II

STRATEGIC GOAL 2: Enforce Federal Laws and Represent the Rights and Interests of the American People

35% 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. The enforcement of federal laws assists societal safety by combating economic crime and reducing the threat, trafficking, use, and related violence of illegal drugs. 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. Additionally, 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.

FY 2008 Outcome Goal: Dismantle a cumulative total (FY 2003-2008) of 139 organized criminal enterprises
FY 2006 Progress: The Department is on target to achieve this long-term goal. The baseline was established with the Department's FY 2002 Program Assessment Rating Tool (PART) review of this program. The current cumulative total towards long-term goal (since FY 2002) is 122 dismantlements.

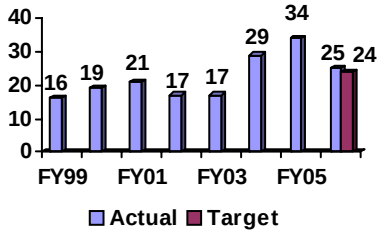
Background/Program Objectives: The FBI's investigative subprograms that focus on criminal enterprises involved in sustained racketeering activities and that are mainly comprised of ethnic groups with ties to Asia, Africa, Middle East, and Europe are consolidated into the Organized Criminal Enterprise Program. Organized criminal enterprise investigations, through the use of the Racketeering Influenced Corrupt Organization statute, 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, Italian and Balkan Organized Crime groups, and Russian/Eastern European/Eurasian, Middle Eastern, and Asian criminal enterprises. Additionally, the FBI investigates Nigerian/West African criminal enterprises that are involved in a myriad of criminal activities.

Performance Measure: TITLE REFINED: Number of Organized Criminal Enterprises Dismantled (*Formerly* Number of Transnational Criminal Enterprise Dismantlements)

FY 2005 Revised Actual: 34 (Previous Actual: 28)
FY 2006 Target: 24
FY 2006 Actual: 25

Discussion: The Organized Criminal Enterprises program met its performance targets for FY 2006. The notable accomplishments are: The leader of an African criminal enterprise was sentenced to five years of confinement and three years of supervised release, as well as being ordered to pay nearly $62,000 in restitution for operating an illegal money transfer business in Newark, New Jersey. The enterprise employed numerous individuals who collected money, opened bank accounts, made cash deposits, and

TITLE REFINED: Number of Organized Criminal Enterprises Dismantled



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 occur on a two to three year cycle. 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 2005 data subject to this limitation were revised during FY 2006.

conducted wire transfers. Money was illegally deposited in amounts less than $10,000 to avoid filing currency transaction reports. The money was then wire transferred overseas to accounts located in 13 different countries.

Several Asian criminal enterprises were dismantled in different divisions. One such enterprise, involved in the distribution of Methylenedioxymethamphetamine tablets (a.k.a. "Ecstasy"), methamphetamine, marijuana, and cocaine, was dismantled by the FBI's Norfolk Division. The United States Government indicted and successfully convicted 23 named conspirators in that case. Another enterprise involved in illegal prostitution was dismantled by the FBI's Chicago Division. In that investigation, 13 subjects were sentenced and nearly $3 million in forfeiture judgments was entered. Similarly, the FBI's Detroit Division dismantled another group engaged in illegal prostitution, as well as alien smuggling.

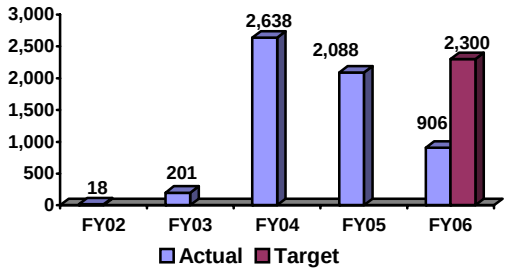
Revised FY 2008 Outcome Goal: Shut down a cumulative total (FY 2003-2008) of 11,819 websites or web hosts
FY 2006 Progress: Although the FY 2006 target was missed, the Department is on target to achieve this long-term goal. The current cumulative total towards long-term goal (since FY 2003) is 5,833.

