.

The Department will continue to work with the FBI to finalize the NSL Working Group's recommendations. In addition to directly responding to the OIG's recommendations, we have implemented an automated NSL creation system which will not permit an NSL to be created if required information and approvals are not input. The use of this system should mitigate many of the common errors discussed in the OIG's previous reports on NSL usage. This system, along with changes to FBI policy and enhanced internal reviews of NSL usage, has helped to substantially address the issues raised by the OIG and will result in greater accountability in the future.

The Department also continues to work to finalize minimization procedures for business records. As that work continues apace, it is important to underscore that the FBI Domestic Investigations and Operations Guide addresses many of the issues raised by the OIG.

5. Financial Crimes: While the Department has recognized the need to aggressively investigate and prosecute financial crimes, this challenge has been exacerbated recently. With the downturn in the economy, the Department is facing a significant increase in various types of economic crimes, including mortgage fraud, white collar crimes, health care fraud, and grant and procurement fraud. The Department's challenge involves addressing these crimes with limited resources that are also focused on counterterrorism, violent crimes, and other pressing issues.

While many types of financial crimes have been increasing in recent years, mortgage fraud has seen a dramatic spike, with the FBI reporting more than double the number of criminal mortgage fraud investigations over the past 3 years. Congress recently passed the *Fraud Enforcement and Recovery Act of 2009,* which authorizes a significant increase in the FBI's mortgage and financial fraud investigative program. In addition, this Act gives the Department new authority to prosecute fraud occurring in private institutions that generated many of the subprime mortgages but were previously not covered under federal criminal bank fraud statutes.

The Department also has seen significant growth in corporate fraud and misconduct in the securities and commodities markets at the institutional, corporate, and private investor levels. The FBI reports that it is currently investigating over 189 major corporate frauds, 18 of which have losses over $1 billion. The most recent high-profile case that exemplifies this trend is the investigation in which Bernard L. Madoff pled guilty in March 2009 to 11 felony charges of securities fraud and related charges and was sentenced in June 2009 to 150 years in prison. In addition to prosecuting white collar criminals, a major challenge for the Department will be to aggressively pursue the recovery of the remaining assets through asset forfeiture laws to restore funds to the victims of financial crime.

The Department also recently announced its intention to combat health care fraud by joining with the Department of Health and Human Services (HHS) to create a taskforce called the Health

Care Fraud Prevention and Enforcement Action Team. Health care fraud has been a long-standing challenge for the federal government, with the FBI estimating that losses in the United States exceed $50 billion annually. As health care spending continues to increase, the FBI estimates that health care fraud will show a corresponding increase.

The DOJ-HHS task force is intended to increase coordination, intelligence sharing, and training among HHS, DOJ, and other law enforcement agencies to address health care fraud. During the past year, the Department had one particularly notable success when it announced a $2.3 billion settlement with American pharmaceutical company, Pfizer Inc., to resolve criminal and civil liability arising from the illegal promotion of certain pharmaceutical products.

At the same time, the Department continues to focus on procurement and grant fraud. In 2006, the Department created the National Procurement Fraud Task Force to promote the prevention, early detection, and prosecution of procurement fraud. This task force focuses on civil and criminal enforcement of defective pricing, product substitution, misuse of classified and procurement-sensitive information, false claims, grant fraud, labor mischarging, fraud involving foreign military sales, ethics and conflict of interest violations, and public corruption associated with procurement fraud. As described above, the need to prevent, detect, and deter procurement and grant fraud became even more acute during this past year with enactment of the Recovery Act.

While the Department is investing increased resources in combating financial crime, one of its major challenges will be to ensure that its various components that address financial crimes – including the Criminal Division, the Civil Division, the Antitrust Division, the U.S. Attorneys' Offices, and the FBI – effectively share information and collaborate on the investigation and prosecution of these offenses. In addition, the Department also needs to ensure effective collaboration with other federal agencies, with state and local law enforcement partners, with private industry, and with consumers.

In sum, deterring, investigating, and prosecuting financial crimes is a challenge that has grown significantly more complex. While the Department has undertaken initiatives to help address this problem, it must continue to focus its efforts on meeting this heightened challenge.

DOJ RESPONSE:

The Department is fully committed as one of its top priorities to aggressively investigate and prosecute financial crimes. To do this most effectively, the Department recognizes that it must coordinate its efforts internally and with its partner agencies across the federal, state, local, and tribal governments. As such, the Department's leadership has formed working groups and task forces to coordinate its white collar enforcement efforts among DOJ components, with federal regulatory agencies, and with our state and local partners. For example, as the OIG notes, the Department is actively engaged in a partnership at the senior leadership level with the Department of Health and Human Services to combat health care fraud through the HEAT initiative. The HEAT initiative includes leadership from all of the relevant DOJ components (United States Attorney's Offices, Criminal Division, Civil Division, and the FBI), as well as the Office of Inspector

General at HHS. This interagency effort is already paying dividends in terms of increased recoveries and indictments, information sharing, and coordinated use of resources. In particular, for the first time, the two agencies have submitted a joint budget request to the Office of Management and Budget for FY2011 that reflects the joint resource needs for the initiative.

The Department has also developed a plan for coordination across the government in the area of financial fraud enforcement, including mortgage fraud, securities and commodities fraud, and fraud relating to the use of government economic recovery funds. The Department expects this interagency effort to yield similar dividends in coordination, intelligence sharing, training and enhanced enforcement. In the meantime, the Department has been actively engaged in outreach and coordination with our State and local partners on mortgage fraud matters and emerging mortgage rescue scams. The Attorney General recently joined Treasury Secretary Geithner, Housing and Urban Development Secretary Donovan, Federal Trade Commission Chairman Leibowitz and a group of State attorneys general to announce the creation of four State/Federal mortgage fraud working groups that will be focused on information-sharing, criminal enforcement, civil enforcement and civil rights enforcement in combating mortgage fraud, including foreclosure and rescue scams and lending discrimination. These working groups are each co-chaired by a State Attorney General and an Assistant Attorney General from the Department of Justice, and include high-level participants from Treasury, HUD, the FTC, the FBI and State banking authorities. These developments will both address concerns raised by the OIG, and better protect our citizens, assets, and financial system against criminal schemes and activity.

6. Sharing of Intelligence and Law Enforcement Information: The need to effectively share law enforcement and intelligence information remains a high priority for the Department in meeting many of its critical missions.

Over the past several years, the Department has made significant improvements in its sharing of information. For example, the FBI has improved the sharing of intelligence information with other members of the intelligence community and enhancing its role in joint operations and analytic centers. In addition, the National Security Division has played an important role in improving coordination between law enforcement and intelligence personnel within the Department.

However, the Department faces continuing and substantial challenges in this area. For example, a September 2009 OIG report evaluated the United States National Central Bureau (USNCB), the U.S. representative to the International Criminal Police Organization (INTERPOL). INTERPOL assists in the exchange of information among law enforcement agencies in the United States and throughout the world to detect and deter international crime and terrorism through a network of 187 member countries. Our audit found that the USNCB has not made critical international criminal information, such as information regarding some international fugitives and habitual criminals, available to law enforcement agencies in the United States. In addition, the USNCB has not implemented processes to ensure that the INTERPOL information it makes available to U.S. law enforcement agencies is current, accurate, complete, and timely. The OIG made 27 recommendations to the Department to improve the sharing of INTERPOL information among U.S. law enforcement agencies. The Department agreed with the recommendations and has begun taking actions to address them.

Domestically, participation by the FBI and other Department components in state "fusion centers" is a key element of the *National Strategy for Information Sharing* (Strategy), which established a framework for information sharing among federal, state, and local government agencies. In addition, the Department operates or participates in several intelligence centers designed to ensure broad dissemination of critical law enforcement and intelligence information.

In November 2009, the OIG issued a report that examined the operations of two such intelligence centers that are central to the Department's sharing of law enforcement information in support of its anti-gang effort: the National Gang Intelligence Center (NGIC) and the National Gang Targeting, Enforcement, and Coordination Center (GangTECC). In NGIC, intelligence analysts from the federal, state, and local law enforcement provide a centralized intelligence resource of information for law enforcement agencies conducting gang investigations. GangTECC is intended to serve as a central coordinating and deconfliction center for multi-jurisdictional gang investigations involving federal law enforcement agencies.

However, our review found that NGIC and GangTECC have not been effective in meeting their fundamental mission of sharing information about gangs. For example, we found that, 3 years after its creation, NGIC still has not established a gang information database as directed by law. Such a database was mandated to ensure that law enforcement agencies nationwide had access to information about gangs. In addition, while GangTECC developed a list of high priority violent gangs, it did not disseminate this information widely in the law enforcement community. The OIG concluded that GangTECC has not established an effective program for coordinating gang investigations and prosecutions.

In another ongoing review, the OIG is examining the Drug Enforcement Administration's (DEA) El Paso Intelligence Center (EPIC), including its intelligence coordination role. EPIC has evolved from a drug intelligence center to an all-threats national tactical intelligence center that manages and provides information to a wide range of federal, state, and local law enforcement agencies. While EPIC's focus is along the Southwest border, EPIC provides information and services to a growing number of users (over 19,000 as of June 2009) across the United States and abroad.

Law enforcement agencies and the intelligence community increasingly rely upon common access to information systems within and across agencies. The capabilities of these systems and the ease of access to stored information are critical to the effectiveness of the information sharing systems. During the past year, the OIG assessed the status of various projects involving enhancement of information sharing systems within the Department and found their progress to be mixed. For example, our reviews of the FBI's efforts to upgrade its information technology (IT) systems determined that the FBI is making progress in addressing deficiencies in its information sharing capabilities. However, the successful completion of the FBI's Sentinel case management system remains a continuing challenge, with the most difficult phases of the project yet to come.

In addition, as noted in the counterterrorism challenge, in November 2008 the OIG reported on its review of the FBI's terrorist threat tracking system known as Guardian. Guardian provides the FBI with the ability to share investigative data about terrorist threats within the FBI, as well as with other government agencies to enhance analysis of the information, to better identify patterns and trends, and to inform development of proactive investigative activities. The OIG found that the Guardian system represents a significant improvement in how the FBI previously tracked and handled threat information. However, the Guardian system needs improvements to address shortcomings in the accuracy, timeliness, and completeness of its information. The FBI generally requires that all threat information obtained from ongoing counterterrorism investigations be entered in Guardian. Our audit found that in almost half of the cases tested, threat information was not entered in Guardian, thereby preventing such information from being readily available to all Guardian users, including the FBI's law enforcement and intelligence partners. The OIG made seven recommendations to improve the FBI's tracking of terrorist threats and suspicious incidents.

The OIG's September 2009 audit of the FBI's and ATF's coordination of explosives investigations, also described in greater detail in the counterterrorism challenge, found that the ongoing lack of coordination between these two components has impeded information sharing on explosives investigations. In particular, the agencies have failed to develop a single-search explosive-incident database and do not participate widely in interagency task forces as required by the Implementation Plan for the *National Strategy for Combating Terrorist Use of Explosives in the United States*.

In sum, while the Department has made progress on improving its ability to share a greater range of law enforcement and intelligence information, it continues to face a variety of operational, technical, and coordination challenges to fully address this critical need.

<u>DOJ RESPONSE:</u>

The Department is keenly aware that it cannot meet its many law enforcement and national security responsibilities without clear and direct communication of information and intelligence across components and agencies. Mindful of this, the Department has greatly improved its information-sharing capabilities in recent years, as the IG has noted. Building on those successes, the Department intends to take additional steps to improve these functions going forward.

For example, the Department, in coordination with the USNCB, is working to improve both the management and functioning of USNCB in order to achieve improved accessibility and utility of INTERPOL's international information sharing systems. In the past, the USNCB entered foreign-issued green notices (i.e., INTERPOL bulletins alerting member countries to career criminals or habitual offenders such as child molesters and violent gang members) into TECS, a law enforcement database administered by the Department of Homeland Security. The USNCB is now exploring the possibility of entering these notices into the NCIC (National Crime Information Center) Sexual Offender and Gang Member Files, an FBI administered database with much wider accessibility within the U.S. law enforcement community, including state, local, and tribal police

authorities. Additionally, the USNCB is entering subjects of foreign countries' fugitive "diffusion" messages into the NCIC Foreign Fugitive File when entry criteria are met. Both measures will greatly expand the availability of this information to U.S. law enforcement agencies, and will correspond with the OIG recommendations.

USNCB also reintroduced greater accountability and stricter oversight of its casework, with the aim of ensuring timely review and updating of INTERPOL case data. Accordingly, the USNCB's Compliance Review Program was recently updated and re-instituted. Each USNCB Division now undergoes an annual self-inspection with compliance oversight and review. We have mandated additional supervisory review of outgoing work products and added staff to support the Compliance Program. USNCB is also implementing several data integrity and file review projects to ensure adherence to case management procedures.

Moreover, in order to ensure that the USNCB meets NCIC's deadlines for entry, applicable NCIC entries are now made by the INTERPOL Operations and Command Center (IOCC) at case opening. This practice also ensures that information is available to U.S. law enforcement as soon as it is received. USNCB now monitors this practice to ensure periodic supervisory review and approval of the entries. We are currently exploring the possibility of establishing a 24-hour Notice Section to better manage the near-constant intake of notices and diffusions from foreign countries, and to combat the recurring backlogs in this area.

USNCB also is studying the technical feasibility of providing all domestic law enforcement agencies with direct query access to INTERPOL data through a consolidated query of NCIC. Although a number of states currently have access to INTERPOL data through International Justice & Public Safety Network (Nlets) queries, a query of NCIC would exponentially expand the access to, and use of, INTERPOL data. In addition, the Department has engaged CJIS in discussions to expand INTERPOL member countries' access to U.S. stolen motor vehicle data. Further, the Department is exploring the idea of retaining outside contractors to conduct comprehensive human capital and information technology studies. These studies will guide our effective planning for future systems and automation projects and determination of appropriate staffing levels across the agency.

The OIG Report also documents USNCB's challenges in providing investigators and prosecutors with one integrated source for gang information and assistance. USNCB has started to address these challenges, which will enhance the overall effectiveness of the Department's anti-gang intelligence and coordination centers, and increase their impact on the gang problem in this country. USNCB also has discussed with OIG staff organizational changes that might modify how the recommendations are implemented, in an effort achieve maximum effectiveness.

As to the SENTINEL Program, the Department and FBI leadership are fully aware of the challenges it poses. Indeed, senior officials are diligently working to monitor SENTINEL's implementation and ensure its success by way of: bi-weekly status updates for the FBI Director; weekly updates for the FBI Finance Division Officer by the

SENTINEL Program Manger (PM); monthly briefings for a joint meeting of DOJ, OMB, and the Office of the Director of National Intelligence; and quarterly briefings for DOJ's Department Investment Review Board (DIRB), at which the DIRB certifies the activities and the progress of the SENTINEL Program. What is more, the DOJ OIG and the Government Accountability Office (GAO) have conducted nine audits (in total) of the SENTINEL Program to date. The Department continues to address the findings of the reports and has incorporated these points into program policies and processes. In fact, 30 of the 31 recommendations are now closed. The Department will, however, continue to work with the GAO and OIG to finalize implementation of the recommendations and other planned improvements.

The Department also employed an Independent Verification & Validation (IV&V) contractor to audit the SENTINEL Program. The IV&V contractor provides monthly reports to the Executive Assistant Director of the Information and Technology Branch within the office of the FBI Chief Information Officer and briefs the SENTINEL PM. Additionally, Congressional staff members of eight Congressional committees and/or subcommittees are briefed on this program, as requested.

Likewise, the SENTINEL Program Management Office (PMO) is actively managing risks through its Risk Review Board process and maintains a risk register which tracks progress of mitigation strategies. Accordingly, SENTINEL's progress and its risks are transparent and monitored—both inside the FBI and outside to many of the oversight entities who conduct audits of the SENTINEL Program.

Finally, the Department continues to work with its prime contractor to ensure that the industry's best practices are followed. We will incorporate the feedback from all of the oversight entities to ensure the program's success.

7. Grant Management: The OIG has identified grant management as a significant challenge for the Department since inception of this list, not only in terms of making timely awards of billions of dollars of grant funds but also in maintaining proper oversight over grantees to ensure the funds are used as intended. This challenge is particularly acute for the Department in 2009 because in addition to managing over $3 billion in grant funding from its regular fiscal year appropriation, the same grant administrators also must oversee disbursement and oversight of $4 billion in grants under the Recovery Act. The challenges the Department faces in ensuring the integrity of Recovery Act funds are described in a separate challenge, while this section focuses on the continuing challenge the Department faces in ensuring the overall efficiency and integrity of its grant programs.

