

# The Criminal Division



FY 2013  
President's Budget



## Table of Contents

	Page No.
<b>I. Overview</b>	1
<b>II. Summary of Program Changes</b>	11
<b>III. Appropriations Language and Analysis of Appropriations Language</b>	11
<b>IV. Decision Unit Justification</b>	11
A. Enforcing Federal Criminal Laws	
1. Program Description	
2. Performance Tables	
3. Performance, Resources, and Strategies	
a. Performance Plan and Report of Outcomes	
b. Strategies to Accomplish Outcomes	
c. High Priority Performance Goals	
<b>V. Program Increases</b>	19
A. Financial and Mortgage Fraud Initiative	
B. Intellectual Property Enforcement	
<b>VI. Program Offsets</b>	30
A. IT Savings	
<b>VII. Exhibits</b>	
A. Organizational Chart	
B. Summary of Requirements	
C. FY 2013 Program Increases/Offsets by Decision Unit	
D. Resources by DOJ Strategic Goal and Strategic Objective	
E. Justification for Base Adjustments	
F. Crosswalk of 2011 Availability	
G. Crosswalk of 2012 Availability	
H. Summary of Reimbursable Resources	
I. Detail of Permanent Positions by Category	
J. Financial Analysis of Program Changes	
K. Summary of Requirements by Grade	
L. Summary of Requirements by Object Class	
M. Status of Congressionally Requested Studies, Reports, and Evaluations – Not Applicable	

**I. Overview for the Criminal Division**

**A. FY 2013 Budget Summary**

The Criminal Division requests a total of 792 permanent positions, 768 direct Full-Time Equivalent work years (FTE), and \$185,473,000 in its Salaries and Expenses appropriation for Fiscal Year (FY) 2013. The Division’s request will maintain the current level of services while providing funding for necessary resources to expand financial fraud enforcement and combatting computing crimes and intellectual property crimes internationally. The emphasis placed on these areas of this request is consistent with the Department’s Strategic Goals One and Two in its Strategic Plan, Fiscal Years 2012 – 2016.

<b>Department of Justice’s Strategic Plan</b>	
<b>Goal One:</b> Prevent Terrorism and Promote the Nation’s Security Consistent with the Rule of Law	1.1 Prevent, disrupt, and defeat terrorist operations before they occur
	1.2 Prosecute those involved in terrorist acts
<b>Goal Two:</b> Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law	2.1 Combat the threat, incidence, and prevalence of violent crime
	2.2 Prevent and intervene in crimes against vulnerable populations; uphold the rights of, and improve services to, America’s crime victims
	2.3 Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs
	2.4 Combat corruption, economic crimes, and international organized crime
	2.5 Promote and protect Americans’ civil rights

Electronic copies of the Department of Justice’s Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <http://www.justice.gov/02organizations/bpp.htm>.”

**B. Criminal Division Mission & Program Activities**

The Criminal Division develops, enforces, and supervises the application of all federal criminal laws, except those specifically assigned to other divisions. Every day – whether prosecuting crimes of national and international significance, supporting the U.S. Attorney community in evidence-gathering and other enforcement operations, working around the globe to promote the Rule of Law, or driving forward key policy and legislative initiatives – the Criminal Division is at the forefront of federal criminal law enforcement.

The mission of the Criminal Division is to identify and respond to critical and emerging national and international criminal threats, and to lead the enforcement, regulatory, and intelligence communities in a coordinated nationwide response to reduce those threats. The Division engages in several functions vital to achieving its mission:

- Investigating and prosecuting the most significant cases and matters;
- Developing and supporting effective crime reduction strategies and programs;
- Driving policy, legislative, and regulatory reforms;
- Providing expert counsel in criminal enforcement matters;
- Coordinating a wide range of criminal investigations and prosecutions that span multiple jurisdictions and involve multiple law enforcement partners;
- Providing advice and assistance to the national and international law enforcement community, including providing training to federal, state, and local prosecutors and investigative agencies and foreign criminal justice systems; and
- Approving and overseeing the use of the most sophisticated investigative tools in the federal arsenal, including all federal electronic surveillance requests in criminal cases and securing the return of fugitives and other assistance from foreign countries.

These functions can be classified into four broader program activities: (1) investigation and prosecution, (2) expert guidance and advice, (3) law enforcement tools, and (4) global partnerships. With its investigation and prosecution activities, the Division strives to support its mission by investigating and prosecuting aggressively, but responsibly. By providing both national perspective and leadership, the Division undertakes complex cases and ensures a consistent and coordinated approach to the nation’s law enforcement priorities, both domestically and internationally. The Division has a “birds-eye” view of white collar crime, public corruption, organized crime, narcotics, violent crime, and other criminal activities, and consequently is uniquely able to ensure that crimes that occur across borders do not go undetected or ignored.

<b>Fulfilling its Critical Mission: An Example of Investigating &amp; Prosecuting Significant Cases</b>
<p>During FY 2011, the Criminal Division’s Fraud Section continued to pursue significant financial frauds, including corporate, investment and securities fraud, bank fraud, mortgage fraud, and insurance fraud affecting the public interest. For example, in a shared case with the U.S. Attorney’s Office for the Eastern District of Virginia (USAO-EDVA), the former chairman and owner of Taylor, Bean &amp; Whitaker (TBW) was convicted and sentenced to 30 years in prison on securities fraud and related charges stemming from a more than \$2.9 billion fraud scheme that contributed to the 2009 failures of Colonial Bank, one of the 25 largest banks in the U.S., and TBW, one of the country’s largest privately held mortgage lending companies. Six co-conspirators pleaded guilty to similar charges. Also in a case with USAO-EDVA, two principals of A&amp;O Resource Management, Ltd., were convicted and sentenced to 60 and 45 years in prison on securities fraud and related charges stemming from a \$100 million scheme involving the fraudulent marketing and sale of investments in life settlements to approximately 800 people nationwide. Five co-conspirators pleaded guilty to similar charges. In addition, the Fraud Section entered into a non-prosecution</p>

agreement (NPA) with Phoenix-based CSK Auto Corporation (CSK), in which CSK agreed to pay a \$20.9 million penalty in resolving securities law violations stemming from a corporate earnings manipulation and double-billing scheme. A former CSK chief financial officer also pleaded guilty to conspiracy to commit securities and mail fraud stemming from the scheme. The Section also prosecuted a number of cases reflecting the Department's expanding focus on insider trading beyond hedge funds and other Wall Street players to institutional gate-keepers whose insider trading violated their fiduciary duties. A former NASDAQ managing director pleaded guilty to charges related to a scheme in which he purchased and sold stock in NASDAQ-listed companies based on inside information. In addition, a former FDA chemist pleaded guilty to charges related to a \$3.7 million insider-trading scheme. In another financial fraud area, the Section's Mortgage Fraud Task Force brought 9 cases against 14 individuals and obtained five guilty pleas in FY 11. Three cases involved a wide-ranging homeowners' association (HOA) scheme in which defendants purchased condominium homes through fraudulent mortgage loans and then gained control of the HOAs in order to direct HOA business to a specific law firm and construction company. In FY 11, the Fraud Section also obtained ten guilty pleas stemming from various schemes to defraud the Export-Import Bank of the United States.

The Criminal Division serves as the strategic hub of legal and enforcement experience, expertise, and strategy in the fight against national and international criminal threats. Consequently, its expert guidance and advice activities are crucial to the successful application of criminal law throughout the country. The Division leads the national effort to address emerging criminal trends, including the increasingly international scope of criminal activity. The guidance provided to U.S. Attorneys' Offices and other federal law enforcement partners ensures the uniform application of the law and furthers the Department of Justice's mission to ensure justice.

The events of September 11, 2001, highlighted the need for increased nationwide coordination and information sharing. The Division serves a critical role in coordinating among the Department's criminal law components, including the U.S. Attorneys' Offices. As a "headquarters" office, the Division also serves as the central point of contact for foreign countries seeking law enforcement assistance. No other organization within the Department or the U.S. Government is equipped to fulfill this role – one that is more critical than ever considering the continually increasing globalization and sophistication of crime.

**Fulfilling its Critical Mission:  
An Example of Expert Guidance & Legal Advice**

The Criminal Division's Asset Forfeiture and Money Laundering Section (AFMLS) was responsible for formulating the Proceeds of Crime Act (POCA), a comprehensive legislative proposal that addresses gaps in the current money laundering and forfeiture statutes. Passage of POCA by Congress would substantially enhance the legal tools available to attack the financial infrastructure that supports transnational organized crime (TOC), Kleptocratic regimes, the Mexican drug cartels, large-scale fraud, and terrorist financing.

The Division serves as the Department’s “nerve center” for many critical operational matters, which entails reviewing and approving the use of many sensitive law enforcement tools available to investigators to ensure that they are used effectively and appropriately. These tools include Title III wiretaps, electronic evidence-gathering authorities, correspondent banking subpoenas, and the Witness Security Program, to name a few. In the international arena, the Division manages the Department’s relations with foreign counterparts and coordinates all prisoner transfers, extraditions, and mutual legal assistance requests. Lastly, the Division handles numerous requests for approval from the field to use sensitive law enforcement techniques in conjunction with particular criminal statutes – for example, reviewing every racketeering indictment that is brought across the nation. In this way, the Division serves a critical role in the nation’s law enforcement community.

<b>Fulfilling its Critical Mission: An Example of Law Enforcement Tool Review</b>
The Criminal Division’s Office of International Affairs (OIA) secured the extradition to the United States of, among others, Cetin Aksu and Siovash Henareh, who were extradited from Romania to stand trial in the Southern District of New York on charges of conspiring to import heroin, conspiring to provide material support to a foreign terrorist organization, and conspiring to acquire, transfer, and possess anti-aircraft missiles. Based on a request from the United States, authorities in the Maldives also arrested co-defendant Bachar Wehbe, wanted for providing support to Hizballah, a designated terrorist organization, by purchasing weapons funded by the sale of drugs. Authorities in the Maldives arrested Wehbe and transferred him into the custody of U.S. authorities.