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 facilitated by 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 child victims; and establish a law enforcement presence on the Internet as a deterrent to subjects who seek to exploit children.

Performance Measure: Number of Child Pornography Websites or Web Hosts Shut Down
FY 2006 Target: 2,300
FY 2006 Actual: 906

Discussion: The FBI missed its FY 2006 target for this measure; however, revised data to be reported in January 2007 should result in the FY 2006 actual results being closer to the FY 2006 target figure.

Number of Child Pornography Websites or Web Hosts Shut Down



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

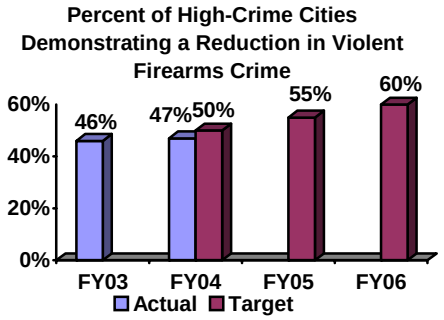
Data Validation and Verification: Data are reviewed and approved by FBI Headquarters program personnel.

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 are necessary for compilation of some of these statistics.

The FBI has recently engaged with other organizations in a broad initiative to combat child pornography. Twenty-four of the world's most prominent financial institutions and Internet industry leaders have joined with the FBI, Bureau of Immigration and Customs Enforcement, and the National Center for Missing & Exploited Children in the fight against Internet child pornography. The group is called the Financial Coalition Against Child Pornography and includes law enforcement, leading banks, credit card companies, third party payment companies, and Internet services companies. The Coalition seeks to jointly support law enforcement in its efforts to identify, investigate, and eradicate for-profit child pornography websites by working together to ensure online payment options to obtain child pornography are minimized.

FY 2008 Outcome Goal: Ensure that 80% of high-crime cities with an ATF presence demonstrate a reduction in violent firearms crime (FY 2003-2008)
FY 2006 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The ATF enforces the federal firearms laws and regulations and provides support to federal, State, and local law enforcement officials in their fight against violent crime. The issue of firearms-related violent crime is not a simple problem to combat. It is fueled by a variety of causes that vary from region to region. Common elements, however, do exist. Chief among these is the close relationship between firearms violence and the unlawful diversion of firearms out of commerce and into the hands of prohibited individuals. To break this link, ATF has the lead federal law enforcement role in the Administration's Project Safe Neighborhoods (PSN) program. The PSN program includes a comprehensive and integrated set of programs involving the vigorous enforcement of the firearms laws, regulation of the firearms industry, and community outreach and prevention efforts. Through PSN, ATF partners with domestic and international law enforcement agencies and prosecutors at all levels to develop comprehensive enforcement plans. These plans focus on the arrest and prosecution of violent offenders, prohibited possessors of firearms, firearms traffickers, and others who illegally attempt to acquire firearms. Under the Violent Crime Impact Team (VCIT) concept, ATF works with local task forces to target the 'worst of the worst' criminals in local communities, with a particular emphasis on gang violence; providing leadership to the law enforcement community by making specialized resources and training available to help solve violent crimes and identify firearms trafficking trends (e.g., training in advanced firearms investigative techniques, use of firearms tracing, and automated ballistics comparison); ensuring that only qualified applicants enter the regulated firearms industry by employing appropriate screening procedures prior to licensing; ensuring industry compliance with the Gun Control Act, the National Firearms Act, and the Arms Export Control Act; partnering with schools, law enforcement, community organizations, the firearms industry, and others to facilitate educational efforts aimed at reducing firearms violence; and educating the public and the firearms industry about ATF policies, regulations and product safety.



Data Definitions: This measure reflects reductions in violent firearms crime (i.e., murders, assaults, and robberies) in high-crime cities where ATF has a presence. High-crime cities are defined as cities with an ATF presence that have 1,000 or more murders, assaults or robberies per 100,000 population. The ATF presence is defined as the existence of an ATF field or satellite office in the identified city. The measure is intended to show the change in crime resulting from ATF activities over a period of time.