Several OIG reviews completed during this past year demonstrate the significant difficulties the Department has faced in the past in ensuring proper management of its grant funds. For example, in September 2009 the OIG released a report that raised concerns about the fairness and openness of OJP's National Institute of Justice's (NIJ) practices for awarding tens of millions of dollars in grants and contracts in FY 2005 through FY 2007. Our audit, which was requested by Congress had found that the NIJ's process for reviewing grant applications – including initial program office reviews, peer reviews, documentation of program office recommendations, and documentation of NIJ Director selections – raised concerns about the fairness and openness of the competition process.

In addition, we found that several NIJ staff involved in the grant award process had potential conflicts of interest with grantees receiving awards but nevertheless participated in the approval process for the grants in question. We also found that the NIJ did not adequately justify the sole-source basis for some non-competitively awarded contracts and could not demonstrate that these contract awards were properly exempt from the competitive process required by government contracting regulations. The Department agreed with the nine recommendations we made in this report and has begun taking corrective actions to address each of the audit recommendations.

In April 2009**,** the OIG released a report which also found significant deficiencies in how OJP's Office of Juvenile Justice and Delinquency Prevention (OJJDP) awarded over $113 million in discretionary grants in FY 2007. Our review found that OJJDP allocated $74 million of the $113 million it awarded that year for non-competitive grants or "invitational awards" to 17 organizations after officials from the Office of the Attorney General, the White House, and Congress contacted OJP to lobby for non-competitive awards to certain organizations. Yet, the OJP Director stated that she could not remember who specifically had contacted OJP to request funding for specific applicants, nor could OJP provide us with any documents showing that it made merit-based assessments for these invitational grants. Because OJP lacked such evidence, we could not determine if the awarding of these invitational grants without competition was appropriate and whether it was the best allocation of OJJDP funds.

With respect to the competitive awards OJJDP made in FY 2007, we also found that OJJDP skipped several steps in its peer review process that are critical to ensuring that objective criteria are applied uniformly to all the applicants during the peer review process. In addition, our audit found that the OJJDP Director recommended, and the OJP Assistant Attorney General approved, awards to several organizations whose proposals received peer review scores that were lower than applications submitted by other organizations that did not receive award recommendations. We concluded that OJP and OJJDP decision makers should have justified and documented the rationale for award recommendations that deviated significantly from peer review results.

In March 2009, the OIG examined the Department's Convicted Offender DNA Backlog Reduction Program (Backlog Reduction Program), a grant program that provides funding to help states reduce the backlog of convicted offender DNA samples. We found that the Backlog Reduction Program has contributed to the decrease in the national backlog of convicted offender DNA samples awaiting analysis, although the overall nationwide backlog may continue to grow because of recent legislation that increases the number of offenses for which DNA samples of arrestees can be collected. However, we identified deficiencies in the Department's handling of the program, such as a failure to provide adequate guidance to the state laboratories on collecting and reporting performance information. We also found significant delays in starting several Backlog Reduction Program awards, which caused over 180,000 convicted offender DNA samples to not be uploaded in a timely manner to the Combined DNA Index System (CODIS), a national DNA-profile matching service maintained by the FBI. In addition, the Department continued to award funding to several state laboratories that had not utilized previous award funding.

Recent OIG audits and investigations of grant recipients have also resulted in civil or criminal actions, reflecting the continuing need for close grant oversight by the Department. For example, the National Training and Information Center, a national organizing, policy, research and training center for grassroots community organizations, agreed in June 2009 to repay $550,000 to settle a lawsuit alleging that it improperly used Department grant money to lobby Congress regarding the award of future grants. In another OIG investigation, a tribal leader pled guilty to falsely stating that she had hired three police officers after receiving $225,000 in grant funding from the Department's Office of Community Oriented Policing Services when in fact she spent the money on personal items and did not hire any officers.

Recognizing the important management challenge it faces, the Department has taken significant steps toward improving its grant management process during the past 18 months. In May 2008, the Associate Attorney General issued a memorandum directing the OJP Assistant Attorney General to document all discretionary funding recommendations and decisions. Under this policy, future award recommendations must contain a list of all applications received that includes the lowest scoring application funded as well as every application scoring higher, regardless of whether it was selected for funding, and a brief explanation of why a listed application was not recommended for funding.

In addition, OJP has made progress in staffing its Office of Audit, Assessment, and Management (OAAM), a unit intended to improve internal controls and streamline and standardize grant management policies and procedures across OJP. OAAM also has worked more closely with the OIG during the past year to improve grant management processes, and it now meets with the OIG on a quarterly basis to discuss grant issues. OAAM also plans to strengthen its grant monitoring processes by ensuring it reviews a minimum of 10 percent of active awards, performs quality reviews of granting agencies' site visit reports, and conducts program assessments of grant programs. OAAM also implemented the OJP High Risk Grantee Designation program to identify high-risk grantees in order to impose special conditions on and increase its monitoring of those grantees.

The Department has taken other responsive measures during recent months in response to a document we issued entitled, *"Improving the Grants Management Process."* Shortly after passage of the Recovery Act, the OIG surveyed its staff and reviewed prior audit reports to identify significant grants management issues. Based on this review, we drafted a document that provides 43 recommendations and examples of best practices that granting agencies should consider adopting to minimize opportunities for fraud, waste, and abuse in awarding and overseeing both Recovery Act and non-Recovery Act grant funds. The Department has taken positive steps in response to the recommendations in this report. For example, OJP stated that it will now apply program-specific audit recommendations by the OIG to all applicable programs, rather than to just the specific program the OIG audited. OJP is also conducting OJP-wide assessments to improve internal controls and identify opportunities for improvement. In addition, OJP is more aggressively identifying and working to mitigate risks among individual grantees by assessing each potential grantee's risk during the grant-award process and imposing on high-risk grantees special conditions that provide a range of potential sanctions, including the withholding of funds.

We believe that through these recent actions and other planned improvements, the Department is demonstrating a commitment to improving the grant management process, and we have seen significant signs of improvement. However, considerable work remains before grant management of the billions of dollars awarded annually in Department grants is no longer considered a top Department challenge.

DOJ RESPONSE:

The OIG is entirely correct that the Department of Justice is fully committed to ensuring that its grant programs are effectively managed and that the grants it distributes are adequately monitored and used by grantees as intended. Indeed, the values of transparency and oversight are vital to the Department's approach to grant management.

Each day, the Office of Justice Programs (OJP) works to ensure that its grant-making decisions are transparent, and that it can be held accountable for its grant management performance. To that end, in FY 2009, OJP has posted all of its award decisions on the OJP website, including the type of award, the recipient, and the award amount. Similarly, OJP is dedicated to continuously improving its oversight and monitoring of grantees and grant programs. OJP has established common procedures and guidance to improve the quality and completeness of monitoring across OJP, as well as provided effective tools to its grants managers to properly document desk reviews and on-site monitoring, formally communicate with grantees through the system, and track the resolution of open issues. As part of its oversight responsibilities, moreover, the OJP OAAM will continue to evaluate the quality and level of monitoring of OJP grants and conduct OJP-wide assessments of program initiatives and operations to measure performance, enhance internal controls, and identify opportunities for improvement.

OJP also has embraced the OIG's February 2009 report entitled "Improving the Grant Management Process" and implemented many of its recommendations. In particular, OJP has implemented those recommendations relating to grant program development, application, and award processes. At every possible opportunity, OJP is implementing corrective actions to respond to OIG grant-related and program-specific audit recommendations.

OJP and Department leadership have been working very closely with the OIG in addressing grantee issues identified by the OIG in grant audits conducted by the OIG and audits conducted in accordance with OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. OJP has streamlined audit follow-up activities to ensure that outstanding audit recommendations are tracked and promptly addressed, which has lead to faster closure of a significant number of grant and single audit reports. OJP and Department leadership will continue to meet routinely with the OIG and will continue to work closely with grantees to ensure that issues identified by the OIG are timely resolved by either repaying unallowable grant expenditures, providing further support that substantiates the grantees' expenditures, or developing appropriate procedures to ensure future compliance.

OJP has worked quickly to implement appropriate corrective actions in response to the OIG's review of the Backlog Reduction Program. As of July 2009, based on the corrective actions implemented by NIJ, the OIG had closed 10 of the 11 report recommendations. NIJ anticipates fully implementing the remaining open recommendation by December 2009.

8. Detention and Incarceration: The Department continues to face a significant challenge in safely and economically managing the federal inmate and detainee populations, particularly in light of the rise in the number of inmates and detainees and the increasing costs needed for this purpose.

The federal inmate population has dramatically increased over the past 30 years, rising from fewer than 25,000 inmates in the Federal Bureau of Prisons' (BOP) custody in 1980 to more than 209,000 inmates in 2009. Approximately 83 percent of these inmates are confined in BOP-operated facilities, with the balance housed in privately managed or community-based facilities and local jails. The majority of growth in recent years has been in the numbers of medium and high security inmates who cannot be housed in contract facilities. They therefore must be housed either by adding beds to existing BOP institutions or by building new institutions. System-wide overcrowding continues to be a serious issue with BOP facilities at 37 percent above rated capacity as of April 2009.

In addition to safety issues presented by overcrowding, the BOP also must address other threats to inmates' safety, including sexual abuse in prisons. The *Prison Rape Elimination Act of 2003* requires the Department to promulgate national standards for the detection, prevention, reduction, and punishment of sexual abuse in detention facilities by June 2010.

This year the OIG examined in-depth the Department's efforts to prevent sexual abuse of federal inmates by correctional staff. Our September 2009 report found that allegations of criminal sexual abuse and non-criminal sexual misconduct at BOP institutions more than doubled from FY 2001 through FY 2008. BOP officials told us they believe this increase is due to the BOP's efforts during this time period to educate and encourage staff and inmates to report abuse. However, our review found that while the Department's progress in implementing staff sexual abuse prevention programs has improved since 2001, the Department needs to take additional steps to effectively deter, detect, investigate, and prosecute staff sexual abuse of federal prisoners.

For example, we found that BOP officials at some prisons – in an effort to protect alleged inmate victims – automatically isolate and segregate the victims and subsequently transfer them to another federal prison without first considering less restrictive options for safeguarding them from further harm. Inmates often view such actions as punitive and may be reluctant to report their sexual abuse or cooperate with investigators if they are automatically isolated or moved to another institution. Additionally, BOP officials could not verify that alleged inmate victims had received appropriate victim services, such as psychological assessments and medical treatment. The OIG also identified improvements that should be made in staff training, inmate education, and oversight of the BOP's program to reduce staff sexual abuse of inmates.

We also analyzed the prosecution of staff sexual abuse of inmates. Since 2006 when the law changed sexual abuse of inmates from misdemeanor to felony crimes, the percentage of cases accepted for prosecution by Department prosecutors has increased from 37 percent under the old law to 49 percent under the new law. We also found that the prosecutors who accepted these cases had a very high success rate, with all but 7 of the 90 prosecutions resolved during the period of our review resulting in convictions. However, some prosecutors continued to express a general reluctance to prosecute these cases. We concluded that training federal prosecutors on the detrimental impact of staff sexual abuse on inmates, other prison staff, and prison security would improve the Department's effectiveness in prosecuting these cases.

The OIG is also reviewing other aspects of the BOP's efforts to handle its difficult mission of housing inmates in safe, secure, and cost-efficient facilities. One OIG review is currently examining the BOP's strategies and procedures for hiring correctional officers. In another review, we are investigating allegations that the BOP failed to adequately address concerns that staff and inmates at several BOP institutions were exposed to unsafe levels of lead, cadmium, and other hazardous materials in computer recycling operations.

With approximately one-third of BOP's 115 institutions 50 years or older, the increasing prison population also exacerbates a challenge for the BOP in repairing failing infrastructure at these institutions. While the BOP prioritizes facilities that need the most attention, significant additional money is needed to address what can become, at its most serious, a safety and health-related issue.

In addition to the BOP's challenges, the Department must also provide adequate and economical housing for the increasing number of federal detainees taken into custody by the United States Marshals Service (USMS). Approximately 56,000 federal detainees awaiting trial or sentencing are housed each day by the USMS, primarily in jails under contract with the USMS. The Department's Office of the Federal Detention Trustee (OFDT) provides oversight of the USMS's detention activities and manages the budget for housing USMS detainees, a budget which in FY 2009 totaled more than $1.2 billion.

The USMS houses the majority of its federal detainees in space leased from state and local governments, with the remaining detainees housed in BOP facilities or in private correctional facilities. The USMS maintains contracts, known as Intergovernmental Agreements (IGA), with about 1,800 state and local facilities to house these detainees. Over the years we have found problems with the manner in which the per diem charges the Department pays for each detainee (also known as a jail-day rate) are determined and with the Department's monitoring of the charges. We are initiating another audit of the Department's process for identifying and negotiating fair and reasonable per diem rates.

In sum, the Department's detention and incarceration responsibilities continue to pose prisoner safety and financial challenges that have intensified in recent years due to rising federal prisoner and detainee populations.

<u>DOJ RESPONSE</u>:

One of the Department of Justice's most important responsibilities is to house federal prisoners and detainees safely and humanely. The Department remains committed to fulfilling this responsibility, despite the increasing prison and detainee populations and mounting resource challenges noted by the Inspector General. To that end, the Department's FY 2010 and outyear budget requests are structured to address the BOP's long-term capacity needs in the most cost effective manner possible. BOP will continue to structure budget requests to address capacity needs in the most cost effective manner possible.

Sexual abuse—including staff sexual abuse—must not be tolerated in federal prisons. Any allegations of abuse are treated as serious by the Department of Justice. Indeed, the Department has established a high-level working group to address the recent recommendations of the National Prison Rape Elimination Commission. This group will examine these recommendations and prepare a regulation adopting national standards for the detection, prevention, reduction, and punishment of prison rape, as required by the Prison Rape Elimination Act. The Department expects that the working group's review will lead to further improvements in BOP's efforts to combat staff sexual abuse. Even as this work is ongoing, however, BOP continues to have a zero tolerance policy for staff sexual abuse and takes extremely seriously any allegation of sexual abuse in its facilities. The Deputy Attorney General recently convened a meeting with BOP, EOUSA, and OIG to discuss the findings of OIG's September 2009 report on the Department's efforts to prevent staff sexual abuse of inmates.

As the OIG notes, moreover, the Department has increased its prosecutions of staff sexual abuse in recent years. EOUSA's Office of Legal Education has sponsored classroom training on Prosecution of Criminal Cases in Federal Prisons, including presentations on Investigation and Prosecution of Sexual Abuse and Other Crimes Committed by BOP Employees. EOUSA is currently in the process of developing and providing additional training to AUSAs.

Furthermore, BOP agrees with the OIG that wardens should consider methods to protect victims short of isolation or segregation, although at times such steps may be necessary. In addition, the BOP is committed to ensuring that victims of sexual assault receive appropriate medical and psychological assessments and if necessary, treatment. In some cases, there may be a need for an alternative means of providing such services other than established protocol. Such alternate means are necessary to prevent wider dissemination of information to staff other than the warden and investigative staff, which might compromise the integrity of an ongoing investigation.

Finally, in November 2007, the OFDT implemented a new pricing model for the government to negotiate a fair and reasonable per diem rate and built a tool, called eIGA, to assist in collecting jail cost information and maintaining negotiation records. The eIGA model uses operating cost information gathered from detention facilities across the nation as an element in developing the core rate that officials apply as the government's estimate

of services being offered by the local jail. Based on recommendations and input by the OIG and the Department, OFDT adjusted eIGA to collect additional cost information that is calculated as a separate cost-based rate that is also available during the negotiation process.

9. Information Technology Systems Planning, Implementation, and Security: Like other government organizations and private corporations, the Department faces an ongoing challenge managing the more than $2 billion it annually spends on information technology (IT) systems – and ensuring that its decisions in IT planning, development, and security maximize the impact of these expenditures.

The Department has had mixed results in successfully meeting this challenge. Although the Department has made progress in planning for new IT systems, the Department still faces delayed implementation, deficient functionality, and cost overruns of some IT systems. In addition, while the Department has developed sound processes and procedures for identifying IT vulnerabilities, it has been slow to implement systems to address the vulnerabilities.