Finally, the Division reaches out to its international partners to ensure the safety of Americans at home and abroad. Posts in ten countries are maintained to foster relationships and participate in operations with international law enforcement and prosecutors. The Division also has personnel in developing democracies across the globe, providing assistance to foreign governments in developing and maintaining viable criminal justice institutions for the purpose of sustaining democracy and promoting greater cooperation in transnational criminal matters and the capacity to provide modern professional law enforcement services based on democratic principles and respect for human rights.

<b>Fulfilling its Critical Mission: Global Partnerships</b>
The Criminal Division has 10 foreign DOJ Attaché offices located in the following countries:
<ul style="list-style-type: none"> <li>• Brussels, Belgium</li> <li>• Bogota, Colombia</li> <li>• Santo Domingo, Dominican Republic</li> <li>• Cairo, Egypt</li> <li>• Paris, France</li> <li>• Rome, Italy</li> <li>• Mexico City, Mexico</li> <li>• Manila, Philippines</li> <li>• Bangkok, Thailand</li> <li>• London, United Kingdom</li> </ul>
This listing is not inclusive of the developing democracies that the Division is also working in.

**C. The Criminal Division’s Role in Achieving Outcomes**

The Criminal Division leverages its substantial expertise in a broad array of federal criminal subject matters through its program activities to play a substantial role in helping the Department meet the targets for two of its three Strategic Goals: (1) Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law and (2) Prevent Crime, Protect Rights of the American People, and Enforce Federal Law. Additionally, as previously discussed, the Division plays the central role in the Department for maintaining global partnerships to further support these strategic goals.

In working to achieve these goals, the Division has identified several key strategic priorities to ensure that the country's most critical justice needs, on both the national and transnational fronts, are effectively addressed:

- Ensuring **trust and confidence in government institutions** by reducing public corruption at every level of government;
- Ensuring the **stability and security of domestic and global markets**, as well as the integrity of government programs, by reducing fraud, money laundering, and other economic crimes;
- **Disrupting and dismantling criminal organizations and networks that act across state and national boundaries** and that threaten our country through violence, drug trafficking, and computer crime;
- **Protecting our children** from exploitation and **vindicating human rights** wherever possible;
- Promoting the **Rule of Law** around the world; and
- **Supporting national security** and crime-fighting efforts across federal, state, and local governments.

Examples of how the Division fulfills its roles to achieve outcomes in each strategic priority area are provided in the following table:



Key Strategic Priority	Prosecuting & Investigating Activities	Expert Guidance & Advice Activities	Law Enforcement Tool Review Activities	Global Partnership Activities
<b>Ensuring Trust &amp; Confidence in Government Institutions</b>	<ul style="list-style-type: none"> <li>▪ Prosecuting cases aimed at deterring corruption among elected and other government officials</li> <li>▪ Supporting United States Attorneys' Offices (USAOs) by prosecuting cases from which USAOs are recused</li> </ul>	<ul style="list-style-type: none"> <li>▪ Providing assistance and guidance to USAOs in sensitive cases</li> <li>▪ Ensuring election crime matters are handled uniformly and fairly</li> </ul>	<ul style="list-style-type: none"> <li>▪ Using asset forfeiture tools to seize ill-gotten proceeds of crime</li> <li>▪ Providing oversight to sensitive operations</li> <li>▪ Utilizing electronic surveillance in sensitive investigations of government officials</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training foreign countries in anti-corruption strategies</li> <li>▪ Supporting investigations focused on deterring the corruption of foreign officials</li> </ul>
<b>Ensuring the Stability &amp; Security of Domestic &amp; Global Markets</b>	<ul style="list-style-type: none"> <li>▪ Vigorously prosecuting those who attempt to defraud tax-payers</li> <li>▪ Conducting sensitive and complex investigations of corrupt corporations operating inside and outside the United States</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training thousands of foreign officials on intellectual property crimes</li> <li>▪ Developing national strategies to combat procurement and Medicare fraud</li> </ul>	<ul style="list-style-type: none"> <li>▪ Developing regulations to address ways to better detect procurement fraud</li> <li>▪ Providing oversight to ensure fair application of powerful law enforcement tools</li> </ul>	<ul style="list-style-type: none"> <li>▪ Establishing international working groups to combat money laundering</li> <li>▪ Creating working relationships with traditionally closed countries</li> </ul>

<b>Key Strategic Priority</b>	<b>Prosecuting &amp; Investigating Activities</b>	<b>Expert Guidance &amp; Advice Activities</b>	<b>Law Enforcement Tool Review Activities</b>	<b>Global Partnership Activities</b>
<b>Disrupting &amp; Dismantling Criminal Organizations</b>	<ul style="list-style-type: none"> <li>▪ Prosecuting wide-ranging criminal organizations using racketeering and other powerful criminal statutes</li> <li>▪ Coordinating transnational operations relating to violent gangs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training USAOs on effectively using the law to prosecute gangs</li> <li>▪ Creating a coordinated global approach to dismantle drug trafficking organizations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Providing oversight for the use of electronic surveillance in violent crime and organized crime cases</li> <li>▪ Assisting in the protection of witnesses</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improving relations with law enforcement in various countries where gang leaders reside</li> <li>▪ Implementing the International Organized Crime Strategy</li> </ul>
<b>Protecting Children &amp; Vindicating Human Rights</b>	<ul style="list-style-type: none"> <li>▪ Prosecuting high-profile and dangerous child predators</li> <li>▪ Investigating potential war criminal harboring illegally in the U.S.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training Project Safe Childhood (PSC) field units in prosecution techniques</li> <li>▪ Advising foreign counterparts on conducting complex investigations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Overseeing a high-tech lab to assist law enforcement in gathering critical evidence in child exploitation cases</li> <li>▪ Developing strategies to effectively capture digital evidence</li> </ul>	<ul style="list-style-type: none"> <li>▪ Working to form international strategies to combat child sexual exploitation</li> <li>▪ Prosecuting U.S. government agents who have violated human rights while in other countries</li> </ul>

<b>Key Strategic Priority</b>	<b>Prosecuting &amp; Investigating Activities</b>	<b>Expert Guidance &amp; Advice Activities</b>	<b>Law Enforcement Tool Review Activities</b>	<b>Global Partnership Activities</b>
<b>Promoting the Rule of Law Internationally</b>	<ul style="list-style-type: none"> <li>▪ Coordination of bi-lateral investigations</li> <li>▪ Seeking the extradition of criminal defendants who have fled overseas</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assisting foreign countries in the development of laws and legal procedures</li> <li>▪ Training of our foreign counterparts</li> </ul>	<ul style="list-style-type: none"> <li>▪ Obtaining evidence from or for foreign countries</li> <li>▪ Supporting trans-national investigations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Providing direct technical assistance on case-specific matters</li> <li>▪ Participating in international policy groups</li> </ul>
<b>Supporting National Security</b>	<ul style="list-style-type: none"> <li>▪ Prosecuting cases focused on deterring corruption of foreign officials</li> <li>▪ Supporting investigations aimed at limiting terrorist mobility</li> </ul>	<ul style="list-style-type: none"> <li>▪ Participating in government-wide anti-terrorism strategy groups</li> <li>▪ Providing expert guidance on freezing terrorist assets</li> </ul>	<ul style="list-style-type: none"> <li>▪ Negotiating Mutual Legal Assistance Treaties to obtain foreign evidence</li> <li>▪ Securing extradition of terrorist suspects</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthening counter-terrorism ability of foreign counterparts</li> <li>▪ Working with other countries to disrupt terrorist travel networks</li> </ul>

## **D. Challenges to Achieving Outcomes**

Many factors, both external and internal, impact the Criminal Division's capacity to accomplish its goals. While some of these factors are beyond its control, the Division strives to navigate these obstacles successfully and to minimize the negative impact that these factors have on the Division's critical mission.

### **External Challenges**

There are many external challenges that affect the Division's ability to achieve its goals successfully. These challenges include the following:

1. **Globalization of Crime:** The increasing globalization of crime and the emergence of transnational threats will continue to bring new challenges to law enforcement both at home and abroad. In its commitment to combat transnational threats, the Criminal Division continues to serve as the Department's "global headquarters," effectively developing criminal policies and legislation, while monitoring both national and transnational criminal trends. As important, the Division is the central clearinghouse for all requests by foreign countries for evidence of crimes that may be in the United States and for all requests by U.S. law enforcement authorities for evidence of crimes that may reside abroad. The Division has the breadth of experience and the unique capability to build essential global partnerships to successfully combat transnational crimes, but requires critical resources to keep pace with the increasing demand for its services.
2. **Advances in Technology:** New technologies have generated cutting-edge methods for committing crimes, such as use of the Internet to commit identity theft and use of peer-to-peer software programs to share large volumes of child pornography in real-time. These technologies continue to pose many challenges to law enforcement agents and prosecutors alike. It is the Division's job to keep pace with these cutting-edge methods of technology and provide training and assistance to other prosecutors and investigators.
3. **Weak International Rule of Law:** Some countries lack effective policies, laws, and judicial systems to investigate and prosecute criminals in their countries. These weaknesses create obstacles for the Division, as it tries to bring criminals to justice and seize their ill-gotten profits.
4. **Increasing Statutory Responsibilities in a Challenging Fiscal Environment:** In an era of constrained budgets, new legislation that increases the Division's responsibilities has taxed the Division's resources.