Data Collection and Storage: Data are obtained from the Federal Bureau of Investigation's (FBI) Uniform Crime Report (UCR) database.

Data Validation and Verification: Data are validated by the FBI. The ATF does not validate the FBI's report since these data are published and widely accepted. These data are not available for two years from the calendar year cited. The measure is intended to show the change in crime resulting from ATF activities over a period of time.

Data Limitations: Data are obtained from the FBI UCR database, and they are not available for two years from the calendar year cited; therefore, CY 2003 data became available in FY 2005 and CY 2004 data will become available in FY 2006. Since ATF was a bureau within the Department of the Treasury in FY 2002, ATF is not reporting any measure prior to FY 2003.

Performance Measure: Percent of High-Crime Cities (with an ATF presence) Demonstrating a Reduction in Violent Firearms Crime

FY 2004 Target: 50%
FY 2004 Actual: 47%
FY 2005 Target: 55***%***
FY 2005 Actual: Data are obtained from the Federal Bureau of Investigation's (FBI) Uniform Crime Report (UCR) database, and they are not available for two years from the end of the calendar year.

FY 2006 Target: 60%
FY 2006 Actual: Data are obtained from the FBI's UCR database, and they are not available for two years from the end of the calendar year.

Discussion: Crime data for 2004 revealed that ATF did not meet the goal established with regards to impacting firearms violence in targeted violent cities across America. There are many factors beyond the control of law enforcement (i.e., economic factors and other nationwide trends) and emerging challenges that can affect violent firearms crime rates in any given geographic area from which this measure is derived. While this performance goal was not met, ATF in partnership with other law enforcement agencies, continues to have an impact on violent firearms crime and will continue to deploy proven strategies to reach the established goals in the future. To achieve the performance goals outlined for future years, as well as the long-term goals, ATF will depend on a strategy balanced between incremental increases in personnel and the maximization of resources through the leveraging of partnerships, technology, and expertise. ATF has placed VCITs in eight of the cities where violent firearms crime did not improve relative to the national average: Baton Rouge, Camden, Hartford, Houston, Los Angeles, Richmond, Tulsa, and Washington, DC. Preliminary data from local police departments indicates that the teams have been successful in reducing homicides, and ATF expects that—over the next several years—they will have an effect on overall violent firearm crime.

FY 2008 Outcome Goal: Achieve a 10% reduction in the supply of illegal drugs available for consumption in the United States (using a 2002 baseline)
FY 2006 Progress: The Department is not on target for the achievement of this long-term goal. Delays in establishing baselines have impacted progress in this area. Baseline data for heroin, marijuana, and cocaine were collected; however, more data sets are required before reliable methodologies for calculating baselines for long-term reduction can be established. Additionally, neither baseline data nor a reliable methodology has been established with respect to methamphetamine.

***Background/Program Objectives*:** Measuring reduction in the drug supply is a complex process because supply reduction is a reflection of a number of factors. 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 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 is unable to set interim goals; however, we remain focused on achieving a long-term reduction in the supply of illegal drugs and have reexamined our approach related to this goal and set realistic milestones in the Department's FY 2007-2012 Strategic Plan.

Discussion: The Office of National Drug Control Policy (ONDCP), in consultation with the Department, continues to develop baseline estimates for the United States illegal drug supply. Baseline supply estimates were prepared for heroin, marijuana, and cocaine; however, the Department concluded that initial supply estimates were based on methodologies that did not yield sufficiently precise figures to form the reliable methodologies necessary for calculating baselines. Additionally, neither baseline data nor a reliable methodology has been established with respect to methamphetamine. The ONDCP continues to work on developing reliable estimates with respect to these drugs.

Revised FY 2008 Outcome Goal: Dismantle 540 CPOT-linked drug trafficking organizations (FY 2003-2008)
Revised FY 2008 Outcome Goal: Disrupt 1,120 CPOT-linked drug trafficking organizations (FY 2003-2008)
FY 2006 Progress: Although the Department missed its FY 2006 target, the Department is on target for the achievement of this long-term goal. Current cumulative total towards long-term goals (since FY 2003) are 267 dismantlements and 608 disruptions.