The OIG continues to be concerned that the Department does not exercise direct control over IT projects among Department components. Historically, the Department's components have resisted centralized control or oversight of major IT projects, and the Department's Chief Information Officer (CIO) does not have direct operational control of Department components' IT management. We believe the Department should enhance the CIO's oversight of the development of high-risk IT systems throughout the Department.

Several of our audits have identified continuing concerns about the development of critical Department IT systems. For example, a March 2009 OIG audit report examined progress toward developing a Department-wide Litigation Case Management System (LCMS). The LCMS project was intended to develop an IT infrastructure for storing case information, managing it centrally, and making it available to the approximately 14,500 authorized users in the Department's seven litigating divisions. However, our audit found that the LCMS project, which the Department began in 2004, was more than 2 years behind schedule, approximately $20 million over budget, and at significant risk of not meeting the Department's requirements for litigation case management.

Our audit concluded that both the Department and its contractor shared responsibility for the significant delays and budget overruns in this project. We recommended that the Department reevaluate the viability of implementing the LCMS in litigating divisions other than the Executive Office for United States Attorneys and United States Attorneys' Offices, including an assessment of whether there is a commitment and adequate funding to continue development of the system. We also urged better oversight of this project to minimize or avoid further schedule and cost overruns.

In August 2009, subsequent to the issuance of our report, we met with senior Department managers to discuss the Department's response to our recommendations. The Department expressed a strong commitment to meeting the need for the LCMS and to fully implementing our recommendations. We agree with the need for such a system, and we believe that with adequate funding, commitment from the litigating divisions, improved planning and development, and better controls, the Department can complete the LCMS system successfully. However, the Department must be vigilant in its oversight of this project and should carefully monitor its progress.

Another example of the challenge the Department faces in this area is the FBI's ongoing effort to upgrade its case management system, known as the Sentinel project. In March 2006, the FBI awarded a contract to Lockheed Martin to develop Sentinel in four phases. At that time, the FBI estimated that Sentinel would cost a total of $425 million and be completed by December 2009.

In October 2009, the OIG completed its fifth report on the progress of Sentinel. Sentinel appears generally to be on track, but we identified several areas of concern. For example, we found that the newly delivered portions of Sentinel did not provide significant additional functionality to users as initially planned. We also determined that the FBI and Lockheed Martin agreed to delay the projected completion date until September 2010, 9 months later than originally planned. Moreover, the FBI and Lockheed Martin agreed that Lockheed Martin's costs to complete Phase 2 of the project have increased by $18 million. We also raised concerns that an increase in turnover and unfilled staff vacancies on the Sentinel project management team left it without enough staff with the appropriate skill level. We made six new recommendations to assist the FBI in addressing these and other issues.

As the Department develops new IT systems, it also must ensure the security of those systems and the information they contain. Specifically, the Department must balance the need to share intelligence and law enforcement information with the need to ensure that such information sharing meets appropriate security standards.

We have found that the Department has made significant progress in the area of IT security and has developed sound processes and procedures for identifying IT vulnerabilities. A December 2008 OIG audit found that the Department lacked effective methodologies for tracking the remediation of identified IT vulnerabilities. Our report made four recommendations to assist the Department in its efforts to address such vulnerabilities. Since the issuance of our report, the Department has established the Justice Security Operations Center (JSOC), which provides real-time monitoring of the Department's networks to detect vulnerabilities and threats. The JSOC mitigates threats and vulnerabilities by blocking known threats from accessing the Department's systems and creating real-time alerts to components for immediate remediation as issues arise. In addition, the Department has developed an inventory of all IT devices on the Department's networks, updated annually, to ensure that monthly scans adequately cover the Department's entire IT environment.

Portable IT media pose significant IT security risks in the Department and across government. As an initial step in assessing the Department's efforts to safeguard information stored on portable devices, the OIG reviewed the Civil Division's laptop computer encryption program and practices. In a report issued in July 2009, we found that all the Civil Division's laptops were encrypted and compliant with the Department's requirements, but we identified a serious vulnerability in that a large percentage of the laptops used by Civil Division contractors to process data on behalf of the Civil Division were not encrypted. The Civil Division relies on contractors for assistance in various aspects of sensitive litigation involving national security, banking, and insurance. We found that this information security lapse resulted from the Civil Division's failure to provide its contractors with security instructions for protecting Department data.

The OIG is now auditing the Criminal Division's laptop computer security programs and practices. In addition, we are evaluating whether the Department has communicated to all components the national strategy to combat identity theft, and whether it has developed the infrastructure to implement its responsibilities under the strategy.

In sum, if the Department is to build on the advances it has made in IT systems planning, implementation, and security, it must closely manage its IT projects to ensure the systems are cost-effective, well-run, secure, and able to achieve their objectives.

DOJ RESPONSE:

The Department is committed managing its Information Technology (IT) systems efficiently, cost-effectively, and securely. Indeed, the Department already has made significant progress in planning and implementing new IT systems, and its future projects and efforts will continue to build on that existing success.

To that end, while the Department CIO still does not have authority over the various components' IT budgets, he does have insight into—and oversight of—their IT priorities through the annual budget process. During that process, each component's CIO presents his IT priorities to the Department CIO, who then prioritizes all submissions to ensure overall compliance with the Department's mission, the Attorney General's priorities, and the Department's strategic plan. In addition, all components must ensure that any new project—regardless of size— meets the requirements of the Department's reference architecture and that the program uses sound program management methodology. Programs that have a total development and implementation cost in excess of $100 million require regular review by the Department's Investment Review Board, which is chaired by the Deputy Attorney General. These reviews provide senior management with an in-depth view of the program, including its schedule, cost, and any potential issues. This process ensures that issues are surfaced and addressed before they can have a significant impact or become critical to the program's overall success.

Consistent with its general effort to ensure effective IT management, the Department fully supports and places a high priority on the continued development of LCMS. The IG is correct to note that the senior Department management is strongly committed to implementing LCMS. The Department believes that the information processing services that will be delivered through the LCMS Program are paramount to the efficient and effective operation of DOJ and its litigating components. The OIG report raised constructive recommendations with which to improve the Program implementation. The Department has responded to all of the recommendations both verbally and in writing, and it will continue to work toward final closure. Most important, additional internal, management, and contract controls have been added to mitigate the risk of future cost and

schedule overruns. Likewise, a detailed implementation plan for deploying LCMS to the remaining litigating components will be developed

As the Inspector General notes, the SENTINEL Project remains on track. The OIG recently issued its fifth audit report on the progress of Sentinel in early November 2009. The Department has reviewed the report. To the extent that there are any areas of concern, the Department continues to closely monitor the Project so that it will be completed in the fall of 2010.

Phase 1 was successfully deployed throughout the FBI in June 2007. It provided a user-friendly, web-based interface to access information currently in the FBI's Automated Case Support (ACS) system. Through this web-based interface users have easier access to investigative and administrative case information. Phase 1 also introduced Personal Workboxes which summarize a user's cases and leads, and Squad Workboxes that enable supervisors to better manage their resources and assign leads with the click of a mouse. These capabilities placed more investigative and administrative case information at the employees' fingertips and began moving employees away from a dependence on paper-based files.

Based on lessons learned from Phase 1, the PMO adopted an incremental development strategy to more rapidly develop and deploy capabilities to users in the remaining phases. This approach reduces the task of creating costly custom, throwaway code needed for ACS and SENTINEL to interact simultaneously while SENTINEL steadily assumes ACS services. As a result of the development of a strategic plan associated with the incremental development strategy at the beginning of Phase 2, the cap for the program was raised $26 million, increasing the budget to $451 million, and the overall program length was extended 6 months. The program had expended $282.2 million as of October 8, 2009. The total program cost of $451 million is unchanged since the start of Phase 2.

Segments 1, 2, and 3 of Phase 2 were successfully delivered. Segment 4—the final Segment of Phase 2—is currently nearing completion. Segment 4 will provide three forms and a new electronic workflow tool with digital signature. It will also migrate administrative case data from the legacy system and introduce new case management functionality for administrative cases in SENTINEL. Phase 3 began in August 2009. SENTINEL is scheduled to be completed in the fall of 2010.

Finally, ensuring information technology security is of critical importance to the Department of Justice. Consistent with the priority that the Department places on IT security, it has devoted valuable resources and attention to ensuring that its IT systems as a protected as possible. For instance, as acknowledged by the IG, the Department has made significant progress in the area of IT security and has developed sound processes and procedures for identifying IT vulnerabilities. The Department will continue to build on this success going forward. To that end, the Civil Division is implementing the necessary actions to ensure that all non-Civil Division laptop computers used to process DOJ data are encrypted or require contactors to use encrypted Civil Division provided hardware. OIG's

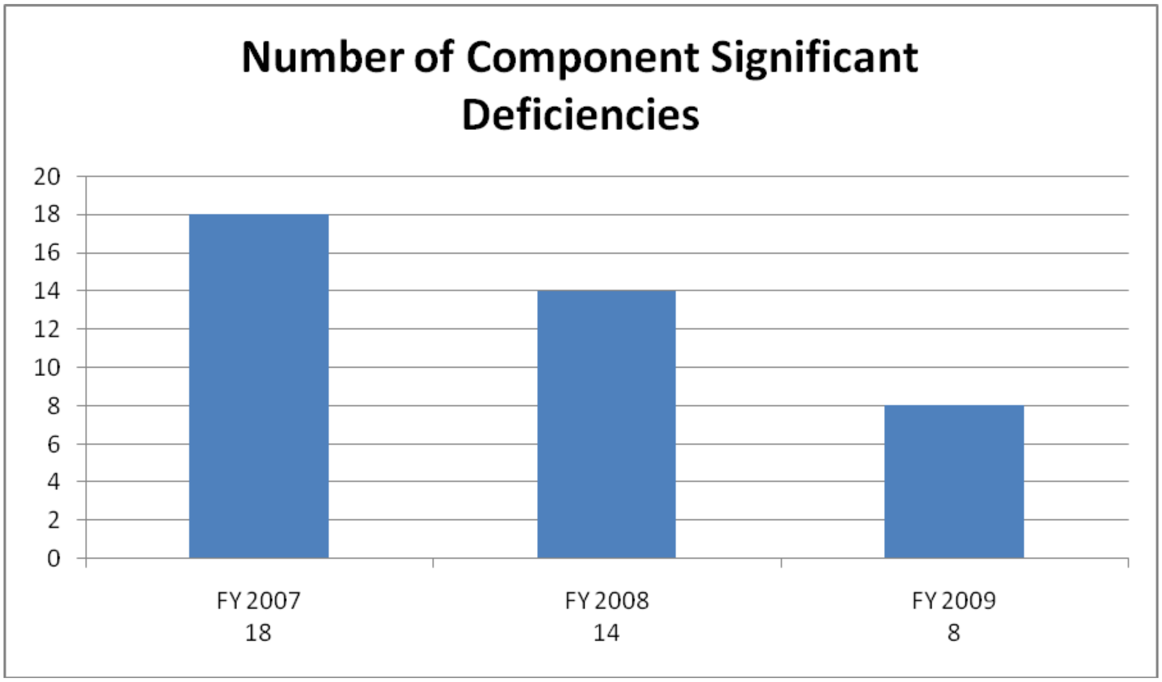
recommendation in this area has been implemented for contractors under the Mega-3 contract.

Implementing this recommendation for contractors hired under an OBD-47 will require a comprehensive set of new procedures, including changes in contract language, technical support resources, additional hardware acquisition, additional personnel, and training. It is likely that some OBD-47 contractors will have the resources to comply with this requirement. For others who may lack the technical sophistication to comply with the requirement, the Civil Division is planning to provide some limited support or encrypted hardware. To implement this change, hardware must be identified, tested, procured, and deployed. The Division has identified the requirements for hardware, software, and additional personnel, and has begun crafting procedures and planning the procurement. Following procurement of the hardware and software, it will construct a training program for attorneys and other staff members acting as points of contact on OBD-47 contacts. The Division anticipates it will take 9 to 12 months to fully implement this recommendation.

The Division also is taking steps to ensure that all contract support providers are aware of security information procedures for handling DOJ data in accordance with DOJ policy. All Mega-3 contractors have been provided this information and are required to pass it through to sub-contractors. OBD-47 contractors will be part of the comprehensive program outlined in the paragraphs above. To ensure security awareness, the Civil Division will conduct periodic spot-checks of contract support providers.

10. Financial Management and Systems: While financial management and systems has been identified as a top management challenge for the Department since 2003, the Department has made significant improvements in its financial reporting. At the same time, there has been an increasing demand for accountability and transparency throughout the federal government, and this need for accurate, near real-time financial information continues to present a significant management challenge for the Department.

For FY 2009, the Department again earned an unqualified opinion and improved its financial reporting. For the third straight year, the financial statement audit did not identify any material weaknesses at the Department consolidated level. Additionally, Department components reduced component significant deficiencies from 14 in FY 2008 to 8 in FY 2009.



Similar to past years, much of this success was achieved through heavy reliance on contractor assistance, manual processes, and protracted reconciliations done for quarterly and year-end statements. We remain concerned about the sustainability of these ad hoc and costly manual efforts.

The decentralized structure of the Department also presents a major challenge to obtaining current, detailed, and accurate financial information about the Department as a whole because there is no one single source for the data. The Department currently uses six major accounting systems that are not integrated with each other. In some cases, the components' outdated financial management systems are not integrated with all of their own subsidiary systems and therefore do not provide automated information necessary to support the need for timely and accurate financial information throughout the year. As a result, many financial tasks must be performed manually at interim periods and at year end. These costly and time-intensive efforts will continue to be necessary to produce financial statements and satisfy other financial requirements until automated, integrated systems are implemented that readily produce financial information throughout the year.

The Department has placed great reliance on the implementation of the Unified Financial Management System (UFMS), which is intended to replace the six major accounting systems currently used throughout the Department. This unified system is expected to solve many of the Department's financial management automation issues. The UFMS is intended to standardize and integrate financial processes and systems to more efficiently support accounting operations, facilitate preparation of financial statements, and streamline audit processes. It also will enable the Department to exercise real-time, centralized financial management oversight. We support the Department's implementation of the UFMS and believe the system can help eliminate the weaknesses in the Department's current disparate financial management systems.

Yet, the Department's efforts over the past several years to implement the UFMS have been subject to fits and starts, primarily because of problems obtaining sufficient funding for the project, staff turnover, and other competing priorities. Despite the fact the Department selected the vendor 5 years ago for the unified system and selected an integrator to implement the unified system 3 years ago, full implementation of the UFMS has occurred at only one component, the DEA. While successfully implementing the UFMS at the DEA is a significant achievement, the DEA's legacy system was one of the most modern financial management systems within the Department. Thus, the central issue to this challenge remains largely unaddressed because the Department's other components continue to use five major, unintegrated and, in some cases, antiquated financial accounting systems.

Implementation of the UFMS is not projected to be completed in all Department components until FY 2013 at the earliest. Until that time, Department-wide accounting information will continue to be produced manually, a costly and time consuming process that undermines the Department's ability to prepare financial statements that are timely and in accordance with generally accepted accounting principles, as well as the ability to provide detailed financial information for newly emerging requirements.

However, the Department, by achieving another year of overall positive financial statement audit results, has made progress in its overall financial management. Nevertheless, we remain concerned that the Department has not yet been able to replace its legacy financial systems with a single integrated financial management system. Implementation of the UFMS is critical for the Department to meet the need for accurate, timely financial information.

DOJ RESPONSE:

We agree with the importance of modernizing the financial management infrastructure of the Department through the implementation of the Unified Financial Management System (UFMS). We are also committed to continuing to strengthen our financial operations, our internal controls, and our review and evaluation procedures.

We are hopeful we are overcoming the concern that the UFMS project has moved only in fits and starts. In 2009, the Drug Enforcement Administration successfully migrated to UFMS, and, importantly, obtained an unqualified audit opinion on its financial statements produced from UFMS. As expected, the DEA project was a large, complex, and difficult migration, but one which helps lay the foundation for the upcoming FY 2010/2011 migration of ATF to UFMS. ATF set the stage for its full migration by implementing a Momentum upgrade during FY 2009. Additionally, other notable progress was made on UFMS during FY 2009: the BOP completely moved its procurement workforce and transactions onto the UFMS acquisitions module, a significant precursor to future use of UFMS; the FBI began headquarters use of the UFMS contract writing tool; and now USMS, with the close support and assistance of BOP, is beginning to plan a migration to the UFMS acquisition module.