## **Internal Challenges**

The Criminal Division faces a number of internal challenges due to growing demands. These challenges include the following:

1. **Automated Litigation Support:** Cases and matters the Division prosecutes and investigates are complicated and complex and require a massive amount of data to be processed and stored.
2. **Information and Network Security:** To stay one step ahead of criminals, the Division needs to acquire the most advanced IT equipment and software available. Additionally, it must ensure that it is invulnerable to cyber attacks or computer intrusions.

### **E. Budget & Performance Integration**

This budget demonstrates how the Criminal Division's resources directly support the achievement of the Department's strategic goals and priorities – both nationally and internationally.

The Division reports as a single decision unit; therefore, its resources are presented in this budget as a whole. Total costs represent both direct and indirect costs, including administrative functions and systems. The performance/resources table in Section IV of this budget provides further detail on the Division's performance-based budget.

### **F. Environmental Accountability**

The Criminal Division has taken significant steps in integrating environmental accountability into its daily operations and decision-making process. For example, the Division has initiated (paperless) electronic transmittal of all telephone service requests. The Division is the first and only component to be granted this privilege, at this time, by JMD's Operations Services Staff. This paperless transmittal system saves paper and reduces our carbon footprint.

In addition, the Division, in support of GSA's new smoking policy, has installed signage advising employees that smoking is prohibited within 25 feet of any active entrance or portico in all federal buildings and leased space where federal workers are located. Additionally, the designated smoking areas for our leased space have been relocated to conform to this policy.

The Division has also completed the balancing of the water system to conserve and provide more efficient utilization of our supplemental air conditioning units. The Division is continuing to work with the building management to install electrical light timers and motion detectors in corridors and bathrooms to reduce the use and cost of electricity. The Division has completed this installation in one of its three leased buildings.

Furthermore, the Division continues to take steps to improve the recycling and environmental awareness programs within the Division. The Division has a comprehensive recycling program that includes the (1) distribution of individual recycling containers to every federal and contract

employee, (2) inclusion of recycling flyers in all new employee orientation packages, (3) publication of energy and recycling articles in the Division’s Security and Operations Support newsletter, and (4) creation of a recycling section on the Division’s Intranet site. The Division is in ongoing discussions with two of its leased buildings to use “Single Stream” recycling which would enhance the Division’s program overall by removing the requirement for tenants to separate recyclables.

Lastly, the Division has been directed to rebid all its building leases and is currently working with the Department and GSA through this procurement process. Whenever a new lease is obtained, the Division plans to implement any environmental advantages beginning in the architectural and engineer phase and continuing through the construction of the project.

## II. Summary of Program Changes

Item Name	Description				Page
		Pos.	FTE	Dollars (\$000)	
Financial and Mortgage Fraud Initiative	<ul style="list-style-type: none"> <li>Prosecute the most significant financial crimes, including mortgage fraud, and corporate fraud, sophisticated investment fraud, coordinate multi-district financial crime cases, and assist U.S. Attorneys’ Offices (USAOs) in financial crime cases with significant money laundering and asset forfeiture components.</li> </ul>	28	14	\$5,000	19
Intellectual Property Enforcement	<ul style="list-style-type: none"> <li>Located in strategic regions across the globe, the DOJ Attachés/ICHIPS will be well-positioned to combat the increasing threat of transnational crime, including intellectual property and cybercrime.</li> </ul>	14	7	\$5,000	24
IT Savings	<ul style="list-style-type: none"> <li>A program offset reflecting savings from increased IT management efficiencies</li> </ul>	0	0	-\$382	30

## III. Appropriations Language and Analysis of Appropriations Language

### Appropriations Language

Please refer to the General Legal Activities Consolidated Justifications.

## IV. Decision Unit Justification

### A. Enforcing Federal Criminal Laws

<i>Enforcing Federal Criminal Laws</i>	Perm. Pos.	FTE	Amount
2011 Enacted	751	748	\$174,001

2012 Enacted	751	748	\$174,000
Adjustments to Base and Technical Adjustments	-1	-1	\$1,855
2013 Current Services	750	747	\$175,855
2013 Program Increases	42	21	\$10,000
2013 Program Offsets	0	0	(\$382)
2013 Request	792	768	\$185,473
<b>Total Change 2012-2013</b>	<b>41</b>	<b>20</b>	<b>\$11,473</b>

## 1. Program Description

The mission of the Criminal Division is to develop, enforce, and supervise the application of all federal criminal laws, except those specifically assigned to other divisions. The Criminal Division is situated at headquarters to work in partnership with both domestic and international law enforcement. While U.S. Attorneys and state and local prosecutors serve a specific jurisdiction, the Criminal Division addresses the need for centralized coordination, prosecution, and oversight.

The Division complements the work of its foreign and domestic law enforcement partners by centrally housing subject matter experts in all areas of federal criminal law, as reflected by the 16 Sections and Offices that make up the Division's Decision Unit "Enforcing Federal Criminal Laws:"

- Appellate Section;
- Asset Forfeiture and Money Laundering Section;
- Capital Case Unit;
- Child Exploitation and Obscenity Section;
- Computer Crime and Intellectual Property Section;
- Human Rights and Special Prosecutions Section;
- International Criminal Investigative Training Assistance Program;
- Narcotic and Dangerous Drug Section;
- Office of Administration;
- Office of the Assistant Attorney General;
- Office of Enforcement Operations;
- Office of International Affairs;
- Office of Overseas Prosecutorial Development, Assistance and Training;
- Office of Policy and Legislation;
- Organized Crime and Gang Section; and
- Public Integrity Section.

The concentration of formidable expertise in a broad range of critical subject areas strengthens and shapes the Department's efforts in bringing a broad perspective to areas of national and transnational criminal enforcement and prevention. To capture this range of expertise, the Division's Performance and Resource Table is organized into three functional categories: prosecutions and investigations; expert guidance and legal advice; and the review of critical law enforcement tools.

2. Performance and Resource Tables

<b>PERFORMANCE AND RESOURCE TABLE</b>											
Decision Unit: Enforcing Federal Criminal Laws											
<b>WORKLOAD/RESOURCES</b>		<b>Final Target</b>		<b>Actual</b>		<b>Projected</b>		<b>Changes</b>		<b>Requested (Total)</b>	
		<b>FY 2011</b>		<b>FY 2011</b>		<b>FY 2012</b>		<b>Current Services Adjustments and FY 2013 Program Changes</b>		<b>FY 2013 Request</b>	
Total Costs and FTE (reimbursable FTE are included)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
				1,076	\$174,001	982	\$172,503	1,091	\$174,000	20	\$11,473
<b>TYPE/ Strategic Objective</b>	<b>PERFORMANCE</b>	<b>FY 2011</b>		<b>FY 2011</b>		<b>FY 2012</b>		<b>Current Services Adjustments and FY 2013 Program Changes</b>		<b>FY 2013 Request</b>	
Program Activity	1. Prosecutions and Investigations	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		470	\$89,463	419	\$88,693	477	\$89,462	14	\$6,295	491	\$95,757
Workload	Cases Opened	483		525		452		13		465	
Workload	Cases Closed	390		355		307		9		316	
Workload	Cases Pending	1,159		1,217		1,362		4		1,366	
Workload	Appellate Work - Opened	3,995		3,447		3,410		0		3,410	
Workload	Appellate Work - Closed	3,865		3,373		3,370		0		3,370	
Workload	Appellate Work - Pending	2,963		2,836		2,876		40		2,916	
Workload	Matters Opened	998		1,093		916		27		943	
Workload	Matters Closed	810		973		791		23		814	



Workload	Matters Pending at EOY	1,970		1,885		2,010		4		2,014	
Program Activity	2. Expert Guidance and Legal Advice	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		420	\$49,686	386	\$49,258	425	\$49,686	4	\$2,985	429	\$52,671
Workload	Number of Legislative and Policy Analysis Matters Completed	5,737		7,458		5,181		49		5,230	
Workload	Number of Programmatic Coordination Activities	3,693		4,492		4,058		38		4,096	
Workload	Number of Legal Advisory Matters Completed	18,016		24,438		24,271		228		24,499	
Workload	Number of Training Sessions/ Presentations	2,372		3,612		3,305		31		3,336	
Program Activity	3. Law Enforcement Tools	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		186	\$34,852	177	\$34,552	189	\$34,852	2	\$2,193	191	\$37,045
Workload	Number of Mandatory Reviews Completed	21,222		19,237		17,314		183		1	
OUTCOME	Favorably Resolve Criminal Cases	90%		96%		90%		0		90%	
OUTCOME	Favorably Resolve Civil Cases	80%		100%		80%		0		80%	
<p><b>Data Definition, Validation, Verification, and Limitations: Definitions:</b> Prosecutions and Investigations: This program activity includes cases or investigatory matters in which the Criminal Division has sole or shared responsibility. The case breakouts include cases from the following Sections/Offices: Fraud Section, Public Integrity Section, Computer Crimes and Intellectual Property Section, Child Exploitation and Obscenity Section, Organized Crime and Gang Section, Narcotic and Dangerous Drug Section, Asset Forfeiture and Money Laundering Section, Human Rights and Special Prosecutions Section, and Capital Case Unit. <b>Appeals:</b> Appellate Section. <b>Expert Guidance &amp; Legal Advice:</b> This program activity includes oral and written advice and training to federal, state, local, and foreign law enforcement officials; coordination and support of investigations, prosecutions, and programs at the national, international and multi-district levels; and oral and written analysis of legislation and policy issues, development of legislative proposals, advice and briefing to Departmental and external policy makers, and participation in inter-agency policy coordination and discussions. <b>Law Enforcement Tools:</b> This program activity includes the work the Division does in specific areas of criminal law in reviewing and approving the use of law enforcement tools throughout the law enforcement community.</p> <p><b>Validation:</b> In FY 2002, the Division initiated a multi-phased workload tracking improvement initiative. To date, improvements include definition and policy clarifications, uniform guidance and reporting, case tracking database improvements for end user benefit, and a regular data validation process to ensure system integrity.</p>											

<b>PERFORMANCE MEASURE TABLE</b>												
<b>Decision Unit: Enforcing Federal Criminal Laws</b>												
<b>Performance Report and Performance Plan Targets</b>		<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007*</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>		<b>FY 2012</b>	<b>FY 2013</b>
		<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Target</b>
<b>OUTCOME Measure</b>	Favorably Resolved Criminal Cases**	94%	96%	98%	97%	95%	97%	90%	90%	96%	90%	90%
<b>OUTCOME Measure</b>	Favorably Resolve Civil Cases**	100%	100%	90%	87%	75%	100%	100%	80%	100%	80%	80%
<b>Efficiency Measure</b>	Ratio of Administrative Costs to Program Costs***	N/A	69.61%	70.27%	70.40%	70.00%	70.27%	70.00%	N/A	N/A	N/A	N/A

N/A = Data unavailable

\* As of Fiscal Year 2007, the workloads of the Counterterrorism and Counterespionage Sections are not included in the Criminal Division.