Background/Program Objectives: The DOJ focuses its drug law enforcement efforts on reducing the availability of drugs by disrupting and dismantling the largest drug supply 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 bi-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 functions through the efforts of the USAs; elements of the Department's Criminal and Tax Divisions; the investigative, intelligence, and support staffs of the Drug Enforcement Administration (DEA); the Federal Bureau of Investigation (FBI); the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); the United States Marshals Service (USMS); 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 financial dealings and to dismantle the financial infrastructure that supports these organizations. OCDETF 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.

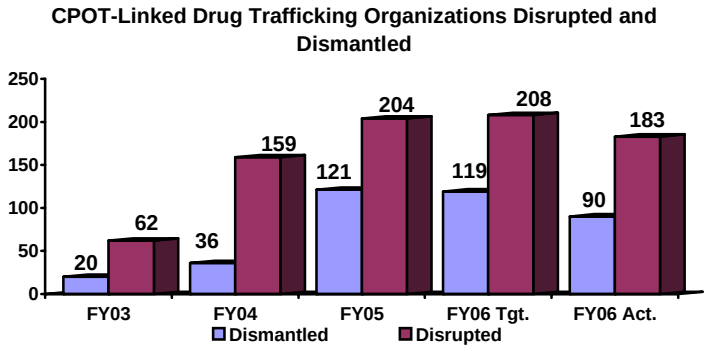
Performance Measure: CPOT-Linked Drug Trafficking Organizations Disrupted and Dismantled

FY 2005 Revised Actuals:
Disrupted: 204
Dismantled: 121
(Previous Actual:
Disrupted: 202;
Dismantled: 119)

FY 2006 Target:
Disrupted: 208
Dismantled: 119

FY 2006 Actual:
Disrupted: 183
Dismantled: 90

Discussion: The Department did not meet its targets for disrupting and dismantling CPOT-linked drug trafficking organizations in FY 2006. It is difficult to accurately predict how many disruptions and dismantlements of CPOT-linked organizations will occur in a given fiscal year because these statistics are inherently volatile from year to year. While the Department did not meet the expected target in FY 2006, it still achieved significant results against these CPOT-linked organizations and demonstrated an improvement over FY 2004. Specifically, in FY 2006 the Department achieved a 15% increase over FY 2004 disruptions and a 150% increase over FY 2004 dismantlements.



Data Definition: An organization is considered linked to a CPOT, if credible evidence exists (i.e., from corroborated confidential source information, phone tolls, Title III intercepts, financial records, or other similar investigative means) of a nexus between the primary target of the investigation and a CPOT target. The nexus need not be a direct connection to the CPOT, so long as a valid connection exists to a 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, including, for example, financing, trafficking patterns, communications or drug production. Dismantled 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: Investigations are identified as linked to a particular CPOT organization either at the time of initiation or immediately after the connection is discovered. 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 the actual identification of a link by the investigating agency. The investigation then is tracked within the agency's internal case tracking systems, as well as within the OCDETF management information system, as a "CPOT-linked" investigation.

Data Validation and Verification: The CPOT List is reviewed and updated bi-annually by OCDETF's Operations Chiefs Committee; chaired by the OCDETF Director and includes senior representatives from all participating OCDETF agencies. Each OCDETF agency has an opportunity, twice a year, to nominate targets to the List for consideration by OCDETF's CPOT Working Group (made up of mid-level managers from participating agencies), which provides a recommendation to the Operations Chiefs on whether or not specific targets should be added to/deleted from the List. Based upon the recommendations of the Working Group, the OCDETF Operations Chiefs discuss the proposed organizations and make a determination on whether identified organizations will be added to/deleted from the List.