UFMS is an extremely complex project which needs to be carefully implemented over several years. Lessons learned from the DEA implementation will be used in the next component projects. We are already working to strengthen the hardware and application stability of UFMS based on our experience with DEA operations. Finally, major efforts were made in FY 2009, and are continuing in FY 2010, to secure funding for the next phases of the project.

During FY 2009, the Department continued to emphasize the importance of improving component financial management operations and accountability. We successfully conducted a one day intensive fraud prevention seminar for financial managers from across the Department. The seminar put particular emphasis on preventing and detecting insider fraud threats faced by federal agencies. Two components this year, FBI and ATF, successfully completed their component-level financial audits without any material weaknesses or significant deficiencies, and a major reduction in significant deficiencies was made across the DOJ components. We were again pleased that the hard work of the DOJ financial management community achieved an unqualified opinion on the FY 2009 financial statements. We believe the emphasis placed in prior years on improving our operations can be seen from our audit results.

Despite the FY 2009 accomplishments, the Department's financial improvement work must continue. Financial management expertise and routine reliance on controls is uneven across the Department, and we agree we need to strengthen our operations in several components. To improve our reporting integrity and accountability, we plan to do management-directed testing of selected subsidiary systems in FY 2010. Finally, we will continue to push to strengthen our budget execution oversight, and better train our staff, and to improve the IT security controls over our financial systems and networks.

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FMFIA

Corrective Action Plans

FMFIA SECTION 2 – PROGRAMMATIC MATERIAL WEAKNESS – PRISON CROWDING

U.S. DEPARTMENT OF JUSTICE Corrective Action Plan Issue and Milestone Schedule	Report Date September 30, 2009; 2009 Fiscal Year End	
Issue Title Prison Crowding	**Issue ID** 06BOP001	**Component Name** Bureau of Prisons

Issue Category

FMFIA, Section 2	☐	**Reportable Condition**	☒	**Material Weakness**
FMFIA, Section 4	☐	**Non-conformance**		
OMB A-123, Appendix A	☐	**Reportable Condition**	☐	**Material Weakness**

Issue Category – SAT Concurrence or Recategorization

Concur

Issue Description

The growth of the federal inmate population continues to exceed available capacity. As of September 30, 2009, the inmate population in BOP owned and operated institutions reached 172,423. Inmates were housed in a rated capacity of 125,778, resulting in an over crowding rate of 37 percent above rated capacity, an increase of 1 percent since FY 2008 fiscal year end. The BOP manages the housing of the inmate population by contracting with the private sector and using State and local facilities for certain groups of low-security inmates, expanding existing institutions (where infrastructure permits, programmatically appropriate, and cost effective to do so), and constructing new facilities. The continued use of these approaches maximizes the BOP's ability to keep pace with the increasing inmate population, thereby ensuring safe and secure operations in facilities housing federal inmates.

Through the acquisition of additional low-security contract bed space, expansion of existing institutions, and construction of new facilities, the BOP Long-Range Capacity Plan projects a rated capacity in BOP owned and operated institutions of 134,779 by September 30, 2014. If new construction plans are funded as proposed, the over crowding rate at that time is projected to be 38 percent. Without the acquisition of the additional bed space and the BOP's other mitigating actions, the projected over crowding rate would be 55 percent.

Business Process Area (N/A for Section 2 and Section 4 issues)

Not Applicable

Date First Identified	Original Target Completion Date	Current Target Completion Date	Actual Completion Date
2006	09/30/2012	Dependent on funding	

Issue Identified By	Source Document Title
Bureau of Prisons	BOP Population Projections

Description of Remediation

Increase the number of federal inmate beds to keep pace with projected increases in the inmate population. Efforts to reach this goal include expanding existing institutions, acquiring surplus properties for conversion to correctional facilities, constructing new institutions, utilizing contract facilities, and exploring alternative options of confinement for appropriate cases.

Milestones	Original Target Date	Current Target Date	Actual Completion Date
1. As of September 30, 2006, the inmate population in BOP owned and operated institutions reached 162,514 and was housed in a capacity of 119,510, resulting in an over crowding rate of 36 percent.	09/30/2006		09/30/2006
2. As of September 30, 2007, the inmate population in BOP owned and operated institutions reached 167,323 and was housed in a capacity of 122,189, resulting in an over crowding rate of 37 percent, an increase of 1 percent for the year.	09/30/2007		09/30/2007
3. As of September 30, 2008, the inmate population in BOP owned and operated institutions reached 165,964 and was housed in a capacity of 122,366, resulting in an over crowding rate of 36 percent, a decrease of 1 percent for the year.	09/30/2008		09/30/2008
4. As of September 30, 2009, the inmate population in BOP owned and operated institutions reached 172,423 and was housed in a capacity of 125,778, resulting in an over crowding rate of 37 percent, an increase of 1 percent for the year.	09/30/2009		09/30/2009
5. Planning estimates call for a rated capacity of 127,187 to be reached by the close of FY 2010. The over crowding rate is projected to be 38 percent at that time, an increase of 1 percent for the year.	09/30/2010		
6. Planning estimates call for a rated capacity of 128,827 to be reached by the close of FY 2011. The over crowding rate is projected to be 38 percent at that time, the same rate as at the end of the previous year.	09/30/2011		
7. Planning estimates call for a rated capacity of 131,171 to be reached by the close of FY 2012. The over crowding rate is projected to be 38 percent at that time, the same rate as at the end of the previous year.	09/30/2012		
8. Planning estimates call for a rated capacity of 131,899 to be reached by the close of FY 2013. The over crowding rate is projected to be 39 percent at that time, an increase of 1 percent for the year.	09/30/2013		
9. Planning estimates call for a rated capacity of 134,779 to be reached by the close of FY 2014. The over crowding rate is projected to be 38 percent at that time, a decrease of 1 percent for the year.	09/30/2014		

Reason for Not Meeting Original Target Completion Date

Funding for additional capacity has not kept pace with the increase in the federal inmate population.

Status of Funding Available to Achieve Corrective Action

The FY 2010 and out-year budget requests are structured to address the BOP’s long-term capacity needs in the most cost effective manner possible. The DOJ's proposed FY 2011 budget for BOP is under review at the Office of Management and Budget; as of year-end FY 2009, the BOP's Long-term Capacity Plan was partially funded through FY 2014. The BOP will continue to structure budget requests to address capacity needs in the most cost effective manner possible.

Planned Measures to Prevent Recurrence

The BOP will continue to develop budget requests consistent with inmate population increases.

Validation Indicator

Results are measured as a new institution or expansion project is activated and resulting increases in rated capacity are established. A corresponding decrease in the over crowding rate will also be a tangible measurement of the results. Progress on construction projects at new and existing facilities will be validated via on-site inspections of each facility or by review of monthly construction progress reports.

Organization Responsible for Corrective Action

BOP Program Review Division

FMFIA SECTION 2 – PROGRAMMATIC MATERIAL WEAKNESS – FEDERAL BUREAU OF INVESTIGATION USE OF NATIONAL SECURITY LETTERS

U.S. DEPARTMENT OF JUSTICE **Corrective Action Plan** **Issue and Milestone Schedule**	**Report Date** September 30, 2009; 2009 Fiscal Year End	
Issue Title Federal Bureau of Investigation Use of National Security Letters	**Issue ID** 07FBI001	**Component Name** Federal Bureau of Investigation

Issue Category

FMFIA, Section 2	☐	**Reportable Condition**	☒	**Material Weakness**
FMFIA, Section 4	☐	**Non-conformance**		
OMB A-123, Appendix A	☐	**Reportable Condition**	☐	**Material Weakness**

Issue Category – SAT Concurrence or Recategorization

Concur

Issue Description

In March 2007, the OIG reported that the FBI's use of national security letters (NSL) had grown dramatically and shifted in focus since the enactment of the Patriot Act (October 2001). The OIG found that, although the NSL remains an indispensable investigative tool, the electronic database used for tracking NSL usage was incomplete and inaccurate and did not accurately reflect the status of investigative targets, which impacts the Department's semiannual reports to Congress on NSL usage. The OIG also reported that the FBI did not consistently retain signed copies of NSLs or examine improper or illegal uses of NSLs. Further, the OIG reported that the FBI had not provided clear guidance on applying the Attorney General Guidelines requirements for the use of NSLs. The OIG did not find indications of misuse of NSL authorities that constituted criminal misconduct; however, it found that the FBI used NSLs in violation of applicable NSL statutes, Attorney General Guidelines, and internal FBI policies.

An OIG follow-up report issued in March 2008 stated that the FBI and Department had made significant progress in implementing the recommendations in the initial OIG report. Improvements include strengthening the controls and automated workflow governing the request, review, and approval of NSLs; field office monthly reconciliations of NSL usage; and the database used for tracking NSL usage. The FBI has implemented all OIG recommendations, as well as additional corrective actions, and awaits OIG closure of the reports.

Business Process Area (N/A for Section 2 and Section 4 issues)

Not Applicable

Date First Identified	**Original Target Completion Date**	**Current Target Completion Date**	**Actual Completion Date**
2006	03/31/2008	FBI validation completed in FY 2009; awaiting OIG closure of reports	

Issue Identified By	**Source Document Title**
OIG	March 2007 OIG Report, 06-20

Description of Remediation

Actions to remediate the OIG-reported findings are summarized in the *Milestones* section below. In FY 2009, the FBI completed its validation to ensure the enhanced systems and controls implemented fully remediate the reported findings.

Milestones	**Original Target Date**	**Current Target Date**	**Actual Completion Date**
1. Require all personnel authorized to issue NSLs to create a control file to retain signed copies.	03/31/2008		03/09/2007
2. Improve the Office of the General Counsel (OGC) tracking database to ensure it captures accurate, timely, and complete NSL data.	03/31/2008		04/10/2007
3. Improve the OGC tracking database to include NSL requests for individuals who are not investigative subjects.	03/31/2008		04/10/2007

Milestones (continued)	Original Target Date	Current Target Date	Actual Completion Date
4. Issue additional guidance to field offices that will assist in identifying possible Intelligence Oversight Board violations related to NSL use.	03/31/2008		06/01/2007
5. Take steps to ensure the FBI does not improperly issue exigent letters.	03/31/2008		03/01/2007
6. Ensure that, where appropriate, the FBI makes requests for information in accordance with the requirements of NSL authorities.	03/31/2008		06/01/2007
7. Implement measures to ensure the OGC is consulted about activities undertaken by FBI Headquarters National Security Branch, including its operational support activities.	03/31/2008		06/01/2007
8. Ensure Chief Division Counsel and Assistant Division Counsel (field) provide close and independent reviews of requests to issue NSLs.	03/31/2008		06/01/2007

Reason for Not Meeting Original Target Completion Date

Not Applicable. Actions addressing each OIG recommendation were completed by the original target completion date. Validation to ensure that actions taken fully remediate the OIG-reported findings was completed in FY 2009.

Status of Funding Available to Achieve Corrective Action

Funding was available to complete database enhancements and other remediation/analytical activities.

Planned Measures to Prevent Recurrence

Ongoing oversight of the use of NSLs.

Validation Indicator

Reviews by the FBI's OGC and Inspection Division and results of OIG follow-up work.

Organization Responsible for Corrective Action

FBI Office of the General Counsel

APPENDICES

APPENDIX A

Office of the Inspector General
Analysis and Summary of Actions Necessary to Close the Report

The Department of Justice was provided a draft of the *Independent Auditors' Report on Internal Control over Financial Reporting*, and its comments on the findings and recommendations were considered in preparing this Analysis and Summary of Actions Necessary to Close the Report. Since the Department concurred with the recommendations, this report is being issued as resolved. The Office of the Inspector General (OIG) will continue to review the actions taken during future financial statement audits in order to assess whether the findings have been adequately addressed and recommendations implemented. Depending on the recommendation, it will be closed either when the action requested is completed or subsequent audit testing verifies the adequacy of corrective actions. Repeat recommendations will be immediately closed upon report issuance, but will continue to be followed up in the prior reports where the recommendations were initially made.

Recommendation Number:

1. **Resolved.** This recommendation can be closed when subsequent annual financial statement audit testing verifies that the components have submitted and implemented corrective action plans that focus on correcting the deficiencies in access controls and configuration management cited in the *Independent Auditors' Report on Internal Control over Financial Reporting*, to the extent that the significant deficiencies had not been remediated prior to the end of the fiscal year. The corrective action plans should also include a timeline that establishes when major events must be completed. The Department's CIO should monitor the components' efforts to correct deficiencies, hold them accountable for meeting the action plan timelines, and ensure the corrective actions are implemented adequately to address the noted deficiencies.

2. **Resolved.** This recommendation can be closed when subsequent annual financial statement audit testing verifies that the Department monitors the corrective actions taken by the USMS to improve the condition of its funds management controls, in response to the specific recommendations made in the component auditors' Independent Auditors' Report on Internal Control over Financial Reporting issued in connection with the audit of the USMS's financial statements as of and for the year ended September 30, 2009.

3. **Resolved.** This recommendation can be closed when subsequent annual financial statement audit testing verifies that the Department assesses the adequacy of its accounting, internal control, and financial reporting policies in the areas of: (1) seized and forfeited property, (2) budgetary upward and downward adjustments, (3) deobligation of funds, (4) inventory controls, and (5) consideration of economic factors in the funding analysis journal entry process. Based on the results of this assessment, the Department should determine the need to issue new guidance and/or reiterate to components the existing policies for those areas in which the components' auditors identified significant deficiencies related to the recording of transactions and the preparation of financial statements in accordance with generally accepted accounting principles. The Department should monitor the components' adherence to the Department's accounting and financial reporting policies and procedures throughout the year.

4. **Closed.** The status of corrective action related to this recommendation will be tracked through Recommendation No. 5 of the FY 2007 Annual Financial Statement Audit Report (OIG Report No. 08-01).

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APPENDIX B

Improper Payments Information Act Reporting Details

Item I. Describe the risk assessment performed subsequent to the agency completing its full program inventory. List the risk-susceptible programs (i.e., programs that have a significant risk of improper payments based on OMB guidance thresholds) identified through the agency's risk assessment.

In accordance with the Improper Payments Information Act (IPIA) and OMB Circular A-123, Appendix C, *Requirements for Effective Measurement and Remediation of Improper Payments*, the Department assessed its programs and activities for susceptibility to significant improper payments. The Department has implemented a top-down approach that assesses risk from a Department-wide perspective, allowing management to focus on the most significant programs and activities in terms of risk and materiality. The approach promotes consistency across components and enhances internal control related to preventing, detecting, and recovering improper payments. In conjunction with implementing the top-down approach, the Department developed and disseminated guidance for conducting the required risk assessment, along with a risk assessment survey instrument for components to use in capturing information on ten risk factors, such as payment volume and process complexity. The instrument covered commercial payments, as well as intra-governmental payments, employee disbursements, and grant payments.

Based on the results of the Department-wide risk assessment for the period ending September 30, 2009, the Department concluded there were no programs with a significant risk of improper payments exceeding the OMB thresholds of 2.5 percent of program payments and $10 million.

Item II. Describe the statistical sampling process conducted to estimate the improper payment rate for each program identified.

Not applicable. Based on the results of the Department-wide risk assessment, the Department concluded there were no programs susceptible to improper payments exceeding both 2.5 percent of program payments and $10 million.

Item III. Describe the Corrective Action Plans for:

A. Reducing the estimated rate and amount of improper payments for each type of root cause of error. This discussion must include the corrective actions most likely to significantly reduce future improper payments due to each type of error. If efforts are ongoing, it is appropriate to include that information in this section and highlight current efforts.

The results of the Department-wide risk assessment demonstrated that, overall, the Department has sufficient internal control over disbursement processes, the dollar amount of improper payments is not material, and the risk of significant improper payments is low. Nonetheless, Departmental components have implemented procedures that include identifying the root causes of errors to ensure corrective actions will be appropriate to prevent recurrence of improper payments. For example, DEA developed and implemented the use of an electronic form on its Intranet, *Notification of Erroneous Payment*, that personnel at payment sites must complete for any improper payment identified. Data to be reported on the form include the underlying cause(s) of the improper payment and corrective actions planned to prevent recurrence. The FBI's efforts to prevent and reduce improper payments also include identifying the causes of errors, i.e., its post-payment audit procedures specifically address the need to correct root causes of errors. Other examples of corrective actions and ongoing efforts to reduce future improper payments are described in Item V, *Recovery Auditing Reporting*, and Item VII, *Agency Information Systems and Other Infrastructure*.