\*\* Denotes inclusion in the DOJ *Performance & Accountability Report*

\*\*\*Beginning FY 2011, the Criminal Division will no longer track or report its efficiency measure.

### **3. Performance, Resources, and Strategies**

#### **a. Performance Plan and Report for Outcomes**

##### *Outcome Measure*

The Department's long-term outcome goal for the litigating divisions, including the Criminal Division, is the percentage of criminal and civil cases favorably resolved during the Fiscal Year. The goals are 90 percent (criminal) and 80 percent (civil). The Division has consistently met or exceeded the goals. In FY 2011, the Division met both outcome goals.

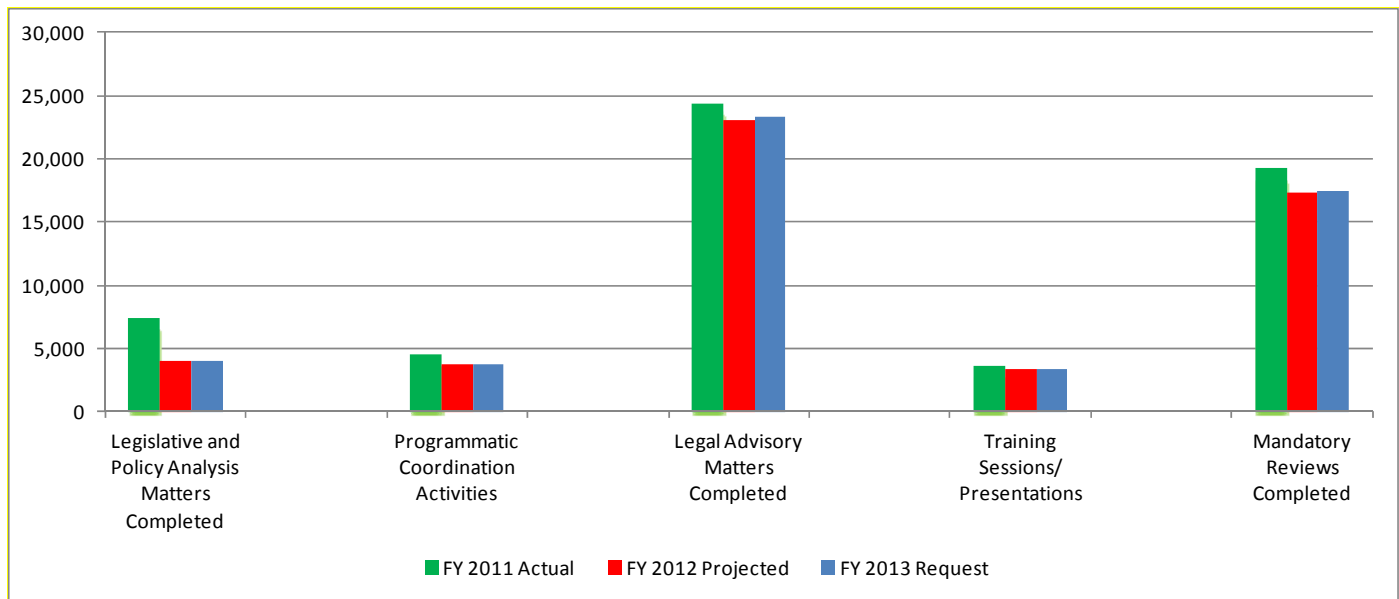
##### *Prosecutions and Investigations Workload*

The Division leads complex investigations and tries significant prosecutions. Many of these cases are of national significance, require international coordination, have precedent-setting implications, involve the coordination of cross-jurisdictional investigations, and, consequently, require intensive resources. For FY 2011 and FY 2012, the Division is held below the FY 2010 enacted level because of a cut to its appropriation, making the workload more challenging. However, the Division did exceed some of the FY 2011 targets set for prosecutions and investigations workload.

- The number of cases and matters opened exceeded its target by approximately 9%;
- The number of cases and matters closed exceeded its target by approximately 11%;
- The number of appellate work opened did not meet its target by approximately 14%; and,
- The number of appellate work closed did not meet its target by approximately 13%.

##### *Other Critical Division Workload*

In addition to investigating and prosecuting criminal cases, the Division plays a central role in the Department's mission by reviewing the use of critical law enforcement tools, including the approval of all requests for wiretapping under Title III. In addition, the Division provides expert guidance and legal advice on significant legislative proposals, analyzes Department-wide and government-wide law enforcement policy, conducts training for the field, and engages in programmatic coordination.



The Division exceeded its FY 2011 targets for four of these five measures, missing only the mandatory reviews completed. Similar to its prosecutions and investigations workload, the Division expects decreases in these five workload measures' projections in FY 2012 compared to our FY 2011 targets. With the few additional resources the Division is requesting for FY 2013, the Division expects to only slightly increase our workloads, about 1% in FY 2013.

b. Strategies to Accomplish Outcomes

The Criminal Division's mission is to develop, enforce, and exercise general oversight for all federal criminal laws. In fulfilling this mission, the Division plays a central role in assisting the Department in accomplishing its Strategic Goals One and Two.

c. Priority Goals

The Criminal Division contributes to two priority goals:

**Financial Fraud/Healthcare Fraud:** Protect the American people from financial and healthcare fraud: In order to efficiently and effectively address financial fraud and healthcare fraud, by the end of FY 2013, increase by 5 percent over FY 2011 levels, the number of investigations completed per Department of Justice attorney working on financial fraud and healthcare fraud cases; additionally for use in appropriate cases, institute a system for tracking compliance by corporate defendants with the terms of judgments, consent decrees, settlements, deferred prosecution agreements, and nonprosecution agreements.

**Vulnerable People:** Protect those most in need of help - with special emphasis on child exploitation and civil rights: By September 30, 2013, working with state and local law enforcement agencies, protect potential victims from abuse and exploitation by achieving a 5% increase for 3 sets of key indicators:

- Open investigations concerning non-compliant sex offenders, sexual exploitation of children, human trafficking
- Matters/investigations resolved concerning sexual exploitation of children and human trafficking
- Number of children depicted in child pornography that are identified by the FBI

The Division's progress regarding these two goals is reported quarterly to the Department.

#### IV. Program Increases by Item

<b>Item Name:</b>	<b>Financial and Mortgage Fraud Initiative</b>
Budget Decision Unit:	<u>Enforcing Federal Criminal Laws</u>
Strategic Goal(s) & Objective(s):	<u>Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law</u> <u>Objective 2.4: Combat corruption, economic crimes, and international organized crime</u>
Organizational Program:	<u>Criminal Division</u>
Component Ranking of Item:	<u>1 of 2</u>
Program Increase:	Positions <u>28</u> Atty <u>16</u> FTE <u>14</u> Dollars <u>\$5,000,000</u>

#### Description of Item

Financial industry fraud has shaken the world's confidence in the U.S. financial system. Losses in financial fraud cases have ranged from millions of dollars to billions of dollars and have resulted in thousands of workers losing their jobs. Mortgage fraud and foreclosure rescue scams routinely involve millions of dollars in losses and multiple defendants, including mortgage brokers, real estate agents, appraisers, closing agents, and false buyers and sellers who receive kickbacks. It is imperative that the Department enforce the laws that protect the integrity of our financial system.

Without the commitment of additional resources, the Department's expanding fraud caseload will outstrip its ability to handle such matters effectively and efficiently. To that end, the FY 2013 President's Budget includes a program enhancement of 28 positions (including 16 attorneys) and \$5,000,000 for the Criminal Division. These resources will enable the Department to hold accountable criminals who perpetrate financial and mortgage fraud, deter future perpetrators of fraud, and recover monies stolen from the U.S. taxpayer.

#### Justification

The Criminal Division will use its requested resources to prosecute the most significant financial crimes, including mortgage fraud, corporate fraud, and sophisticated investment fraud; coordinate multi-district financial crime cases; and assist U.S. Attorneys' Offices (USAOs) in financial crime cases with significant money laundering and asset forfeiture components.

### *Financial Institution and Mortgage Fraud*

As a result of the financial crisis, a new spotlight has been placed on the importance of prosecuting and deterring mortgage fraud, which injures numerous homeowner victims and prospective home buyers, threatens the financial integrity of banks and financial services firms, and creates risks in the financial system.