Once an organization is added to the List, OCDETF participants may identify individual OCDETF investigations as linked to a particular CPOT. The validity of these links is reviewed through OCDETF's field management structure (OCDETF District and Regional Coordination Groups) to determine if sufficient information/evidence exists to substantiate the reported link. The validity of the links is confirmed through a review of relevant databases and intelligence information maintained by DEA, FBI and other OCDETF-member agencies. Following the field review, all CPOT-links are reviewed by the OCDETF Executive Office to confirm that sufficient justification has been provided substantiating a reported link. In instances where OCDETF reporting does not clearly substantiate a link, reports are sent back to the reporting agency's headquarters for follow-up. The OCDETF Executive Office "un-links" any investigation without sufficient justification supporting the connection between a particular CPOT and the target/organization under investigation by the agency. When evaluating law enforcement's success in disrupting/dismantling CPOT-linked organizations during the year, OCDETF relies upon information reported by the relevant U.S. Attorney's Office and verifies that a disruption/dismantlement has occurred with the headquarters of the investigating agency.

Data Limitations: Investigations of CPOT-level organizations and related networks are complex and time-consuming, and the impact of disrupting/dismantling such a network may not be immediately apparent. Accordingly, data on this measure may lag behind actual enforcement activity by the investigating agency. It is also possible that a particular CPOT-linked organization may be disrupted in one FY and subsequently dismantled in a later year. For example, a significant number of organizations disrupted during the current FY remain under investigation, as law enforcement seeks to permanently destroy their ability to operate.

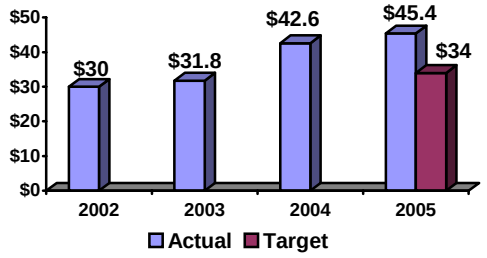
Investigations of these sophisticated organizations are typically multi-year endeavors and significant progress can be achieved in a given year without any dismantlement or disruption statistic being attained. Moreover, the Department began tracking CPOT-links in FY 2003 and does not have a significant history with the CPOT process by which to inform the establishment of annual targets. The FY 2006 targets were revised substantially upward as a consequence of the actual results reported in FY 2005. Indeed, FY 2005 results represented a 28% increase over FY 2004 disruptions and a 236% increase over FY 2004 dismantlements. At the time the targets were established there was concern expressed within the Department as to whether or not the actual results reported in FY 2005 would continue into FY 2006. However, the FY 2005 actuals were the best indicator the Department had at the time for establishing the FY 2006 targets.

FY 2008 Outcome Goal: Limit the cumulative value (FY 2003-2008) of stolen intellectual property to $190 billion
FY 2006 Progress: The Department is on target for the achievement of this long-term goal; however, due to the difficulty in gathering reliable data from external sources, the measure has been discontinued as of September 30, 2006. The baseline was established with the Department's FY 2003 Program Assessment Rating Tool (PART) review of this program. Current cumulative total towards long-term goal is $120.1 billion.

Background/Program Objectives: Intellectual property rights (IPR) violations affect U.S. competitiveness and economic viability. The combined U.S. copyright industries and derivative businesses account for more than $626 billion, or nearly 6% of the total United States economy in FY 2006. Theft of trade secrets violations are the most significant intellectual property crime because defense secrets can be compromised and entire sectors of the United States economy can be affected. According to private industry associations that track IPR losses, software piracy, including both computer and entertainment industry software, is the second most significant intellectual property crime, causing an estimated loss of 105,000 jobs in the computer software industry alone in 2002, and $6 billion in lost tax revenue. In 2004, lost tax revenue was estimated at $13 billion.

The FBI focuses its resources on IPR violations that have the most impact on national security, namely the theft of trade secrets. Because IPR violations perpetrated in an organized manner have the largest impact on security and industry, the FBI uses the enterprise theory of investigation to build intelligence on enterprises in order to map, and then dismantle, operations related to theft of trade secrets and software piracy. The FBI centralizes some IPR undercover operations to allow headquarters-driven management of multi-jurisdictional international and domestic cases.