B. *[Grant-making Agencies with Risk-susceptible Grant Programs]* Discuss what the agency has accomplished in the area of funds stewardship past the primary recipient. Include the status of projects and results of any reviews.

Not applicable. The Department-wide risk assessment concluded there were no risk-susceptible grant programs.

Item IV. Program Improper Payment Reporting

The table below is required for each reporting agency. Agencies must include the following information:

- **i. all risk-susceptible programs must be listed in this chart whether or not an error measurement is being reported;**
- **ii. where no measurement is provided, the agency should indicate the date by which a measurement is expected;**
- **iii. if the Current Year (CY) is the baseline measurement year, indicate by either note or by N/A in the Prior Year (PY) column;**
- **iv. if any of the dollar amounts included in the estimate correspond to newly established measurement components in addition to previously established measurement components, separate the two amounts to the extent possible;**
- **v. include outlay estimates for CY+1, +2, and +3; and**
- **vi. agencies are expected to report on CY activity or, if not feasible, PY activity is acceptable.**

Not applicable. Based on the results of the Department-wide risk assessment, the Department concluded there were no programs susceptible to improper payments exceeding both 2.5 percent of program payments and $10 million.

Item V. Recovery Auditing Reporting

A. Discuss your agency's recovery auditing effort, if applicable, including any contract types excluded from review and the justification for doing so, actions taken to recover improper payments, and the business process changes and internal controls instituted and/or strengthened to prevent further occurrences.

The Department's recovery auditing program is part of its overall program of effective internal control over disbursements. The recovery auditing program includes preventive and detective controls to ensure payments are legal, proper, and correct. For example, the Department's policies pertaining to the Recovery Auditing Act and IPIA provide a methodology for identifying improper payments; establish a system to monitor improper payments and their causes; and include controls and actions for preventing, detecting, and recovering improper payments.

In addition to implementing the controls established by the Department, components have taken specific actions to enhance their disbursement processes and associated internal controls to prevent further occurrences of improper payments. For example, FPI assembled an accounts payable project team to implement end-to-end automation of the disbursement process, including document automation, reconciliation, voucher posting, and workflow approval.

All of the Department's components' internal review activities include reviews of disbursements that test for improper payments. For example, for the Department's Offices, Boards and Divisions, the

Justice Management Division's Quality Control and Compliance Group conducts periodic reviews of financial internal controls that include tests for improper payments.

B. Complete the table below.

Summary of Recovery Program Activities Current Year (FY 2009) and Prior Years (FYs 2004 through 2008)							
Amount Subject to Review for FY 2009 Reporting	**Actual Amount Reviewed FY 2009**	**Amount Identified for Recovery FY 2009**	**Amount Recovered FY 2009**	**Amount Identified for Recovery Prior Years**	**Amount Recovered Prior Years**	**Cumulative Amount Identified for Recovery (FY 2009 + Prior Years)**	**Cumulative Amount Recovered (FY 2009 + Prior Years)**
$9,878,904,000	$9,878,904,000 (100 percent)	$7,215,553	$6,536,361	$9,556,780	$8,519,583	$16,772,333	$15,055,944 (90 percent)

As shown in the table, for the cumulative reporting period of FY 2004 through FY 2009, the Department has recovered approximately $15.1 million or 90 percent of the total amount of improper commercial payments identified for recovery, up from 89 percent at FY 2008 year end.

Item VI. Describe the steps the agency has taken and plans to take to ensure agency managers are held accountable for reducing and recovering improper payments.

The Assistant Attorney General for Administration has implemented IPIA and recovery auditing policies and controls throughout the Department that cover preventing, detecting, and recovering improper payments. As mentioned previously, the dollar amount of the Department's improper payments is not material, and the risk of significant improper payments is low. Nonetheless, the Department holds managers accountable for reducing and recovering improper payments through performance ratings. In addition, the Department requires components to provide a report on recovery auditing activities so component progress on reducing and recovering improper payments can be monitored. Data required to be reported includes the amounts of total payments, total payments reviewed for improper payments, improper payments identified for recovery, improper payments recovered, and improper payments remaining to be recovered; the root causes of improper payments; and corrective actions taken or planned to resolve issues timely and effectively.

In addition to the Department's measures to hold managers accountable for reducing and recovering improper payments, some components have established additional accountability measures. For example, for internal reviews conducted by BOP's Program Review Office, it is the responsibility of the Chief Executive Officer of each site reviewed to address each deficiency in the program review final report and provide an explanation of the corrective action taken to resolve the deficiencies.

Item VII. Agency Information Systems and Other Infrastructure

A. Describe whether the agency has the information systems and other infrastructure it needs to reduce improper payments to the levels the agency has targeted.

Department-wide actions to reduce improper payments are accomplished through an aggressive strategy of re-engineering and standardizing business processes, concurrent with the Department's implementation of an integrated financial management system, which is underway and scheduled to be implemented across Departmental components within the next five years. In addition to the Department's actions to reduce improper payments, individual components have built controls into their financial systems that are designed to prevent improper payments and identify such payments so recovery actions can be initiated. For example, ATF's financial system validates that the same invoice number has not been used previously by a vendor when a subsequent invoice from that vendor is being processed for payment.

B. If the agency does not have such systems and infrastructure, describe the resources the agency requested in its most recent budget submission to Congress to obtain the necessary information systems and infrastructure.

Not applicable. The integrated financial management system, when fully implemented across the Department, will complement the Department's current infrastructure and capabilities to reduce improper payments.

Item VIII. Describe any statutory or regulatory barriers that may limit the agency's corrective actions in reducing improper payments and actions taken by the agency to mitigate the barriers' effects.

The Department has not identified any statutory or regulatory barriers that limit its corrective actions in reducing improper payments.

Item IX. Additional comments, if any, on overall agency efforts, specific programs, best practices, or common challenges identified as a result of IPIA implementation.

The Department's continued use of a top-down approach for IPIA compliance promotes consistency across components and enhances internal controls and activities designed to prevent, detect, and recover improper payments. As mentioned previously, use of a top-down approach allows the Department to focus on its most significant programs and activities in terms of risk and materiality.

Additional Departmental IPIA efforts in FY 2009 included providing a workshop to reinforce requirements and promote consistency throughout the Department with regard to IPIA compliance. The workshop focused on conducting and documenting the required IPIA risk assessment and reporting the data needed for the Department's annual Performance and Accountability Report.

APPENDIX C

FY 2009 Financial Management Status Report

This financial management status report describes the Department's three most significant and overarching financial management initiatives – achieving a clean audit opinion, implementing a new Department-wide financial management system, and continually improving internal controls. The President's emphasis on transparency emphasizes the significance of federal government performance and accountability to achieve successful results. The ultimate goal is accurate and timely financial information on a recurring basis. These initiatives support the Department's overall goal to improve management and administration of the Department's programs while also supporting mandates such as the CFO Act, the Government Management Reform Act (GMRA), the Federal Financial Management Improvement Act (FFMIA), the Government Performance and Results Act (GPRA), Federal Managers' Financial Integrity Act (FMFIA), and the Debt Collection Improvement Act (DCIA) of 1996.

Reliable Financial Statements and Meeting Due Dates for Financial Statements. KPMG LLP, an independent public accounting firm under contract with the Department's Office of the Inspector General, performed the Fiscal Year (FY) 2009 consolidated Department audit. The Department earned an unqualified opinion on its audited consolidated financial statements for FY 2009. All nine of the Department's components that produce financial statements received unqualified opinions, as well. The Department and components continued to demonstrate progress in remediating weaknesses identified by the independent auditors. The Department has consistently met the OMB due date for submission of the consolidated financial statements. Ensuring these deadlines are met required planning and coordination which included issuance of the annual Financial Statement Requirements and Preparation Guide (Guide). The Guide includes a detailed timeline of major events and interim milestones. This, along with components' corrective actions quarterly status updates, adds to the foundation necessary to eliminate auditor-reported internal control material weaknesses. For FY 2010 and beyond, the Department expects to maintain its consistent status on its audited consolidated financial statements.

Integrated Financial Management System. The Unified Financial Management System (UFMS) initiative is the keystone to the Department's financial systems improvement planning for the future. UFMS is replacing the Department's multiple core financial management and procurement systems with an integrated Commercial Off-The-Shelf (COTS) solution, Momentum, provided by CGI Federal Inc. Implementation of the UFMS will improve financial management and procurement operations through streamlining and standardizing business processes and procedures across all components.

The Department components identified for replacement of their current financial management and procurement systems include: Federal Bureau of Investigation (FBI); U.S. Marshals Service (USMS); Drug Enforcement Administration (DEA); Federal

Bureau of Prisons (BOP); Office of Justice Program s (OJP); Offices, Boards and Divisions (OBDs); and Alcohol, Tobacco, Firearms and Explosives (ATF).

The most significant accomplishment of FY 2009 occurred in January, when the DEA financial, accounting and acquisition functions went live with UFMS. DEA joined the Asset Forfeiture Program as the second organization to adopt the Department's system. This was a major milestone for the Department, as DEA was the first large law enforcement organization to deploy UFMS as the system of record. Today, approximately 2,000 users rely on the 28 standard business processes and 12 interfaces configured in UFMS 1.1. Other significant strides were made in FY 2009 to bring users onto the system and prepare the next components for implementation. In March 2009, the UFMS Contract Writing Tool was deployed to the FBI. This will better prepare FBI for migration to UFMS Acquisitions. In May 2009, Phase 1 of the UFMS implementation was completed for the ATF, which entailed the technical upgrade of Momentum. Phase 1 migrated ATF's legacy financial system, Financial Resources Desktop System (FReD), to Momentum 6.1.5 (the same version as DEA UFMS). Concurrently, ATF adapted its business processes to the majority of UFMS standard processes. The Phase 1 upgrade primes ATF for transition to full UFMS functionality. In July 2009, UFMS Acquisitions was deployed to over 300 BOP users nationwide. The UFMS team is effectively managing production services for the newly implemented customers. Customer service continues to be a priority and performance against the objectives will continue to be measured and evaluated as new customers are implemented.

Several implementation efforts are underway in FY 2010. These include the upgrade of UFMS to version 2.0. This upgrade will incorporate more than 100 types of enhancements, the most significant of which include improvements in reporting, interfaces, and system administration. In addition, the USMS is scheduled to implement Phase I, UFMS Acquisitions, in its Headquarters procurement offices as the first part of the ultimate vision of operating in a shared instance, and to better prepare USMS for full deployment of UFMS. USMS Acquisitions will share an instance in UFMS with BOP. Sharing instances in UFMS will result in significant cost savings across the Department by consolidating system administration functions and eliminating duplicative processes. In 2010, USMS planning will also commence, including requirements gathering and gap analysis for full implementation of UFMS. Also in FY 2010, requirements will be finalized for ATF's implementation of UFMS to "go live" in the first quarter of FY 2011. Finally, the FBI will initiate Phase 2 gap analysis and requirements. Phase 2 includes defining requirements, reengineering business processes, configuring, testing, developing training materials and implementing the Criminal Justice Information System (CJIS) and a few other small organizations.

Federal Financial Management Improvement Act (FFMIA) Remediation Plan and A-123 Compliance. During FY 2009, the Department continued efforts to resolve internal control weaknesses in critical areas by providing oversight and resources to individual components. Through ongoing review programs, components aggressively demonstrated their commitment to identify areas of concern and implement corrective actions promptly. The Department also continued to demonstrate progress on its multi-year project to implement an integrated financial management system. This system will eventually provide a single source for timely and reliable financial data, and strengthen the Department's overall control environment. The system will also facilitate the collection of information, increase transparency, and enhance decision-making by program managers.

The Department continued its commitment to improving and strengthening controls through the annual OMB Circular A-123 assessment. Using a top-down risk-based approach, efforts were focused on significant areas where the risk of material errors in financial reporting could occur. An increased effort was also made to coordinate and leverage existing reviews and assessments of the controls over significant financial information systems. These actions, coupled with the Department's corrective action plan process, have enabled the Department to monitor the components' progress against corrective action plans more timely and, when necessary, provide additional resources to correct control weaknesses.

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APPENDIX D

Major Program Evaluations Completed During FY 2009

Office of the Inspector General (OIG) Review of the Department of Justice's Use of Less-Lethal Weapons

The OIG conducted this review to determine the extent to which the Department's components are using less-lethal weapons, whether controls have been implemented to ensure the weapons are used appropriately and to assess the results of the acquisition and use of less-lethal weapons by Department components. The OIG learned that there was no Department policy specifically governing the use of less-lethal weapons by its law enforcement personnel, and State and local law enforcement serving on Department task forces. All of the components developed and implemented separate policies on their personnel's use of less-lethal weapons. Additionally, the OIG learned that while reporting requirements existed within each departmental component on the use of less-lethal weapons, the components do not adequately compile and analyze the resulting reports or the benefits of use. It was further learned that the Department's law enforcement components did not seek the assistance of the Civil Rights Division in the development of their less-lethal weapons policies. As a result of the review, the OIG made four recommendations to the Department, specifically that the Department: 1) coordinate and ensure the development of appropriate and consistent policies to address the use of less-lethal weapons by Department personnel and State and local law enforcement officers serving on task forces; 2) law enforcement components establish procedures to ensure State and local task force members' knowledge of and adherence to the components' respective less-lethal weapons policies; 3) law enforcement components analyze their use of less-lethal weapons, the benefits from such use, and assess emerging trends; and 4) law enforcement components develop protocols to ensure the dissemination of research and reviews conducted by the National Institute of Justice and the Civil Rights Division on the use of less-lethal weapons.

OIG Interim Review of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Project Gunrunner

The objectives of the OIG audit were to determine the extent to which the planned expansion of Project Gunrunner would enhance ATF's capacity to reduce firearms trafficking and violence along the Southwest Border. The OIG examined the planning, hiring, staffing and allocation of resources for the project, as well as ATF's decisions on how its FY 2009 Project Gunrunner funding should be expended. Those decisions included the $10 million earmarked to respond to the American Recovery and Reinvestment Act guidance and staffing the new Gunrunner teams. The OIG also analyzed whether ATF's resources will be allocated in a manner that will achieve the greatest impact on firearms trafficking.

Project Gunrunner is ATF's national initiative to stem firearms trafficking to Mexico by organized criminal groups. It is intended to support the Department's overall Southwest Border Initiative to combat Mexican drug cartels in the United States and to help Mexican law enforcement battle cartels in their own country. ATF's objectives for Project Gunrunner include the following: 1) Investigating individuals responsible for illicit firearms trafficking along the Southwest Border; 2) Coordinating with U.S. and Mexican law enforcement along the border in firearms cases and violent crime; 3) Training U.S. and Mexican law enforcement officials to identify firearms traffickers; 4) Providing outreach education to gun dealers; and 5) Tracing all firearms to identify traffickers, trends, patterns and networks.

The results of the OIG review found that certain aspects of ATF's Project Gunrunner expansion plans should enhance its ability to combat firearms trafficking along the Southwest Border. However, some planned Gunrunner activities do not appear to represent the best use of resources to reduce firearms trafficking, and some issues have yet to be addressed, such as staffing structure, Spanish proficiency, and program measures. While the OIG believes that four of the locations selected by ATF for new Gunrunner resources are sound, the other two locations are questionable and are unlikely to create the most significant reduction in firearms trafficking and related violent crimes. The staffing model planned for the new Gunrunner teams appears adequate, provided ATF defines the teams' reporting and supervisory structures. In addition, the OIG found that ATF has insufficient numbers of personnel proficient in Spanish required to staff Project Gunrunner. The OIG also believes that ATF must develop better measures to assess the impact new Gunrunner teams have on firearms trafficking and related violent crimes along the Southwest Border.

The OIG made seven recommendations, four of which ATF concurred. ATF has considered the OIG's recommendations and has created an action plan to address the noted deficiencies or provided further justification for its approach.

OIG Review of the Bureau of Alcohol, Tobacco, Firearms and Explosives' Efforts

The OIG examined ATF's implementation of its Alcohol and Tobacco Diversion Program as a deterrent to illegal sales and smuggling of tobacco products. This review focused on ATF Headquarters' oversight of the Alcohol and Tobacco Diversion Program and the field divisions' implementation of the program as they conducted tobacco investigations. The OIG examined the roles of the following ATF entities in the program: 1) Alcohol and Tobacco Enforcement Branch (ATEB), 2) Office of Strategic Intelligence and Information (OSII), 3) Financial Investigative Services Division, 4) Asset Forfeiture and Seized Property Branch, and 5) ATF Field Divisions.