The Criminal Division continues to investigate and prosecute numerous mortgage fraud cases across the country, including complex, multi-district mortgage fraud schemes. These cases require significant prosecutorial resources. They are document intensive and multi-jurisdictional. They involve sophisticated techniques used to conceal fraudulent schemes designed to obtain financing. The Criminal Division will also play a key role in the newly formed Residential Mortgage-Backed Securities Working Group, which was announced by President Obama in his 2012 State of the Union address. The Assistant Attorney General for the Criminal Division is a Co-Chair of the Working Group, and we anticipate that Criminal Division prosecutors may participate in cases pursued by the group. Moreover, as federal agencies such as the Federal Bureau of Investigation (FBI) improve their analytical ability to detect mortgage fraud, referrals to the Division will likely increase. To maintain and increase its response to this virulent threat, the Criminal Division will need additional prosecutorial resources.

### *Corporate Fraud*

Corporate fraud continues to plague the global financial system. The Criminal Division is conducting complex corporate fraud investigations involving financial services firms impacting the integrity of the financial system. These cases are challenging: they require experienced white collar prosecutors, sophisticated agents and forensic financial accountants, and the support of an experienced paralegal staff to manage the vast inflow of electronic records. Moreover, corporate executives have become increasingly sophisticated in concealing and limiting their communications to make it harder for prosecutors to find incriminating evidence of their misdeeds. This only increases the need for greater electronic forensic analysis of email and phone records. If the Criminal Division is to continue to effectively prosecute corporate fraud in the financial system, it will require increased prosecutorial and paralegal resources.

### *Sophisticated Investment Frauds*

The Criminal Division is investigating and prosecuting large investment fraud schemes (sometimes known as “Ponzi” schemes) that result in injuries to thousands of innocent, vulnerable investors. Often times, investors are robbed of their life savings in schemes that result in hundreds of millions of dollars in investor losses. These investment fraud schemes are increasingly sophisticated, relying on the use of sham partnerships, corporations and investment vehicles. In addition, these schemes are nationwide and even transnational. In order to protect Main Street investors from these financial predators, increased investigative and prosecutorial resources are required.

## ***Resources Needed for Effective Support of Prosecutions***

**Investigators:** In-house investigators are necessary to assist prosecutors in investigating financial and mortgage fraud. These investigators would analyze records and databases, identify illicit patterns of activity, seek additional information on suspicious persons and entities, analyze electronic communications among co-conspirators, assist in obtaining electronic evidence from service providers, and assist in preparing for trial by investigating the backgrounds of defense witnesses. As noted above, mortgage and investment fraud schemes prosecuted by the Division are increasingly complex, involving layers of sham partnerships and corporations, use of multiple accounts, and use of electronic communications between individuals. In-house investigators would be able to assist in analyzing and obtaining such evidence.

**Forensic Accountants:** A large number of the Division's cases involve the use of bank accounts in the name of shell entities that are set up to purposely evade law enforcement and launder funds. As such, the work of forensic accountants is critical in investigating the illicit flow of funds because of the complexity of the financial transactions. Corporate accounting fraud cases also require forensic accountants to analyze the books, ledgers and journal entries of a corporation. Presently, because of the Division's overwhelming case load, many cases do not have adequate financial forensic support, causing significant delays in the investigation and prosecution of these cases.

**Paralegals:** The financial and mortgage fraud cases prosecuted and investigated by the Criminal Division involve significant electronic and physical records produced from numerous sources. Multi-defendant cases also entail complex discovery obligations. Paralegals are a critical component in the effective prosecution of these cases. The work of the prosecutors is heavily dependent on skilled paralegal support, particularly in complying with the ever increasing discovery obligations being imposed on DOJ prosecutors. Paralegals also assist in drafting subpoena requests and requests for evidence from foreign jurisdictions. Thus, increased paralegal staffing is required to support the work of the Division's attorneys.

**Clerical Support:** For all the reasons stated above, the Division will also require the support of clerical support personnel. These clerical personnel will support attorneys and other staff in the administrative functions of travel, reimbursements, time keeping, correspondence, photocopying, filing, and other routine administrative matters. By employing three additional clerical support positions, attorneys would be able to focus on their case work.

**Litigation Support:** Given the sea change in which documents are electronically stored, criminal investigations and prosecutions now involve an overwhelming volume of documents that must be scanned and reviewed, data that must be shared with multiple agencies, and the use of expert witnesses and consultants to support the government's efforts. As the Division takes on more investigations and cases, the Division has to expend resources on contracts that far surpass average case costs. To support the requested attorney and support positions and for this initiative to be successful, the Division must also receive additional litigation support resources.



Impact on Performance (Relationship of Increase to Strategic Goals and Priority Goals)

These requested resources will directly support the Department’s Strategic Goal 2: *Prevent crime, protect the rights of the American people, and enforce federal law*; Strategic Objective 2.4: *Combat corruption, economic crimes, and international organized crime*.

By expanding the Division’s ability to target mortgage fraud, corporate fraud, and sophisticated investment fraud, the Division will be able to capitalize on its unique expertise and ability. The U.S. Attorneys’ Offices and all law enforcement agencies will also benefit from the funding of this request, because they rely on the Criminal Division’s expertise and support, particularly in multi-district and transnational financial crime cases. For example, ten individuals have pleaded guilty to date in an ongoing fraud investigation of a scheme in which conspirators fraudulently gained control of condominium homeowners’ associations in the Las Vegas area so that the HOAs would direct business to a certain law firm and construction company. We anticipate that this additional funding will enable the Division to continue and enhance these important partnerships to the benefit of the entire nation.

**Funding**

Base Funding

FY 2011 Enacted				FY 2012 Enacted				FY 2013 Current Services			
Pos	atty	FTE	\$(000)	Pos	atty	FTE	\$(000)	Pos	atty	FTE	\$(000)
278	182	273	\$65,718	278	182	273	65,711	278	182	273	\$66,540

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2013 Request (\$000)	FY 2014 Net Annualization (change from 2013) (\$000)	FY 2015 Net Annualization (change from 2014) (\$000)
Attorney	\$131	16	\$2,096	1,584	\$0
Professional	\$76	9	\$684	\$270	\$450
Clerical Support	\$67	3	\$201	\$78	\$0
Total Personnel		28	\$2,981	\$1,932	\$450

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2013 Request (\$000)	FY 2014 Net Annualization (Change from 2013) (\$000)	FY 2015 Net Annualization (Change from 2014) (\$000)
Litigation Support	1	1	\$2,019	\$2,000	\$0
Total Non-Personnel	1	1	\$2,019	\$2,000	\$0

Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non- Personnel (\$000)	Total (\$000)	FY 2014 Net Annualization (Change from 2013) (\$000)	FY 2015 Net Annualization (Change from 2014) (\$000)
Current Services	278	182	273	\$66,540	\$0	\$66,540	N/A	N/A
Increases	28	16	14	\$2,981	\$2,019	\$5,000	\$3,932	\$450
Grand Total	306	198	287	\$69,521	\$2,019	\$71,540	\$3,932	\$450

**Item Name:** **Intellectual Property Enforcement**

Budget Decision Unit: Enforcing Federal Criminal Laws

Strategic Goal(s) & Objective(s): Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law  
Objective 2.4: Combat corruption, economic crimes, and international organized crime

Organizational Program: Criminal Division

Component Ranking of Item: 2 of 2

Program Increase: Positions 14 Atty 9 FTE 7 Dollars \$5,000,000

#### Description of Item

The Criminal Division requests an enhancement of 14 positions (including 9 attorneys), 7 FTE, and \$5,000,000 to place six DOJ Attachés overseas to fight transnational crime, with particular emphasis on intellectual property crime. These DOJ Attachés will serve as regional International Computer Hacking and Intellectual Property coordinators (ICHIPs) and will be well positioned to combat the increasing threat of transnational intellectual property crime. The Criminal Division also requests that a portion of this enhancement be used to increase the capacity of the Division's domestic IP program to provide critical support to the ICHIP/Attachés and ensure the coordinated use of ICHIP resources overseas.

#### Justification

*"It's not right when another country lets our movies, music and software be pirated."*

*~ President Obama, January 24, 2012 (State of the Union address)*

As reflected in President Obama's remarks, it is incontrovertible that protecting intellectual property rights is essential to safeguarding confidence in our economy, creating economic growth, and ensuring integrity, fairness, and competitiveness in the global marketplace. In today's environment, however, where virtually every significant intellectual property crime investigated and prosecuted in the United States has an international component, it is impossible to address intellectual property crime adequately without significant and strong international engagement.

The Department of Justice has long recognized that intellectual property crime, including offenses involving copyright, trademarks and trade secrets, among others, not only has a significant international component but in many cases also has a substantial overlap with other economic crimes, including those related to cyber offenses, money laundering and tax evasion, and smuggling. Because the vast majority of intellectual property and other computer crimes

originate in other countries, the Department has made its efforts to strengthen international law enforcement relationships a top priority.

The Department has collaborated with other U.S. agencies and foreign law enforcement counterparts to address international intellectual property crime through a combination of joint criminal enforcement operations, case referrals for foreign investigations and prosecutions, training and technical assistance programs for foreign law enforcement, judiciary, and legislators, and engagement in bilateral and multi-lateral working groups that address trademark counterfeiting and copyright piracy.

The Department has also worked vigorously to develop international methods to address cybercrime through cooperative case work, rapid information sharing, and long-term engagement to train law enforcement and improve legal regimes to respond to the threat of Internet-based crime and the proliferation of electronic evidence in a wide range of offenses.