DISCONTINUED MEASURE: Value of Stolen Intellectual Property ($ billions)



Data Collection and Storage: The FBI obtains data from private industry associations (i.e., Motion Picture Association of America, Recording Industry Association of America, Business Software Alliance and Entertainment Software Association), to estimate the value amount of lost IPR property.

Data Validation and Verification: The FBI relies upon the validity and the reliability of industry sources for these data.

Data Limitations: The FBI does not receive data on a periodic basis from industry sources, nor does it receive it on a fiscal year basis. The estimates that the FBI can use in its reports on IPR losses are sometimes based on incomplete or dated information from these industry sources.

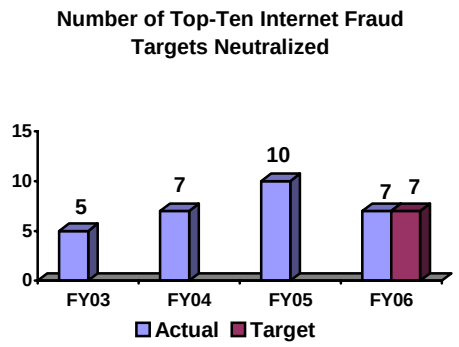
Performance Measure: DISCONTINUED MEASURE: Value of Stolen Intellectual Property
CY 2005 Target: $34 billion
CY 2005 Actual: $45.4 billion

Discussion: The Department is discontinuing this performance measure in its 2007-2012 Strategic Plan and in future performance reports. Economic data for this measure were only available from industry sources and on a calendar year basis.

FY 2008 Outcome Goal: Neutralize a cumulative total (FY 2003-2008) of 35 top-ten Internet fraud targets
FY 2006 Progress: The Department is on target to achieve this long-term goal. The baseline was established with the Department's FY 2003 Program Assessment Rating Tool (PART) review of this program. Current cumulative total towards long-term goal is 29 top-ten Internet fraud targets neutralized.

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 on-line pharmacies exposes the American public to unregulated and often 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 and easy 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, nationwide takedowns (i.e., arrests, seizures, search warrants, and indictments) to target the most significant perpetrators of on-line schemes.



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. The IC3 staff maintains the list and determines when a target has been the subject of a take-down.

Data Limitations: None known at this time.

Performance Measure: Number of Top-Ten Internet Fraud Targets Neutralized
FY 2006 Target: 7
FY 2006 Actual: 7

Discussion: The FBI met its FY 2006 target for this measure. This measure will be revised next year, and will instead read as "Number of High-Impact Internet Fraud Targets Neutralized." Some notable cases in FY 2006 involved the aftermath of the Hurricane Katrina disaster in September 2005. As a result of Internet fraud perpetrators attempting to capitalize on the disaster, the IC3 took the initiative to review and analyze potentially fraudulent websites. Approximately 96 referrals were sent to the field. As a result of one of these referrals, the FBI's Miami Division opened an investigation on the case of airkatrina.com and worked with the Economic Crimes Section at the U.S. Attorney's Office. The subject, Gary Kraser, received over $39,000 from 51 donors. Kraser claimed the donations were going to be used to purchase jet fuel for pilots who were donating their time and airplanes to deliver supplies/operate relief flights from Florida to New Orleans. Kraser admitted he did not have a pilot's license, that no rescue missions were made, and he was spending the money for personal use. Kraser was sentenced on May 5, 2006, on one count of wire fraud for 21 months in jail and 2 years of supervised release.