ATF is charged with investigating the diversion of alcohol and tobacco products from the legal distribution system in an effort to evade payment of Federal and state excise taxes. This diversion can include several different types of criminal behavior, such as the smuggling of alcohol and tobacco products from low tax states to sell in a high tax states, smuggling across international borders, avoiding taxes by pretending to export products but illegally selling them in the United States, producing counterfeit products, selling products without tax stamps or with counterfeit stamps, and selling products illegally over the Internet. The results of the review by the OIG found that while ATF Field Divisions have conducted successful tobacco diversion investigations over the past several years, diversion investigations are not an ATF priority compared with ATF's investigations of violent crime through its Firearms and Arson and Explosives Programs. Overall, ATF has not developed an adequate national program for diversion, and its diversion enforcement efforts are ad hoc. While it may be difficult for ATF to dedicate significant additional resources to diversion because of other competing priorities, the OIG believes that ATF, nevertheless, can improve its diversion program with existing resources.

The OIG believes that ATF could accomplish incremental improvements in its management of the diversion mission even without an infusion of funding and an increased staffing level. The OIG made three recommendations, one of which ATF had disagreed. ATF's goal is to determine the scope and complexity of the cases and determine if common issues or themes exist. ATF created a national strategic plan for tobacco diversion efforts and a 2010 budget initiative to request additional positions and funding for the Alcohol and Tobacco Enforcement Program, but stated the Office of Management and Budget rejected its requests for additional funds. ATF plans to appoint three points of contact within the Alcohol Tobacco Diversion Division (ATDD), one each for the eastern, central, and western field divisions. In the instance where ATF disagreed, ATF stated that the program was initiated when ATF was still with the Department of the Treasury and had regulatory authority over alcohol and tobacco. ATF has decided instead to assign points of contact at the ATDD in Headquarters to process tobacco intelligence information. The ATDD is currently identifying the personnel that will be assigned as points of contact within the division as well as the creation of the Standard Operating Procedures which will describe areas and responsibilities.

OIG Audit of the United States National Central Bureau (USNCB) of INTERPOL

The OIG outlined four objectives for its audit of the USNCB: (1) evaluate the USNCB's efforts to ensure sharing of INTERPOL information among federal, state, local, and tribal law enforcement agencies; (2) review the USNCB's processes for the exchange of INTERPOL information to ensure that requests for assistance and information were handled in an appropriate, efficient, and timely manner; (3) review the USNCB's controls over INTERPOL case information; and (4) examine the USNCB's organizational role and strategic priorities to ensure that they are in line with DOJ priorities.

The OIG made a total of 27 recommendations, 4 of which were specifically directed to the Department's Office of the Deputy Attorney and concerned oversight and support of the USNCB. Many of the recommendations for the USNCB necessitate that it be more proactive and resourceful in accomplishing its goals.

Many of the issues identified by the OIG were already of concern to the USNCB and were already under review and discussion. The USNCB believes that bringing attention to these issues is important and intends to make the most positive use of the report. Recent years have seen many new initiatives and programs in which the USNCB plays an important role. However the USNCB has often found itself hampered by resource limitations. The USNCB is working to formalize the agreements through which federal law enforcement agencies detail staff to the USNCB. This will ensure consistent coverage and term lengths that will allow the detailed staff members to provide more tangible benefits to both USNCB and their home agencies.

Several of the OIG recommendations concern the USNCB's efforts to reach out to state, local and federal law enforcement in publicizing its services and capabilities. The OIG found that despite the USNCB's efforts, there was still a significant lack of awareness within the general U.S. law enforcement community. The USNCB has planned several initiatives to answer these recommendations. The USNCB is developing a formal outreach and training plan to raise awareness and encourage the use of INTERPOL services by federal, state and local law enforcement authorities. The USNCB is working to develop an INTERPOL training course that could be given at the Federal Law Enforcement Training Center and at various other forums. The USNCB also plans to routinely review Federal agencies 'Most Wanted' websites and reach out to solicit red or blue notices on any '"most wanted"' subjects that are not already the subject of one. The USNCB will also explore options to check foreign diffusion and notice information against U.S. law enforcement agencies' internal databases.

Other OIG's findings and recommendations concerned the USNCB's work processes and adherence to its own procedures. Increasing workloads and stagnant staffing levels have led to unfortunate lapses in case management practices. Similar to the IT assessments and development of an IT strategic plan, the USNCB will contract through the Office of Personnel Management to conduct a human capital assessment of USNCB staffing and develop a strategic plan to ensure the appropriate mix of permanent and detailed staff into the future.

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APPENDIX E

Intellectual Property Report – FY 2009

The information in this section is provided pursuant to the statutory mandate in Title 18, United States Code, Section 2320(g), which requires a report of Department of Justice prosecutions of intellectual property (IP) crimes brought under sections 2318, 2319, 2319A and 2320 of Title 18 of the United States Code. Prosecutions under other IP statutes are not included. This information has been provided by the Executive Office for United States Attorneys (EOUSA), which maintains criminal caseload information as reported by the 94 U.S. Attorneys' Offices.

The pages that follow contain summary case information, segregated by statutory provision, and preceded by a brief description of each offense. Also included is a list of cases referred for prosecution by the Bureau of Immigration and Customs Enforcement or the Bureau of Customs and Border Protection. Following the summary data is a district by district break out of the same data.

The automated case management system used to collect data for the U.S. Attorneys' Offices does not break out copyright infringement cases according to the following categories: audiovisual (videos and films); audio (sound recordings); literary works (books and musical compositions); computer programs or video games. Also, the case management system does not separately identify copyright infringement cases where the infringer advertises the infringing work online or makes the infringing work available on the Internet for download, reproduction, performance or distribution by others. Thus, that information is not included. Similarly, data on fines, penalties, settlements or restitution are not included because that information cannot be extracted from the database according to particular statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318* - Trafficking in Counterfeit Labels for Phono Records and Copies of Motion Pictures or Other Audiovisual Works.

Offense: knowingly trafficking in a counterfeit label affixed or designated to be affixed to a phono record or a copy of a motion picture or other audiovisual work.

	FY 2009 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	14
Number of Defendants:	26
Number of Cases Filed:	10
Number of Defendants:	14
Number of Cases Resolved/Terminated:	12
Number of Defendants:	18
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	8
Number of Defendants Who Were Tried and Found Guilty:	0
Number of Defendants Against Whom Charge Was Dismissed:	10
Number of Defendants Acquitted:	0
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	6
1 to 12 Months Imprisonment:	0
13 to 24 Months:	0
25 to 36 Months:	1
37 to 60 Months:	0
61 + Months:	1

Total Dollar Value of All Criminal Fines Imposed: Not Available
(fines can be assessed in lieu of or in addition to prison sentences)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318.

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506* - Criminal Infringement of a Copyright.

Offense: willful infringement of a copyright for purposes of commercial advantage or private financial gain, or through large-scale, unlawful reproduction or distribution of a copyrighted work, regardless of whether there was a profit motive.

	FY 2009 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	79
Number of Defendants:	118
Number of Cases Filed:	58
Number of Defendants:	75
Number of Cases Resolved/Terminated:	85
Number of Defendants:	103
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	81
Number of Defendants Who Were Tried and Found Guilty:	2
Number of Defendants Against Whom Charge Was Dismissed:	17
Number of Defendants Acquitted:	0
Other Terminated Defendants:	3
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	52
1 to 12 Months Imprisonment:	16
13 to 24 Months:	9
25 to 36 Months:	3
37 to 60 Months:	3
61 + Months:	0

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES CODE, SECTION 2319A* - Unauthorized Fixation of and Trafficking in Sound Recordings and Music Videos of Live Musical Performances.

Offense: without the consent of the performer, knowingly and for the purposes of commercial advantage or private financial gain, fixing the sounds or sound and images of a live musical performance, reproducing copies of such a performance from an authorized fixation; transmitting the sounds or sounds and images to the public, or distributing, renting, selling, or trafficking (or attempting the preceding) in any copy of an authorized fixation.

	FY 2009 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	1
Number of Defendants:	1
Number of Cases Filed:	1
Number of Defendants:	1
Number of Cases Resolved/Terminated:	0
Number of Defendants:	0
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	0
Number of Defendants Who Were Tried and Found Guilty:	0
Number of Defendants Against Whom Charge Was Dismissed:	0
Number of Defendants Acquitted:	0
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	0
1 to 12 Months Imprisonment:	0
13 to 24 Months:	0
25 to 36 Months:	0
37 to 60 Months:	0
61 + Months:	0

Total Dollar Value of All Criminal Fines Imposed: Not Available (fines can be assessed in lieu of or in addition to prison sentences.)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES CODE, SECTION 2320* - Trafficking in Counterfeit Goods or Services.

Offense: intentionally trafficking or attempting to traffic in goods or services and knowingly using a counterfeit mark on or in connection with such goods or services.

	FY 2009 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	153
Number of Defendants:	271
Number of Cases Filed:	97
Number of Defendants:	135
Number of Cases Resolved/Terminated:	93
Number of Defendants:	126
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	82
Number of Defendants Who Were Tried and Found Guilty:	3
Number of Defendants Against Whom Charge Was Dismissed:	37
Number of Defendants Acquitted:	1
Other Terminated Defendants:	3
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	43
1 to 12 Months Imprisonment:	14
13 to 24 Months:	10
25 to 36 Months:	2
37 to 60 Months:	10
61 + Months:	6

Total Dollar Value of All Criminal Fines Imposed: Not Available
(fines can be assessed in lieu of or in addition to prison sentences)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTIONS 2318, 2319, 2319A, 2320 OR TITLE 17, UNITED STATES CODE, SECTION 506*

All Districts - All Statutes

Referrals and Cases:	FY 05	FY 06	FY 07	FY 08	FY 09
Number of Investigative Matters Received:	361	333	368	303	243
Number of Defendants:	642	580	561	467	404
Number of Cases Filed:	143	178	200	179	150
Number of Defendants:	319	297	268	239	203
Number of Cases Resolved/Terminated:	95	155	177	174	175
Number of Defendants:	133	223	278	270	230
Disposition of Defendants in Concluded Cases:					
Number of Defendants Who Pleaded Guilty:	112	178	240	220	198
Number of Defendants Who Were Tried and Found Guilty:	7	9	10	8	5
Number of Defendants Against Whom Charges Were Dismissed:	10	16	15	26	21
Number of Defendants Acquitted:	1	2	1	8	2
Other Terminated Defendants:	3	18	12	8	4
Prison Sentencing for Convicted Defendants (# represents defendants):					
No Imprisonment:	55	91	129	101	114
1 to 12 Months Imprisonment:	29	35	44	46	31
13 to 24 Months:	18	22	33	39	27
25 to 36 Months:	6	13	18	20	6
37 to 60 Months:	7	17	11	19	17
61 + Months:	4	9	15	3	8

Statistics on Matters/Cases Originating with the United States Bureau of Customs & Border Protection and Bureau of Immigrations & Customs Enforcement

Referrals and Cases:	FY 09
Number of Investigative Matters Received:	100
Number of Defendants:	161
Number of Cases Filed:	51
Number of Defendants:	70
Number of Cases Resolved/Terminated:	61
Number of Defendants:	87
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	74
Number of Defendants Who Were Tried and Found Guilty:	2
Number of Defendants Against Whom Charges Were Dismissed:	9
Number of Defendants Acquitted:	2
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	42
1 to 12 Months Imprisonment:	13
13 to 24 Months:	7
25 to 36 Months:	3
37 to 60 Months:	8
61+ Months:	3

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information is based upon the overall outcome of the defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes. This chart does not include data on the investigation and prosecution of other intellectual property crimes, such as economic espionage, 18 U.S.C. 1831; theft of trade secrets, 18 U.S.C. 1832; signal piracy, 47 U.S.C. 553 and 605; and circumvention of copyright protection systems, 17 U.S.C. 1201 to 1205. The data for Fiscal Year 2005 does not include month of September 2005 information for the Eastern District of Louisiana due to Hurricane Katrina.

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	1	1	0	0	1	0	0
CALIFORNIA NORTHERN	0	2	1	2	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	0	2	0	0	0	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	2	1	2	0	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0	0	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI WESTERN	2	3	3	3	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	1	3	0	0	0	0	0	0	0	0	0
NEVADA	0	0	1	2	0	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	1	1	0	0	0	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	1	2	0	0	1	5	4	0	1	0	0
NEW YORK WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	2	2	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	1	2	1	0	1	0	0
OHIO NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	0	0	1	1	4	5	1	0	4	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	2	2	1	0	1	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	0	0	1	1	2	2	0	0	2	0	0
TEXAS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	2	3	1	2	0	0	0	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	3	4	1	1	1	1	1	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	1	1	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	14	26	10	14	12	18	8	0	10	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2318 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	3	0	0	0	0	1
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	1	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	1	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	1	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	1	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHER	0	0	0	0	0	0
WEST VIRGINIA SOUTHER	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
Grand Total	6	0	0	1	0	1

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2318 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	1	1	4	4	2	0	1	0	1
ALABAMA NORTHERN	2	2	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
ALASKA	1	1	1	1	1	1	1	0	0	0	0
ARIZONA	1	4	3	6	1	1	1	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	6	6	5	5	2	2	2	0	0	0	0
CALIFORNIA EASTERN	3	8	1	5	1	1	1	0	0	0	0
CALIFORNIA NORTHERN	0	2	2	3	1	5	5	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	4	4	5	5	5	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	2	2	2	0	0	0	0
FLORIDA MIDDLE	2	2	0	0	0	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	1	1	0	1	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	1	8	2	8	0	0	0	0	0	0	0
GEORGIA SOUTHERN	1	1	1	1	2	2	2	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	1	1	1	1	0	0	0	0	0	0	0
ILLINOIS NORTHERN	1	1	1	1	2	4	2	0	1	0	1
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	1	1	1	1	1	0	0	0	0
KANSAS	0	1	0	0	2	2	2	0	0	0	0
KENTUCKY EASTERN	1	1	1	1	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	2	2	2	0	0	0	0
LOUISIANA EASTERN	1	1	1	1	5	6	6	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	1	1	0	0	1	0	0
LOUISIANA WESTERN	0	0	0	0	1	1	0	1	0	0	0
MAINE	0	1	0	0	0	0	0	0	0	0	0
MARYLAND	1	1	1	1	0	0	0	0	0	0	0
MASSACHUSETTS	0	0	2	2	0	0	0	0	0	0	0
MICHIGAN EASTERN	2	2	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	5	6	2	0	4	0	0
MINNESOTA	0	0	1	1	1	1	1	0	0	0	0
MISSISSIPPI NORTHERN	0	1	0	1	0	1	1	0	0	0	0
MISSISSIPPI SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	5	8	4	4	3	3	3	0	0	0	0
MISSOURI WESTERN	4	4	3	3	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	1	1	2	2	1	1	1	0	0	0	0
NEVADA	2	5	1	2	0	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	2	2	1	1	1	1	0	0	1	0	0
NEW MEXICO	2	2	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	2	5	0	0	0	0	0	0	0	0	0
NEW YORK NORTHERN	1	1	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	2	2	0	0	7	8	8	0	0	0	0
NEW YORK WESTERN	0	2	1	1	1	1	1	0	0	0	0
NORTH CAROLINA EASTERN	0	0	1	1	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	2	2	1	0	1	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	1	2	0	0	2	0	0
OHIO NORTHERN	2	2	1	1	1	1	1	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	6	6	2	2	1	1	1	0	0	0	0
OREGON	2	2	3	3	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	1	1	1	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	1	2	2	2	14	18	15	0	3	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	2	6	1	1	2	2	1	0	1	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	1	1	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	1	1	1	1	0	0	0	0	0	0	0
TEXAS NORTHERN	0	0	3	3	4	4	3	0	1	0	0
TEXAS SOUTHERN	0	0	0	0	1	1	0	0	1	0	0
TEXAS WESTERN	3	3	0	0	2	4	4	0	0	0	0
UTAH	1	1	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	1	1	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	7	10	1	1	2	2	1	0	0	0	1
VIRGINIA WESTERN	2	2	2	3	0	1	1	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	1	1	0	0	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	1	1	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	1	1	1	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	79	118	58	75	85	103	81	2	17	0	3