Instances of international intellectual property crime may be addressed effectively by direct contact between prosecutors and investigators on specific cases. However, to address systemic and pervasive international intellectual property crime effectively, greater and more sustained engagement is essential. For example, since 2006, through the Department's Intellectual Property Law Enforcement Coordinator (IPLEC) Program, the Department has deployed experienced federal prosecutors overseas to take the lead on our intellectual property protection efforts in key regions including Asia and, until March 2011 (when State Department funding expired), Eastern Europe. Through the IPLEC program, the Department has seen a substantial increase in foreign enforcement and cooperative casework where U.S. law enforcement has had a visible and ongoing presence in the most active countries or regions. This enhancement request would allow for the expansion of the program to additional critical regions and also cover the rapidly developing and overlapping area of international cybercrime.

### **ICHIPs/Attachés**

The Criminal Division has identified six important areas (in order of priority) for the placement of International Computer Hacking and Intellectual Property (ICHIP) Attachés. The cross-designation of these positions as ICHIPs/DOJ Attachés is critical to the success of the Department's overseas law enforcement mission. The effectiveness of cross-designating the current Asia IPLEC/Attaché position is well-documented and gives operational advantages not necessarily available to ICHIPs who do not also possess the DOJ Attaché designation. For example, a DOJ Attaché has greater access to case files and resources because they are not perceived as doing intellectual property work exclusively; ICHIPs, by contrast, can be marginalized by foreign law enforcement if they are thought of as limited to one area of expertise. Since intellectual property crime often intersects with other types of cases, like international organized crime, the designation of these new positions as solely ICHIPs will hinder their effectiveness in fighting the intellectual property crime threat.

The Division plans to hire attorneys with a strong background in criminal prosecution who are capable of and invested in focusing on the intellectual property crime threat in these regions.

This approach will help ensure that the bulk of the ICHIP/Attachés' time and effort will contribute to the Department's efforts against intellectual property and cybercrime.

All foreign placements would be subject to approval of the State Department and individual embassies or consulates. Since conditions in these regions could change, countries in these regions will remain under review and the Division (in consultation with the State Department and the White House's Intellectual Property Enforcement Coordinator) will make a final determination regarding the locations in all six regions if these resources are funded.

**China:** China continues to be the largest source of trademark counterfeiting and copyright piracy in the world and bears a direct or indirect relationship to the majority of economic espionage and federal trade secret prosecutions in the United States. The Department has met with some success in developing joint investigations through the Intellectual Property Criminal Enforcement Working Group (IPCEWG) of the U.S.-China Joint Liaison Group for Law Enforcement Cooperation. However, an ongoing presence in the country will move existing cases at a faster pace and greatly increase the ability to address new investigations and leads in a timely manner.

**Eastern Europe:** There is a large amount of intellectual property and cybercrime in Eastern Europe. Romania would serve as strong base of operations for Eastern Europe because of the significant intellectual property and cybercrime activity within the country and because of the close relationship that exists with Romanian law enforcement. This position would build upon the strong foundation created by the State Department-funded IPLEC who was posted in Sofia, Bulgaria until March 2011.

**Latin America:** South America has a tremendously high concentration of countries facing serious intellectual property challenges. The 2010 U.S. Trade Representative's (USTR) *Special 301 Report* included Argentina, Chile and Venezuela on the *Priority Watch List*; Bolivia, Brazil, Colombia, Ecuador, and Peru on the *Watch List*, and Paraguay subject to monitoring pursuant to Section 306. Likewise, there is extensive cybercrime in the region. However, there is also strong interest from many governments in the region to improve enforcement efforts and electronic evidence collection. Numerous Latin American countries, for example, have indicated interest in becoming Parties to the Budapest Convention on Cybercrime and in receiving practical enforcement assistance from the U.S. An ICHIP/Attaché placed in Brazil or Argentina, for example, would be well positioned to guide the development of regional coordination of intellectual property and cybercrime enforcement efforts. The ICHIP/Attaché would also provide a link between affected U.S. companies and law enforcement officials responsible for intellectual property and cyber enforcement in the region.

**South Asia:** The violation of intellectual property rights, particularly counterfeiting and copyright piracy, are ongoing problems in a number of South Asian countries. India and Pakistan have each been listed on the USTR *Special 301 Priority Watch List* for several years, and, after China, are two of the largest sources of manufacture for counterfeit and unauthorized pharmaceuticals. The U.S. has invested in training law enforcement officials in Pakistan and investigators, prosecutors, and judges in India to improve the protection of intellectual property rights. Additionally, South Asia has a burgeoning information technology industry and an

increasingly electronically-sophisticated populace. Growing cyber threats and terrorism investigations in that region require enhanced law enforcement relationships and training to increase investigations, as well as cooperation in those investigations, that rely heavily on electronic evidence. A regional ICHIP/Attaché, most likely stationed at the U.S. Embassy in India, would substantially improve the opportunities to build on the foundation of training and develop joint cases.

**West Africa/Sub-Saharan Africa:** In recent years, there has been rapid growth in the import and sale of counterfeit goods into the developing economies of sub-Saharan Africa. Many of the counterfeits being sold are passed off as life-saving pharmaceuticals, including fake versions of anti-Malarial and AIDS medications. The high profit margins from the sale of counterfeits have attracted organized criminal groups to the business, resulting in further harm to the public and to the governments. Additionally, West Africa faces significant amounts of electronic fraud that will only increase as wider access to broadband in the region continues to grow. Law enforcement in West Africa and sub-Saharan Africa has indicated an interest in improving their law enforcement efforts to combat these problems as well as increasing their cooperation in ongoing cybercrime investigations. An ICHIP/Attaché stationed in either a Western African country or South Africa could monitor and extend the reach of training and capacity building efforts undertaken in the past by U.S. agencies and develop joint cases.

**Western Europe:** Several Western European nations are active partners in U.S. efforts to limit the damage caused by online copyright piracy and have cooperated with the U.S. in multi-national investigations. Other nations in the region have taken a less active role in addressing online infringement to the detriment of the industries relying on copyright protection. Spain is included on USTR's Special 301 list due to its limited efforts to reduce rampant online piracy. An appropriately placed ICHIP in Western Europe would be well positioned to support joint investigations, assist countries to develop more effective enforcement strategies, and provide assistance and training to developing economies in North Africa.

### **Domestic Intellectual Property Program Support for ICHIP/Attachés**

With the potential implementation of the ICHIP/Attaché program, there will be substantial need for support within the U.S., including attorneys, professional staff, and a cybercrime analyst.

**Attorneys:** Additional attorneys positioned at Criminal Division headquarters are necessary to meet the demands posed by increased international capacity and to ensure that ICHIP/Attaché resources are effectively used, managed, and supported. The Division's Computer Crime and Intellectual Property Section (CCIPS) provides subject matter expertise on computer and intellectual property crimes, manages the domestic Computer Hacking and Intellectual Property (CHIP) program, and has assisted in and overseen aspects of the prior IPLECs' responsibilities. CCIPS is also the Department's liaison to the National Intellectual Property Coordination Center ("IPR Center") and its 20 domestic and international partner agencies. Likewise, the Criminal Division's Office of International Affairs (OIA) oversees the Department's Attaché program and coordinates the extradition or other legal return of international fugitives and all international evidence-gathering. Attorneys in each office will ensure that foreign leads are provided and followed by U.S. investigative agencies, and that appropriate cases are pursued within the U.S. to

provide deterrence to foreign criminals and criminal organizations. Such attorneys will also provide legal support in the Northern District of California to address the overwhelming flow of legal process and evidentiary requests in intellectual property and cybercrime cases that are addressed to Silicon Valley companies.

**Professional Staff:** Additional professional staff is necessary to ensure the smooth administration of hiring, retention, and support of the ICHIP/Attaché program.

**Cybercrime Analyst:** In recent years, there has been a rapidly increasing demand for technical training by the CCIPS Cybercrime Lab by foreign countries seeking to develop expertise in cyber forensics and computer crime. The proposed additional cybercrime analyst will allow CCIPS to greatly increase the amount of training provided, while directly supporting foreign investigations.

This enhancement also requests individual travel and programming budgets to be administered by the ICHIPs within their regions as well as additional travel, litigation support, and domestic training resources that will be used to increase the capacity and effectiveness of the overall intellectual property program.

Impact on Performance (Relationship of Increase to Strategic Goals and Priority Goals):

These requested resources will directly support the Department's Strategic Goal 2: *Prevent crime, protect the rights of the American people, and enforce federal law*; Strategic Objective 2.4: *Combat corruption, economic crimes, and international organized crime*. In particular, they will allow the U.S. Government to:

- Develop the capacity of nations in several important regions to combat intellectual property and computer crimes;
- Increase the number and scope of cooperative international prosecutions targeting high-tech and intellectual property crimes;
- Increase coordination of international cases involving computer crimes, intellectual property crimes, and digital evidence;
- Build upon the successful integration of intellectual property and cybercrime expertise that currently exists in the domestic Computer Hacking and Intellectual Property (CHIP) Network;
- Replace the IPLEC for Eastern Europe, which will no longer be funded by the State Department; and
- Strengthen the DOJ Attaché program's ability to address transnational organized crime.