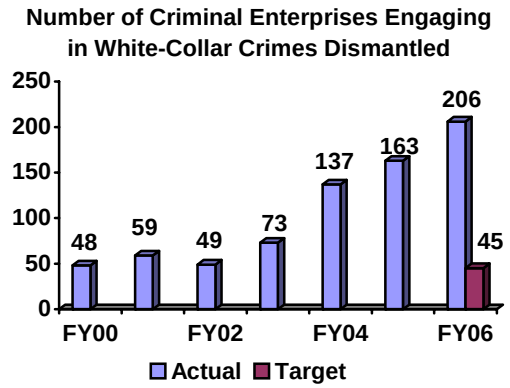
Revised FY 2008 Outcome Goal: Dismantle a cumulative total (FY 2003-2008) of 518 criminal enterprises engaging in white-collar crime
FY 2006 Progress: The baseline was established with the Department's FY 2003 Program Assessment Rating Tool (PART) review of this program. Current cumulative total towards long-term goal is 579 dismantlements of criminal enterprises engaging in white-collar crime. Despite revising the 2008 outcome target in the FY 2005 PAR, the FBI has already achieved the revised long-term outcome goal as of the close of FY 2006. New long-term goals for this measure will be established with the issuance of the Department's FY 2007-2012 Strategic Plan.

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. Among the illegal activities investigated are: health care fraud, financial institution fraud, government fraud (e.g., housing, defense procurement, and other areas), insurance fraud, securities and commodities fraud, telemarketing fraud, 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 has resulted in annual increases in the number of illegal acts characterized by deceit, concealment, or violations of trust. The loss incurred as a result of these crimes is not merely monetary. These crimes also contribute to a loss of confidence and trust in financial institutions, public institutions, and industry.

Performance Measure: Number of Criminal Enterprises Engaging in White-Collar Crimes Dismantled

FY 2005 Revised Actual: 163 (Previous Actual: 143)
FY 2006 Target: 45
FY 2006 Actual: 206



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 ISRAA database. The database tracks statistical 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. They are subsequently verified through the FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data in ISRAA are tracked 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 2005 data subject to this limitation were revised during FY 2006.

Discussion: Reallocation of available resources continues to impact WCC investigations since the events of September 11, 2001, and may have an effect on future WCC dismantlements. However, Criminal Investigative Division program managers suspect that the upward trend reported for WCC dismantlements in recent years may be partially due to more diligent reporting of these types of accomplishments.

On May 25, 2006, former Enron chiefs Kenneth Lay and Jeffrey Skilling were convicted on multiple charges in connection with the bankruptcy of Enron Corporation in December 2001. Lay was convicted on all counts of conspiracy, wire fraud, bank fraud, false statements, and securities fraud charged against him, although his convictions were abated due to his later death. Skilling was convicted on 19 of 28 counts against him, including conspiracy, securities fraud, false statements, and insider trading. The Enron collapse resulted in the

loss of thousands of jobs and billions of dollars in investments and retirement savings. The Enron investigation is considered the most sophisticated and extensive white-collar criminal probe in history, and has produced convictions of 19 people to date, besides Lay.

FY 2008 Outcome Goal: Favorably resolve 90% of Criminal Cases (litigating divisions)
FY 2008 Outcome Goal: Favorably resolve 80% of Civil Cases (litigating divisions)
FY 2006 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Goal Two of the Department's Strategic Plan describes the role of the Department as the Nation's chief litigator: representing the United States Government in court, enforcing federal civil and criminal statutes, including those protecting civil rights, safeguarding the environment, preserving a competitive market structure, and defending the public fisc against unwarranted claims. The Department's efforts fall into two general categories: criminal litigation and civil litigation.

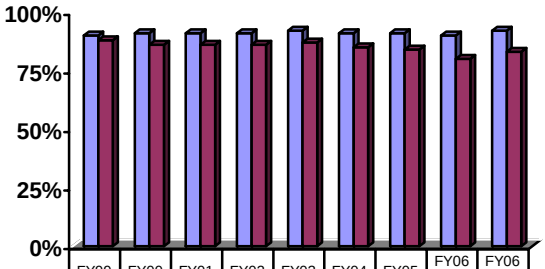
Performance Measure: Percent of Cases Favorably Resolved

FY 2006 Target:
Criminal Cases: 90%
Civil Cases: 80%

FY 2006 Actual:
Criminal Cases: 92%
Civil Cases: 83%

Discussion: The Department exceeded its goal of resolving cases in favor of the government. Favorable resolutions punish and deter violations of the law; ensure the integrity of federal laws and programs; and prevent the government from losing money through unfavorable settlements or judgments. This success rate would not be possible without strong partnerships among the Department of Justice and other federal, State, and local investigators and prosecutors, bolstered by dedicated support staffs.