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant.
However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant.
Displayed defendant outcome information based upon the outcome of the charge only, and does not necessarily represent the overall outcome of a defendant.
Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving
18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	2	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	1	0	0	0	0	0
ARIZONA	1	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	1	1	0	0	0	0
CALIFORNIA EASTERN	0	1	0	0	0	0
CALIFORNIA NORTHERN	3	0	2	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	4	1	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	1	1	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0
FLORIDA NORTHERN	1	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0
GEORGIA SOUTHERN	0	2	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	2	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	1	0	0	0	0	0
KANSAS	2	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	1	0	0	1	0	0
LOUISIANA EASTERN	3	3	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	1	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	2	0	0	0	0	0
MINNESOTA	1	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	1	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	2	0	1	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	1	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	5	2	1	0	0	0
NEW YORK WESTERN	0	0	0	0	1	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	1	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	1	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	1	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	1	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	15	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	1	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	2	0	1	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	2	1	1	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	1	0	0	0	0	0
VIRGINIA WESTERN	0	1	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	1	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	52	16	9	3	3	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the outcome of the charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0	0	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	1	1	1	1	0	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES

CRITICAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	1	1	1	1	0	0	0	0	0	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2319A charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	0	0	0	0	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2319A charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	3	0	0	0	0	3
ALABAMA NORTHERN	2	4	0	0	1	1	0	0	0	1	0
ALABAMA SOUTHERN	1	1	1	1	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	4	9	1	1	0	0	0	0	0	0	0
ARKANSAS WESTERN	1	2	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	14	18	13	15	12	14	11	0	3	0	0
CALIFORNIA EASTERN	18	26	13	17	6	6	5	0	1	0	0
CALIFORNIA NORTHERN	6	13	3	6	2	2	1	0	1	0	0
CALIFORNIA SOUTHERN	0	0	1	2	0	0	0	0	0	0	0
COLORADO	0	2	1	2	1	2	0	0	2	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	1	3	1	3	0	0	0	0	0	0	0
FLORIDA MIDDLE	9	16	4	8	9	12	9	0	3	0	0
FLORIDA NORTHERN	2	2	2	2	2	2	2	0	0	0	0
FLORIDA SOUTHERN	2	3	2	5	1	2	0	0	2	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	2	2	1	1	2	5	1	0	4	0	0
GEORGIA SOUTHERN	0	0	1	1	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	1	2	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	1	19	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	1	1	1	0	0	0	0
IOWA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	1	1	1	1	0	0	0	0	0	0	0
KANSAS	1	1	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	1	1	0	0	3	4	4	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	3	3	1	1	2	3	1	0	2	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	3	4	1	1	0	0	0	0	0	0	0
MASSACHUSETTS	2	2	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	2	2	1	1	2	2	1	0	1	0	0
MICHIGAN WESTERN	3	5	2	2	1	1	1	0	0	0	0
MINNESOTA	2	4	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	2	7	1	1	2	2	1	1	0	0	0
MISSISSIPPI SOUTHERN	1	1	0	0	1	1	0	1	0	0	0
MISSOURI EASTERN	1	4	1	1	1	1	1	0	0	0	0
MISSOURI WESTERN	2	2	4	4	3	3	3	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	1	1	1	1	0	0	0	0	0	0	0
NEVADA	5	7	2	3	1	1	1	0	0	0	0
NEW HAMPSHIRE	2	4	1	1	0	0	0	0	0	0	0
NEW JERSEY	1	4	3	3	3	3	0	0	3	0	0
NEW MEXICO	0	0	1	2	0	0	0	0	0	0	0
NEW YORK EASTERN	5	11	4	10	4	5	4	0	1	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	5	8	4	5	1	9	4	0	5	0	0
NEW YORK WESTERN	1	3	0	0	1	3	1	0	2	0	0
NORTH CAROLINA EASTERN	0	1	1	2	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	1	2	0	0	1	1	0	0	1	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	4	9	4	6	3	4	4	0	0	0	0
OHIO SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	0	1	1	1	1	1	0	0	1	0	0
PENNSYLVANIA EASTERN	0	0	0	0	1	1	1	0	0	0	0
PENNSYLVANIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	1	2	2	2	2	2	1	0	1	0	0
PUERTO RICO	1	5	1	5	0	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	3	6	3	4	5	9	9	0	0	0	0
SOUTH DAKOTA	0	1	0	0	1	1	1	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	2	3	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	1	1	1	1	2	2	1	0	1	0	0
TEXAS EASTERN	1	2	0	0	1	1	1	0	0	0	0
TEXAS NORTHERN	3	3	0	0	1	1	0	0	1	0	0
TEXAS SOUTHERN	4	4	0	0	2	2	1	1	0	0	0
TEXAS WESTERN	8	9	4	5	5	6	6	0	0	0	0
UTAH	0	0	0	0	1	1	1	0	0	0	0
VERMONT	1	1	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	8	15	6	6	5	6	4	0	2	0	0
VIRGINIA WESTERN	0	1	1	1	0	0	0	0	0	0	0
WASHINGTON EASTERN	2	2	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	1	1	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	1	2	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	153	271	97	135	93	126	82	3	37	1	3

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2320 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	3	1	4	0	3	0
CALIFORNIA EASTERN	3	2	0	0	0	0
CALIFORNIA NORTHERN	1	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	6	2	1	0	0	0
FLORIDA NORTHERN	0	0	1	0	1	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	1	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	1	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	1	3	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	1	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	1	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	1
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	1	0	0	0	1	0
MISSISSIPPI SOUTHERN	0	0	0	0	1	0
MISSOURI EASTERN	0	0	1	0	0	0
MISSOURI WESTERN	2	0	0	1	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	1	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	2	1	0	0	1	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	2	0	1	0	0	1
NEW YORK WESTERN	1	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	3	0	1	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	1
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	1	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	6	2	0	0	0	1
SOUTH DAKOTA	1	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	1	0	0	0	0	0
TEXAS EASTERN	1	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	1	0	0	0	0	1
TEXAS WESTERN	3	1	0	0	2	0
UTAH	1	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	2	1	0	0	1
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	43	14	10	2	10	6

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2320 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	1	4	2	0	1	1	0
ALABAMA NORTHERN	1	2	0	0	1	1	0	0	0	1	0
ALABAMA SOUTHERN	1	1	1	1	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	1	2	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	1	2	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	6	9	5	7	2	3	3	0	0	0	0
CALIFORNIA EASTERN	6	8	4	4	2	2	2	0	0	0	0
CALIFORNIA NORTHERN	1	3	2	3	1	1	1	0	0	0	0
CALIFORNIA SOUTHERN	0	0	1	2	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	6	10	2	4	6	6	6	0	0	0	0
FLORIDA NORTHERN	2	2	2	2	3	3	2	1	0	0	0
FLORIDA SOUTHERN	1	1	1	3	1	2	0	0	2	0	0
GEORGIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	1	1	1	1	2	5	3	0	2	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	1	2	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	1	1	1	0	0	0	0
IOWA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	1	1	2	2	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	1	1	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	2	2	0	0	1	1	1	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	2	2	1	1	1	1	1	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	0	0	1	1	0	0	0	0	0	0	0
MASSACHUSETTS	2	2	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	2	2	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	3	5	2	2	1	1	0	0	1	0	0
MINNESOTA	2	4	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	1	6	0	0	2	2	1	1	0	0	0
MISSISSIPPI SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	1	3	0	0	0	0	0	0	0	0	0
MISSOURI WESTERN	1	1	1	1	1	1	1	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	3	5	2	2	0	0	0	0	0	0	0
NEVADA	5	6	0	0	0	0	0	0	0	0	0
NEW HAMPSHIRE	1	3	1	1	0	0	0	0	0	0	0
NEW JERSEY	0	2	1	1	1	1	0	0	1	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	1	7	3	9	4	5	5	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	2	2	2	2	0	7	7	0	0	0	0
NEW YORK WESTERN	1	2	0	0	1	3	3	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	1	2	0	0	1	1	1	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	1	3	0	0	1	1	1	0	0	0	0
OHIO SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	6	6	1	1	0	0	0	0	0	0	0
OREGON	0	0	1	1	1	1	1	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	1	2	1	1	0	0	0	0	0	0	0
PUERTO RICO	1	5	1	5	8	10	9	0	1	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	4	8	3	4	5	9	9	0	0	0	0
SOUTH DAKOTA	0	1	0	0	1	1	1	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	1	2	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	1	1	1	1	1	1	1	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	3	3	1	1	2	2	1	0	1	0	0
TEXAS SOUTHERN	3	3	0	0	1	1	1	0	0	0	0
TEXAS WESTERN	6	6	2	2	6	8	8	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	6	12	3	3	2	2	2	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	3	3	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	1	1	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	1	2	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	100	161	51	70	61	87	74	2	9	2	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	2	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	1	1	0	1	0
CALIFORNIA EASTERN	0	2	0	0	0	0
CALIFORNIA NORTHERN	1	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	3	2	1	0	0	0
FLORIDA NORTHERN	1	0	1	0	1	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	2	0	0	0	1	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	1	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	1	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	1	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	1	0	0	0	1	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	1	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	3	1	0	0	1	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	3	0	0	1	1	2
NEW YORK WESTERN	3	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	1	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	1	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	1	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	9	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	6	2	0	0	0	1
SOUTH DAKOTA	1	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	1	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	1	0
TEXAS SOUTHERN	1	0	0	0	0	0
TEXAS WESTERN	3	3	0	1	1	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	1	0	1	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	42	13	7	3	8	3

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	1	1	4	7	4	0	1	1	1
ALABAMA NORTHERN	4	6	0	0	1	1	0	0	0	1	0
ALABAMA SOUTHERN	1	1	1	1	0	0	0	0	0	0	0
ALASKA	1	1	1	1	1	1	1	0	0	0	0
ARIZONA	1	4	3	6	1	1	1	0	0	0	0
ARKANSAS EASTERN	4	9	1	1	0	0	0	0	0	0	0
ARKANSAS WESTERN	1	2	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	20	24	18	20	14	16	16	0	0	0	0
CALIFORNIA EASTERN	21	33	13	19	6	6	6	0	0	0	0
CALIFORNIA NORTHERN	6	13	4	7	3	7	6	0	1	0	0
CALIFORNIA SOUTHERN	0	0	1	2	0	0	0	0	0	0	0
COLORADO	0	2	1	2	1	2	2	0	0	0	0
CONNECTICUT	0	0	4	4	5	5	5	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	1	3	1	3	2	2	2	0	0	0	0
FLORIDA MIDDLE	11	18	4	8	9	12	12	0	0	0	0
FLORIDA NORTHERN	2	2	2	2	3	3	2	1	0	0	0
FLORIDA SOUTHERN	2	3	2	5	1	2	0	0	2	0	0
GEORGIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	3	12	2	10	2	5	3	0	2	0	0
GEORGIA SOUTHERN	1	1	2	2	2	2	2	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	2	3	1	1	0	0	0	0	0	0	0
ILLINOIS NORTHERN	2	20	1	1	2	4	2	0	1	0	1
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	1	1	0	0	1	1	1	0	0	0	0
IOWA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	1	1	2	2	1	1	1	0	0	0	0
KANSAS	1	2	0	0	2	2	2	0	0	0	0
KENTUCKY EASTERN	1	1	1	1	0	0	0	0	0	0	0
KENTUCKY WESTERN	1	1	0	0	2	2	2	0	0	0	0
LOUISIANA EASTERN	2	2	1	1	6	7	7	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	1	1	0	0	1	0	0
LOUISIANA WESTERN	3	3	1	1	3	4	2	1	1	0	0
MAINE	0	1	0	0	0	0	0	0	0	0	0
MARYLAND	4	5	2	2	0	0	0	0	0	0	0
MASSACHUSETTS	2	2	2	2	0	0	0	0	0	0	0
MICHIGAN EASTERN	4	4	1	1	2	2	1	0	1	0	0
MICHIGAN WESTERN	3	5	2	2	6	7	6	0	1	0	0
MINNESOTA	2	4	1	1	1	1	1	0	0	0	0
MISSISSIPPI NORTHERN	2	8	1	2	2	3	2	1	0	0	0
MISSISSIPPI SOUTHERN	2	2	0	0	1	1	0	1	0	0	0
MISSOURI EASTERN	6	12	5	5	4	4	4	0	0	0	0
MISSOURI WESTERN	6	7	4	4	3	3	3	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	3	5	3	3	1	1	1	0	0	0	0
NEVADA	7	12	2	3	1	1	1	0	0	0	0
NEW HAMPSHIRE	2	4	1	1	0	0	0	0	0	0	0
NEW JERSEY	4	7	4	4	4	4	1	0	2	0	1
NEW MEXICO	2	2	1	2	0	0	0	0	0	0	0
NEW YORK EASTERN	7	16	5	11	4	5	5	0	0	0	0
NEW YORK NORTHERN	1	1	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	8	12	4	5	8	22	22	0	0	0	0
NEW YORK WESTERN	1	5	1	1	2	4	4	0	0	0	0
NORTH CAROLINA EASTERN	2	3	2	3	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	1	2	0	0	3	3	3	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	1	2	2	0	0	0	0
OHIO NORTHERN	6	11	5	7	4	5	5	0	0	0	0
OHIO SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	6	6	2	2	1	1	1	0	0	0	0
OREGON	2	3	4	4	1	1	1	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	2	2	2	0	0	0	0
PENNSYLVANIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
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	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	1	2	2	2	2	2	1	0	1	0	0
PUERTO RICO	2	7	3	7	14	18	15	0	3	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	5	12	4	5	7	11	10	0	1	0	0
SOUTH DAKOTA	0	1	0	0	1	1	1	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	3	4	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	1	1	1	1	2	2	2	0	0	0	0
TEXAS EASTERN	2	3	1	1	1	1	1	0	0	0	0
TEXAS NORTHERN	3	3	3	3	4	4	3	0	1	0	0
TEXAS SOUTHERN	4	4	0	0	3	3	1	1	1	0	0
TEXAS WESTERN	12	13	4	5	7	10	10	0	0	0	0
UTAH	1	1	0	0	1	1	1	0	0	0	0
VERMONT	1	1	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	1	1	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	18	29	8	8	8	9	7	0	1	0	1
VIRGINIA WESTERN	2	3	3	4	0	1	1	0	0	0	0
WASHINGTON EASTERN	3	3	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	1	1	1	1	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	1	1	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	1	2	0	0	1	1	1	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	243	404	150	203	175	230	198	5	21	2	4

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	2	0	2	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	1	0	0	0	0	0
ARIZONA	1	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	5	2	5	0	4	0
CALIFORNIA EASTERN	3	3	0	0	0	0
CALIFORNIA NORTHERN	4	0	2	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	1	0	1	0	0	0
CONNECTICUT	4	1	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	1	1	0	0	0
FLORIDA MIDDLE	9	2	1	0	0	0
FLORIDA NORTHERN	1	0	1	0	1	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	2	0	0	0	1	0
GEORGIA SOUTHERN	0	2	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	2	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	1	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	1	0	0	0	0	0
KANSAS	2	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	1	0	0	1	0	0
LOUISIANA EASTERN	3	4	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	3	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	1	0	0	0	0	0
MICHIGAN WESTERN	3	0	1	0	1	1
MINNESOTA	1	0	0	0	0	0
MISSISSIPPI NORTHERN	1	0	1	0	1	0
MISSISSIPPI SOUTHERN	0	0	0	0	1	0
MISSOURI EASTERN	2	0	2	0	0	0
MISSOURI WESTERN	2	0	0	1	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	1	0	0	0	0
NEVADA	1	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	1	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	3	1	0	0	1	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	11	2	3	1	2	3
NEW YORK WESTERN	3	0	0	0	1	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	1	2	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	2	0	0	0	0	0
OHIO NORTHERN	4	0	1	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	1	0
OREGON	1	0	0	0	0	0
PENNSYLVANIA EASTERN	1	0	0	0	0	1
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2009 REPORTED as of SEPTEMBER 30, 2009**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	1	0	0	0	0	0
PUERTO RICO	15	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	6	2	0	1	0	1
SOUTH DAKOTA	1	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	1	1	0	0	0	0
TEXAS EASTERN	1	0	0	0	0	0
TEXAS NORTHERN	0	0	2	0	1	0
TEXAS SOUTHERN	1	0	0	0	0	1
TEXAS WESTERN	3	3	1	1	2	0
UTAH	1	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	2	2	2	0	0	1
VIRGINIA WESTERN	0	1	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	1	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	114	31	27	6	17	8

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2009 numbers are actual data through the end of September 2009.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