## Funding

### Base Funding

FY 2011 Enacted				FY 2012 Enacted				FY 2013 Current Services			
Pos	atty	FTE	\$(000)	Pos	atty	FTE	\$(000)	Pos	atty	FTE	\$(000)
19	17	19	\$ 4,255	20	17	20	\$ 4,712	20	17	20	\$ 4,772

### Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2013 Request (\$000)	FY 2014 Net Annualization (change from 2013) (\$000)	FY 2015 Net Annualization (change from 2014) (\$000)
Foreign Attorney	\$475	6	\$2,850	\$1,056	\$0
Attorney	\$131	3	\$393	\$291	\$0
Professional	\$76	5	\$380	\$150	\$250
<b>Total Personnel</b>		<b>14</b>	<b>\$3,623</b>	<b>\$1,497</b>	<b>\$250</b>

### Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2013 Request (\$000)	FY 2014 Net Annualization (Change from 2013) (\$000)	FY 2015 Net Annualization (Change from 2014) (\$000)
FSN	\$59	6	\$354	\$0	\$0
Travel	n/a	n/a	\$332	\$332	\$0
Training	n/a	n/a	\$691	\$691	\$0
<b>Total Non-Personnel</b>			<b>\$1,377</b>	<b>\$1,023</b>	<b>\$0</b>

### Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2014 Net Annualization (Change from 2013) (\$000)	FY 2015 Net Annualization (Change from 2014) (\$000)
Current Services	20	17	20	\$4,772	\$0	\$4,772	n/a	n/a
Increases	14	9	7	\$3,623	\$1,377	\$5,000	\$2,520	\$250
<b>Grand Total</b>	<b>34</b>	<b>26</b>	<b>27</b>	<b>\$8,395</b>	<b>\$1,377</b>	<b>\$9,772</b>	<b>\$2,520</b>	<b>\$250</b>



## VI. Program Offsets by Item

**Item Name:** IT Savings

**Budget Decision Unit(s):** Enforcing Federal Criminal Laws

**Strategic Goal(s) & Objective(s):** Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law  
Objective 1.1: Prevent, disrupt, and defeat terrorist operations before they occur  
Objective 1.2: Prosecute those involved in terrorist acts  
Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law  
Objective 2.1: Combat the threat, incidence, and prevalence of violent crime  
Objective 2.2: Prevent and intervene in crimes against vulnerable populations; uphold the rights of, and improve services to, America's crime victims  
Objective 2.3: Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs  
Objective 2.4: Combat corruption, economic crimes, and international organized crime

**Organizational Program:** Criminal Division

**Component Ranking of Item:** 1 of 1

**Program Reduction:** Positions 0 Atty 0 FTE 0 Dollars (\$382,000)

### Description of Item

The Criminal Division anticipates IT savings of \$382,000 as a result of the Department's effort to increase IT management efficiency and comply with OMB's direction to reform IT projects.

### Summary Justification

As part of its effort to increase IT management efficiency and comply with OMB's direction to reform IT management activities, the Department is implementing a cost saving initiative as well as IT transformation projects. To support cost savings, the Department is developing an infrastructure to enable DOJ components to better collaborate on IT contracting; which should result in lower IT expenditures. In FY 2013, the Department anticipates realizing savings on all direct non-personnel IT spending through IT contracting collaboration. These savings will not only support greater management efficiency within components but will also support OMB's IT Reform plan by providing resources to support major initiatives in cyber security, data center consolidation, and enterprise e-mail systems. The savings will also support other Department

priorities in the FY 2013 request. The offset to support these initiatives for the Criminal Division is \$382,000.

Impact on Performance (Relationship of Decrease to Strategic Goals and Priority Goals):

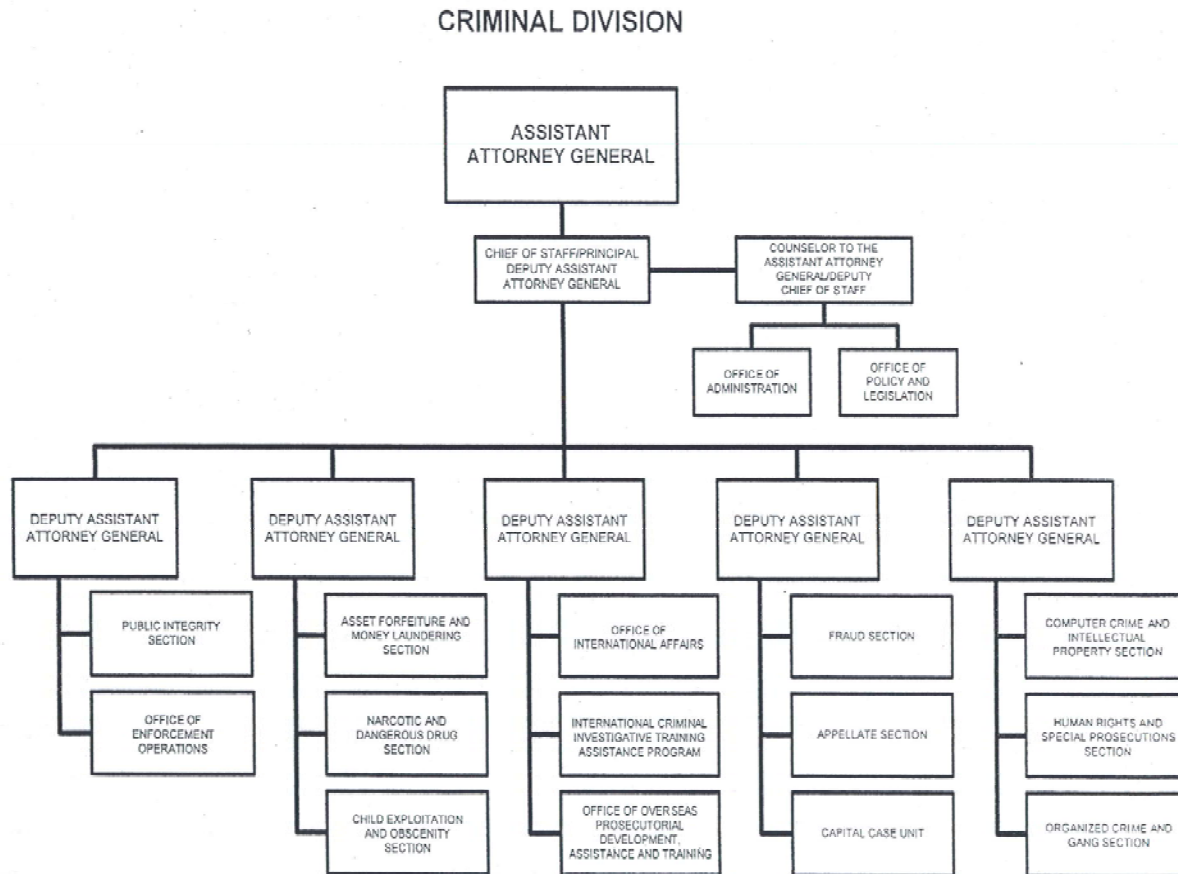
- Greater management efficiency within the Division
- Support OMB’s IT Reform Plan (specifically, cyber security, data consolidation, and enterprise e-mail systems initiatives)

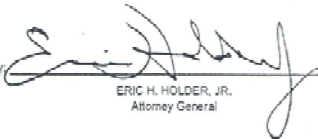
**Funding**

Non-Personnel Reduction Cost Summary

Non-Personnel Item	Unit	Quantity	FY 2013 Request (\$000)	FY 2014 Net Annualization (change from 2012) (\$000)	FY 2015 Net Annualization (change from 2013) (\$000)
Total Non-Personnel	N/A	N/A	\$382	N/A	N/A

**A: Organizational Chart**



Approved by  Date: 10/04/10  
ERIC H. HOLDER, JR.  
Attorney General

**B: Summary of Requirements**

**Summary of Requirements**  
 Criminal Division  
 Salaries and Expenses  
 (Dollars in Thousands)

	FY 2013 Request		
	Perm. Pos.	FTE	Amount
<b>2011 Enacted</b>	<b>751</b>	<b>748</b>	<b>\$174,001</b>
<b>2012 Enacted</b>	751	748	174,000
2012 Rescissions			
<b>Total 2012 Enacted (with Rescissions)</b>	<b>751</b>	<b>748</b>	<b>174,000</b>
Adjustments to Base			
Transfers:			
Transfers - JCON and JCON S/TS	0	0	694
Transfers - Office of Information Policy (OIP)	0	0	(111)
Transfers - Office of Tribal Justice (OTJ) to GA	(1)	(1)	(336)
Transfers - Professional Responsibility Advisory Office (PRAO)	0	0	(200)
Subtotal Transfers	(1)	(1)	47
Increases:			
Pay and Benefits	0	0	1,648
Domestic Rent and Facilities	0	0	1,697
Foreign Expenses	0	0	(1,537)
Subtotal Increases	0	0	1,808
Total Adjustments to Base	(1)	(1)	1,855
Total Adjustments to Base and Technical Adjustments	(1)	(1)	1,855
<b>2013 Current Services</b>	<b>750</b>	<b>747</b>	<b>175,855</b>
Program Changes			
Increases:			
Financial Fraud	28	14	5,000
Intellectual Property	14	7	5,000
Subtotal Increases	42	21	10,000
Offsets:			
IT Savings	0	0	(382)
Subtotal Offsets	0	0	(382)
Total Program Changes	42	21	9,618
<b>2013 Total Request</b>	<b>792</b>	<b>768</b>	<b>185,473</b>
2012 - 2013 Total Change	41	20	11,473

NOTE: All FTE numbers in this table reflect authorized FTE, which is the total number of FTE available to a component. Because the FY 2013 President's Budget Appendix builds the FTE request using actual FTE rather than authorized, it may not match the FY 2012 FTE enacted and FY 2013 FTE request reflected in this table.