Percent of Cases Favorably Resolved



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

Criminal Civil

Data Definition: Cases favorably resolved includes 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 litigation cases closed during the fiscal year.

Data Collection and Storage: Data is captured within each component's automated case management system and companion interface systems.

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 variation in data collection and management among litigating divisions, 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 currently developing a Litigating Case Management System 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, USA data does not include information for the month of September 2005 for the Eastern District of Louisiana due to Hurricane Katrina.

Revised FY 2008 Outcome Goal: Return 58% of assets/funds to creditors in Chapter 7 cases
Revised FY 2008 Outcome Goal: Return 86% of assets/funds to creditors in Chapter 13 cases
FY 2006 Progress: The Department is on target to achieve this long-term goal. The Department's FY 2005 Program Assessment Rating Tool (PART) review of this program led to the setting of more aggressive targets for both Chapter 7 and 13 cases through 2008.

Background/Program Objectives: The U.S. Trustee Program (USTP) was established nationwide 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 2005 Target: Chapter 7: 54%
Chapter 13: 80%

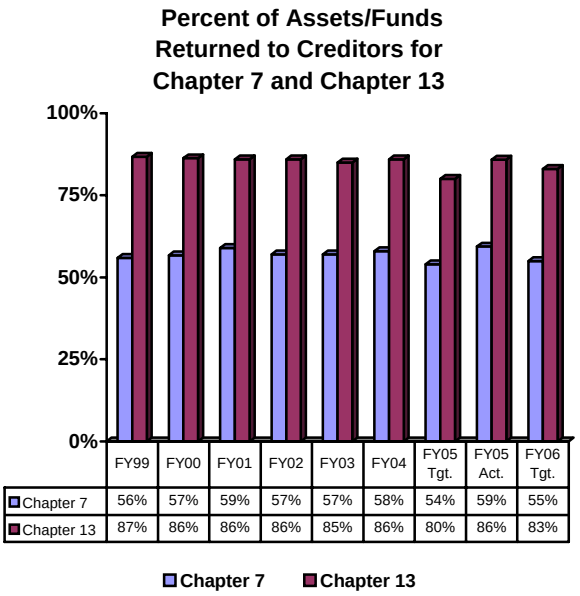
FY 2005 Actual: Chapter 7: 59%
Chapter 13: 86%

FY 2006 Target: Chapter 7: 55%
Chapter 13: 83%

FY 2006 Actual: Data not available until January 2007 for Chapter 7 and April 2007 for Chapter 13 because of the need to audit data submitted by private trustees prior to reporting.

Discussion: In FY 2005, the USTP exceeded its target by following-up on deficiencies, ensuring that old cases were closed promptly, and by initiating action when private trustees failed to comply with their obligations. By reducing the amount of fraud and abuse in the system, the USTP's civil enforcement and related efforts resulted in potential additional returns to creditors of $878 million in FY 2005.

Under normal circumstances, the Program would re-evaluate its previously published out-year targets to determine if more aggressive targets are appropriate. However, implementation of the recently enacted Bankruptcy Abuse Prevention and Consumer Protection Act, which took effect October 17, 2005, interjects a high degree of uncertainty regarding future operating performance. The USTP will reassess its targets after additional data are available.



	FY99	FY00	FY01	FY02	FY03	FY04	FY05 Tgt.	FY05 Act.	FY06 Tgt.
Chapter 7	56%	57%	59%	57%	57%	58%	54%	59%	55%
Chapter 13	87%	86%	86%	86%	85%	86%	80%	86%	83%

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 perform 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 proofs the combined distribution spreadsheet to ensure that the amounts stated are 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.