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APPENDIX F

Acronyms

A

AAG	Assistant Attorney General
AAGA	Assistant Attorney General for Administration
ACA	American Correctional Association
ACES	Analytic Cadre Education Strategy
ACS	Automated Case Support
ACTS	Automated Case Tracking System
ADAG	Associate Deputy Attorney General
ADC	Assistant Division Counsel
ADIC	Assistant Director in Charge
ADR	Alternative Dispute Resolution
AFF	Assets Forfeiture Fund
AFF/SADF	Assets Forfeiture Fund and Seized Asset Deposit Fund
AFP	Assets Forfeiture Program
AMP	Asset Management Plan
ANSIR	Automated Nationwide System for Immigration Review
APB	Advisory Policy Board
ARRA	American Recovery and Reinvestment Act
ASU	Analytical Support Unit
ATEB	Alcohol and Tobacco Enforcement Branch
ATF	Bureau of Alcohol, Tobacco, Firearms and Explosives
ATR	Antitrust Division
ATDD	Alcohol Tobacco Diversion Division
AUSA	Assistant United States Attorneys
AOUSC	Administrative Office of U.S. Courts

B

BFS	Budgetary Financing Sources
BJA	Bureau of Justice Assistance
BIA	Board of Immigration Appeals
BOP	Bureau of Prisons
BPR	Bureau of Process Review

C

CAP	Cooperative Agreement Program
CAU	Communications Analysis Unit
CBO	Community-Based Organizations
CBT	Computer-Based Training
CCIPS	Computer Crime and Intellectual Property Section
CDC	Chief Division Counsel

CDP	Candidate Development Program
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CHIP	Computer Hacking and Intellectual Property
CHRP	COPS Hiring Recovery Program (under Recovery Act)
CIA	Central Intelligence Agency
CID	Criminal Investigation Division
CIO	Chief Information Officer
CIV	Civil Division
CJIS	Criminal Justice Information Services
CODIS	Combined DNA Index System
COPS	Office of Community Oriented Policing Services
COTS	Commercial-Off-The-Shelf
CPC	Capacity Planning Committee
CPOT	Consolidated Priority Organization Target
CRM	Criminal Division
CRS	Community Relations Service
CRT	Civil Rights Division
CSO	Court Security Officer
CSRS	Civil Service Retirement System
CT	Counterterrorism
CTD	Counterterrorism Division
CW	Cooperating Witness
CY	Calendar Year/Current Year
CyD	Cyber Division

D

DAG	Deputy Attorney General
DAOG	Debt Accounting Operations Group
DCIA	Debt Collection Improvement Act of 1996
DCM	Debt Collection Management
DEA	Drug Enforcement Administration
Department, The	Department of Justice
DHS	Department of Homeland Security
DI	Directorate of Intelligence
DIRB	Department Investment Review Board
DNI	Director of National Intelligence
DOJ	Department of Justice
DOL	Department of Labor
DRMS	Department Rent Management System
DUSM	Deputy U.S. Marshal

E

EA	Enterprise Architecture
EAMMF	Enterprise Architecture Management Maturity Framework
EAPMO	Enterprise Architecture Program Management Office
EC	Electronic Communication
ECPA	Electronic Communications Privacy Act

EFT	Electronic Funds Transfer
ENRD	Environment and Natural Resources Division
EOIR	Executive Office for Immigration Review
EOUSA	Executive Office for U.S. Attorneys
EOUST	Executive Office for U.S. Trustees
EPIC	El Paso Intelligence Center
eTS	eTravel System
EVM	Earned Value Management

F

FAIR Act	Federal Activities Inventory Reform Act
FASAB	Federal Accounting Standards Advisory Board
FBCO	Faith-Based and Community Organization
FBI	Federal Bureau of Investigation
FBI HQ	FBI Headquarters
FBO	Faith-Based Organizations
FCI	Federal Correctional Institution
FCP	Financial Crimes Program
FCRA	Fair Credit Reporting Act
FCSC	Foreign Claims Settlement Commission
FEA	Federal Enterprise Architecture
FECA	Federal Employees Compensation Act
FEGLI	Federal Employees Group Life Insurance Program
FEHB	Federal Employees Health Benefits Program
FERS	Federal Employees Retirement System
FFMIA	Federal Financial Management Improvement Act
FISA	Foreign Intelligence Surveillance Act
FISAMS	FISA Management System
FISCAM	Federal Information Systems Controls Audit Manual
FISMA	Federal Information Security Management Act
FLS	Federal Licensing System
FMFIA	Federal Managers' Financial Integrity Act
FMIS	Financial Management Information System
FOC	Final Operating Capability
FPI	Federal Prison Industries, Inc.
FReD	Financial Resources Desktop System
FRPC	Federal Real Property Council
FTE	Full-Time Equivalent
FTTTF	Foreign Terrorist Tracking Task Force
FY	Fiscal Year

G

GAAP	Generally Accepted Accounting Principles
GangTECC	National Gang Targeting, Enforcement, and Coordination Center
GAO	Government Accountability Office
GFIRST	Government Forum of Incident Response and Security Teams

GMRA	Government Management Reform Act
GMS	Grants Management System
GPEA	Government Paperwork Elimination Act
GPRA	Government Performance and Results Act
GS	General Schedule

H

HC	Human Capital
HCSP	Human Capital Strategic Plan
HHS	Department of Health and Human Services

I

I&I	Integration and Implementation
IA	Intelligence Analyst
IAFIS	Integrated Automated Fingerprint Identification System
IBC	Intelligence Basic Course
IC	Intelligence Community
IC3	Internet Crimes Complaint Center
ICE	Immigration and Customs Enforcement
ICS	Intelligence Career Service
IDENT	DHS' Automated Fingerprint Identification Database
IEEPA	International Emergency Economic Powers Act
IG	Inspector General
IGA	Intergovernmental Agreement
IHP	Institutional Hearing Program
III	Interstate Identification Index
IINI	Innocent Images National Initiative
INSD	Inspection Division
Integrity Act	Federal Managers' Financial Integrity Act
IOB	Intelligence Oversight Board
IOCC	INTERPOL Operations and Command Center
IPIA	Improper Payments Information Act
IPPA	Intellectual Property Protection Act of 2007
IPR	Intellectual Property Rights
IREO	Internal Review and Evaluation Office
IRM	Information Resource Management
ISP	Internet Service Provider
ISRAA	Integrated Statistical Reporting and Analysis Application
IT	Information Technology
ITIM	IT Investment Management
IV&V	Independent Verification and Validation
IVRS	Integrated Violence Reduction Strategy
IWN	Integrated Wireless Network

J

JABS	Joint Automated Booking System

JAG	Justice Assistance Grant Program/Edward Byrne Memorial Grant Program
JFMIP	Joint Financial Management Improvement Program
JMD	Justice Management Division
JRSA	Justice Research and Statistics Association
JSOC	Justice Security Operations Center
JTTF	Joint Terrorism Task Force
JVU	Justice Virtual University
JWP-CC	Joint Wireless Programs Coordinating Council

K

KG	Weight in Kilograms

L

LCMD	Life Cycle Management Directive
LCMS	Litigation Case Management System
LCN	La Cosa Nostra
LEO	Law Enforcement Online
LMS	Learning Management System
LTTE	Liberation Tigers of Tamil Eelam

M

MOA	Memorandum of Agreement
MOU	Memorandum of Understanding

N

NAPA	National Academy of Public Administration
NCIC	National Crime Information Center
NCMEC	National Center for Missing and Exploited Children
NCTC	National Counterterrorism Center
NCVS	National Crime Victimization Survey
NDIC	National Drug Intelligence Center
NDIU	Nominations and Data Integrity Unit
NFOCIS	National Field Office Case Information System
NGIC	National Gang Intelligence Center
NIBIN	National Integrated Ballistic Information Network
NICS	National Instant Criminal Background Check System
NIJ	National Institute of Justice
NIST	National Institute of Standards and Technology
Nlets	International Justice & Public Safety Network
NSB	National Security Branch
NSD	National Security Division
NSL	National Security Letter
NSLB	National Security Law Branch

NYSE	New York Stock Exchange
NTP	Nomination Tracking Processor

O

OAAM	Office of Audit, Assessment, and Management
OAG	Office of the Attorney General
OBD	Offices, Boards and Divisions
OC	Office of the Comptroller (OJP)
OCDETF	Organized Crime Drug Enforcement Task Force
OCIO	Office of the Chief Information Officer
ODAG	Office of the Deputy Attorney General
ODNI	Office of the Director of National Intelligence
ODR	Office of Dispute Resolution
OFBCI	Office of Faith-Based and Community Initiatives
OFDT	Office of the Federal Detention Trustee
OFS	Other Financing Sources
OGC	Office of General Counsel
OIA	Office of International Affairs
OIC	Office of Integrity and Compliance (under FBI)
OIG	Office of the Inspector General
OIP	Office of Information Policy
OIPM	Office of Information Technology Program Management
OIPR	Office of Intelligence Policy and Review (NSD)
OJP	Office of Justice Programs
OJJDP	Office of Juvenile Justice and Delinquency Prevention
OLC	Office of Legal Counsel
OLP	Office of Legal Policy
OMB	Office of Management and Budget
ONDCP	Office of National Drug Control Policy
OPA	Office of Pardon Attorney
OPEAU	Organizational Program Evaluation and Analysis Unit
OPI	Office of Protective Intelligence
OPM	Office of Personnel Management
OPR	Office of Professional Responsibility
OSC	Office of Special Counsel
OSG	Office of Solicitor General
OSII	Office of Strategic Intelligence and Information
OTJ	Office of Tribal Justice
OVC	Office for Victims of Crime
OVW	Office on Violence Against Women
OWS	Office for Weed and Seed

P

PAR	Performance and Accountability Report
PART	Program Assessment Rating Tool
PCLO	Privacy and Civil Liberties Office
PHS	Public Health Services
PIJ	Palestinian Islamic Jihad

PIOB	Potential Intelligence Oversight Board
PL	Public Law
PM	Program Manager
PMA	President’s Management Agenda
PMO	Program Management Office
PMP	Program Management Plan
POAM	Plan of Action and Milestones
PP&E	Property, Plant and Equipment
PROTECT	Children’s Online Privacy Protection Act of 1998
PSN	Project Safe Neighborhoods
PSP	President’s Surveillance Program
PTS	Prisoner Tracking System
PY	Prior Year

Q

QC	Quality Control
QSR	Quarterly Status Report

R

RCA	Reports Consolidation Act of 2000
RECA	Radiation Exposure Compensation Act
Recovery Act	American Recovery and Reinvestment Act of 2009
RFQ	Request for Quotation
RFTF	Regional Fugitive Task Force
RICO	Racketeering Influenced Corrupt Organization
RISS	Regional Information Sharing System
RMD	Records Management Division
RSAT	Residential Substance Abuse Treatment

S

SAC	Special Agent in Charge
SAR	Suspicious Activity Reporting
SBF	Special Benefits Fund
SBR	Statement of Budgetary Resources
SCI	Sensitive Compartmented Information
SCNP	Statement of Changes in Net Position
SCPMO	Strategy, Communication and Policy Management Office
SEA	Safe Explosives Act
SENTRY	Bureau of Prisons' primary mission-support database
SES	Senior Executive Service
SFFAS	Statement of Federal Financial Accounting Standards
SG	Strategic Goal
SMS	Strategic Management System
SRPO	Senior Real Property Officer
SRQ	Single Review Queue

SSA	Senior Special Agent
SSN	Social Security Number

T

TAX	Tax Division
TCEP	Transnational Criminal Enterprise Program
TECS	Treasury Enforcement Communication System
TIDE	Terrorist Identity Datamart Environment
TPMO	eTravel Program Management Office
Treasury	Department of Treasury
TREX	Terrorist Review and Examination Unit
Trust Fund	Federal Prison Commissary Fund
TSC	Terrorist Screening Center
TSDB	Terrorist Screening Database
TSP	Federal Thrift Savings Plan

U

UBT	Unobligated Balance Transfer
UCR	Uniform Crime Report
UDO	Undelivered Orders
UFMS	Unified Financial Management System
UHP	Universal Hiring Program
USA	United States Attorneys
USA PATRIOT	Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism
USAO	United States Attorneys' Offices
USC	United States Code
US-CERT	U.S. Computer Emergency Response Team
USMS	United States Marshals Service
USNCB	United States National Central Bureau
USP	United States Penitentiary
USSGL	U.S. Standard General Ledger
UST	United States Trustee
USTP	United States Trustees Program

V

VCIT	Violent Crime Impact Team
VICAR	Violent Crimes in Aid of Racketeering
VOCA	Victim of Crime Act
VOI/TIS	Violent Offender Incarceration and Truth-In Sentencing

W

WCC	White-Collar Crime
WCF	Working Capital Fund
WIN	Warrant Information Network System
WMD	Weapons of Mass Destruction
WTC	World Trade Center

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APPENDIX G

Department Component Websites

Component	Website
American Indian and Alaska Native Affairs Desk (OJP)	www.ojp.usdoj.gov/programs/aiana.htm
Antitrust Division	www.usdoj.gov/atr/index.html
Bureau of Alcohol, Tobacco, Firearms and Explosives	www.atf.gov
Bureau of Justice Assistance (OJP)	www.ojp.usdoj.gov/bja/
Bureau of Justice Statistics (OJP)	www.ojp.usdoj.gov/bjs/
Civil Division	www.usdoj.gov/civil/home.html
Civil Rights Division	www.usdoj.gov/crt/crt-home.html
Community Oriented Policing Services - COPS	www.cops.usdoj.gov
Community Capacity Development Office (OJP)	www.ojp.usdoj.gov/ccdo/welcome_flash.html
Community Relations Service	www.usdoj.gov/crs/index.html
Criminal Division	www.usdoj.gov/criminal/
Diversion Control Program	www.deadiversion.usdoj.gov/
Drug Enforcement Administration	www.usdoj.gov/dea/
Environment and Natural Resources Division	www.usdoj.gov/enrd/
Executive Office for Immigration Review	www.usdoj.gov/eoir/
Executive Office for U.S. Attorneys	www.usdoj.gov/usao/eousa/
Executive Office for U.S. Trustees	www.usdoj.gov/ust/
Federal Bureau of Investigation	www.fbi.gov/
Federal Bureau of Prisons	www.bop.gov
Foreign Claims Settlement Commission of the United States	www.usdoj.gov/fcsc/
INTERPOL - U.S. National Central Bureau	www.usdoj.gov/usncb/
Justice Management Division	www.usdoj.gov/jmd/
National Criminal Justice Reference Service (OJP)	www.ncjrs.org/
National Drug Intelligence Center	www.usdoj.gov/ndic/
National Institute of Corrections	www.nicic.org/
National Institute of Justice (OJP)	www.ojp.usdoj.gov/nij/
National Security Division	www.usdoj.gov/nsd/
Office of the Associate Attorney General	www.usdoj.gov/aag/index.html
Office of the Attorney General	www.usdoj.gov/ag/
Office of the Deputy Attorney General	www.usdoj.gov/dag/
Office of Dispute Resolution	www.usdoj.gov/odr/
Office of the Federal Detention Trustee	www.usdoj.gov/ofdt/index.html
Office of Information Policy	www.usdoj.gov/oip/oip.html
Office of the Inspector General	www.usdoj.gov/oig/
Office of Intelligence Policy and Review	www.usdoj.gov/oipr/
Office of Intergovernmental and Public Liaison	www.usdoj.gov/oipl/index.html
Office of Justice Programs	www.ojp.usdoj.gov/
Office of Juvenile Justice and Delinquency Prevention (OJP)	www.ojjdp.ncjrs.org/
Office of Legal Counsel	www.usdoj.gov/olc/index.html
Office of Legal Policy	www.usdoj.gov/olp/
Office of Legislative Affairs	www.usdoj.gov/ola/
Office of the Pardon Attorney	www.usdoj.gov/pardon/
Office of Professional Responsibility	www.usdoj.gov/opr/index.html
Office of Public Affairs	www.usdoj.gov/opa/index.html
Office of the Solicitor General	www.usdoj.gov/osg/
Office of Tribal Justice	www.usdoj.gov/otj/index.html
Office for Victims of Crime (OJP)	www.ojp.usdoj.gov/ovc/
Office on Violence Against Women	www.usdoj.gov/ovw/
Tax Division	www.usdoj.gov/tax/
U.S. Attorneys	www.usdoj.gov/usao/
U.S. Marshals Service	www.usdoj.gov/marshals/
U.S. Parole Commission	www.usdoj.gov/uspc/

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