**Summary of Requirements**  
**Criminal Division**  
**Salaries and Expenses**  
(Dollars in Thousands)

Estimates by budget activity	2011 Appropriation Enacted			2012 Enacted			2013 Adjustments to Base and Technical Adjustments			2013 Current Services			2013 Increases			2013 Offsets			2013 Request		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Enforcing Federal Criminal Laws	751	748	174,001	751	748	174,000	(1)	(1)	1,855	750	747	175,855	42	21	10,000	0	0	(382)	792	768	185,473
<b>Total</b>	<b>751</b>	<b>748</b>	<b>\$174,001</b>	<b>751</b>	<b>748</b>	<b>\$174,000</b>	<b>(1)</b>	<b>(1)</b>	<b>\$1,855</b>	<b>750</b>	<b>747</b>	<b>\$175,855</b>	<b>42</b>	<b>21</b>	<b>\$10,000</b>	<b>0</b>	<b>0</b>	<b>-\$382</b>	<b>792</b>	<b>768</b>	<b>\$185,473</b>
Reimbursable FTE		328			343			0		343			0		0		0			343	
Total FTE		1,076			1,091			(1)		1,090			21		0		0			1,111	
Other FTE:																					0
LEAP																					
Overtime		[2]			[2]					[2]											[2]
Total Comp. FTE		1,076			1,091			(1)		1,090			21		0		0				1,111

**C: Program Increases/Offsets By Decision Unit**

**FY 2013 Program Increases/Offsets By Decision Unit**  
**Criminal Division**  
(Dollars in Thousands)

Program Increases	Location of Description by Decision Unit	Enforcing Federal Criminal Laws				Total Increases
		Pos.	Atty.	FTE	Amount	
Financial Fraud	Enforcing Federal Criminal Laws	28	16	14	5,000	5,000
Intellectual Property	Enforcing Federal Criminal Laws	14	9	7	5,000	5,000
<b>Total Program Increases</b>		<b>42</b>	<b>25</b>	<b>21</b>	<b>\$10,000</b>	<b>\$10,000</b>
Program Offsets	Location of Description by Decision Unit	Enforcing Federal Criminal Laws				Total Offsets
		Pos.	Atty.	FTE	Amount	
IT Savings	Enforcing Federal Criminal Laws	0	0	0	(382)	(382)
<b>Total Offsets</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(\$382)</b>	<b>(\$382)</b>

**D: Resources by DOJ Strategic Goal and Strategic Objective**

**Resources by Department of Justice Strategic Goal/Objective  
Criminal Division  
(Dollars in Thousands)**

Strategic Goal and Strategic Objective	2011 Appropriation Enacted		2012 Enacted		2013 Current Services		2013				2013 Request	
	Direct, Reimb. Other FTE	Direct Amount \$000s	Direct, Reimb. Other FTE	Direct Amount \$000s	Direct, Reimb. Other FTE	Direct Amount \$000s	Increases		Offsets		Direct, Reimb. Other FTE	Direct Amount \$000s
							Direct, Reimb. Other FTE	Direct Amount \$000s	Direct, Reimb. Other FTE	Direct Amount \$000s		
<b>Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law</b>												
1.1 Prevent, disrupt, and defeat terrorist operations before they occur	68	8,232	69	8,334	69	8,494	0	0	0	0	69	8,494
1.2 Prosecute those involved in terrorist act	82	11,209	82	11,209	83	11,431	0	0	0	0	83	11,431
1.3 Combat espionage against the United States					0	0					0	0
<b>Subtotal, Goal 1</b>	<b>150</b>	<b>19,441</b>	<b>151</b>	<b>19,543</b>	<b>152</b>	<b>19,925</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>152</b>	<b>19,925</b>
<b>Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law</b>												
2.1 Combat the threat, incidence, and prevalence of violent crime	150	27,398	149	27,130	149	27,364				(67)	149	27,297
2.2 Prevent and intervene in crimes against vulnerable populations, uphold the rights of, and improve services to, America's crime victims	81	16,140	80	15,906	80	16,059				(39)	80	16,020
2.3 Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs	243	39,336	250	39,536	249	39,919				(98)	249	39,821
2.4 Combat corruption, economic crimes, and international organized crim	418	70,534	427	70,768	426	71,464	21	10,000		(175)	447	81,289
2.5 Promote and protect Americans' civil rights	34	1,152	34	1,117	34	1,124				(3)	34	1,121
2.6 Protect the federal fisc and defend the interests of the United State					0	0					0	0
<b>Subtotal, Goal 2</b>	<b>926</b>	<b>154,560</b>	<b>940</b>	<b>154,457</b>	<b>938</b>	<b>155,930</b>	<b>21</b>	<b>10,000</b>	<b>0</b>	<b>(382)</b>	<b>959</b>	<b>165,548</b>
<b>GRAND TOTAL</b>	<b>1,076</b>	<b>\$174,001</b>	<b>1,091</b>	<b>\$174,000</b>	<b>1,090</b>	<b>\$175,855</b>	<b>21</b>	<b>\$10,000</b>	<b>0</b>	<b>(\$382)</b>	<b>1,111</b>	<b>\$185,473</b>

## E. Justification for Base Adjustments

### Justification for Base Adjustments Criminal Division

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>Transfers</u>			
<u>Transfer of JCON and JCON S/TS to the Criminal Division.</u> A transfer of \$694,000 to the Criminal Division is included in support of the Department's Justice Consolidated Office Network (JCON) and JCON S/TS programs which, will be moved to the Working Capital Fund and provided as a billable service in FY 2013.	0	0	694
<u>Transfer to Office of Information Policy (OIP)</u> The component transfers for the Office of Information Policy (OIP) into the General Administration appropriation will centralize appropriated funding and eliminate the current reimbursable financing process. The centralization of the funding is administratively advantageous because it eliminates the paper-intensive reimbursement process. The FY 2013 transfer amounts for OIP are based on the FY 2010 actual costs plus standard inflation per year (the average increase over the past three years) to bridge to FY 2013 amounts. The amount per component is based on the average percentage of total costs paid by that component since 2007.	0	0	-111
<u>Transfer to Office of Tribal Justice (OTJ)</u> This request transfers 1 attorney position, 1 FTE, and \$336,000 from the Criminal Division to the Office of Tribal Justice. These funds will be transferred to the General Administration appropriation based on Department guidance.	-1	-1	-336
<u>Transfer to Professional Responsibility Advisory Office (PRAO)</u> The component transfers for the Professional Responsibility Advisory Office (PRAO) into the General Administration appropriation will centralize appropriated funding and eliminate the current reimbursable financing process. The centralization of the funding is administratively advantageous because it eliminates the paper-intensive reimbursement process. The FY 2013 transfer amounts for PRAO are based on the FY 2010 actual costs plus standard inflation per year (the average increase over the past three years) to bridge to FY 2013 amounts. The amount per component is based on the average percentage of total costs paid by that component since 2007.	0	0	-200
<u>Increases</u>			
<u>2013 Pay Raise.</u> This request provides for a proposed 0.5 percent pay raise to be effective in January of 2013. The increase only includes the general pay raise. The amount request, \$408,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$315,160,000 for pay and \$92,840 for benefits.)	0	0	408
<u>Retirement.</u> Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on OPM government-wide estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 1.3 percent per year. The requested increase of \$237,000 is necessary to meet our increased retirement obligations as a result of this conversion.	0	0	237
<u>Employees Compensation Fund.</u> The \$74,000 increase reflects payments to the Department of Labor for injury benefits paid in the past year under the Federal Employee Compensation Act. This estimate is based on the first quarter of prior year billing and current year estimates.	0	0	74



	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>FERS Rate Increase.</u> On June 11, 2010, the Board of Actuaries of the Civil Service Retirement System recommended a new set of economic assumptions for the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). In accordance with this change, effective October 1, 2011 (FY 2012), the total Normal Cost of Regular retirement under FERS will increase from the current level of 12.5% of pay to 12.7%. The total FERS contribution for Law Enforcement retirement will increase from 27.0% to 27.6%. This will result in new agency contribution rates of 11.9% for normal costs (up from the current 11.7%) and 26.3% for law enforcement personnel (up from the current 25.7%). The amount requested, \$171,000, represents the funds needed to cover this increase.	0	0	171
<u>Health Insurance.</u> Effective January 2013, this component's contribution to Federal employees' health insurance premiums increased by 5.1 percent. Applied against the 2011 estimate of \$81,636,000, the additional amount required is \$338,000.	0	0	338
<u>Changes in Compensable Days</u> The increases cost for one compensable day in FY 2013 compared to FY 2012 is calculated by dividing the FY 2012 estimated personnel compensation \$92,099,000 and applicable benefits \$15,474,000 by 261 compensable days.	0	0	420
<u>General Services Administration (GSA) Rent.</u> GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$1,369,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective in FY 2013 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provided data on the rate increases.			1,369
<u>Security Charges.</u> Guard Service includes those costs paid directly by DOJ and those paid to Department of Homeland Security (DHS). The requested increase of \$328,000 is required to meet our commitment to DHS and other security costs.			328
<u>Overseas Capital Security Cost Sharing (CSCS).</u> Overseas Capital Security Cost Sharing (CSCS). The Department of State (DOS) is in the midst of a 14-year, \$17.5 billion embassy construction program, with a plan to build and maintain approximately 150 new diplomatic and consular compounds. DOS allocates these costs through a Capital Security Cost Sharing Program in which each agency contributes funding. The estimated cost to the Criminal Division in FY 2013 is less than amounts charged in prior years. The ATB decrease requested for CSCS reflects the reduced FY 2013 estimate.	0	0	-1,537
<b>Total ATB:</b>	-1	-1	\$1,855

**F: Crosswalk of 2011 Availability**

**Crosswalk of 2011 Availability**

Criminal Division  
Salaries and Expenses  
(Dollars in Thousands)

Decision Unit	FY 2011 Enacted Without Balance Rescissions			Balance Rescissions			Reprogrammings / Transfers			Reallocations			Carryover Amount	Recoveries Amount	2011 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount			Pos.	FTE	Amount
Enforcing Federal Criminal Laws	751	748	174,001	0	0	0	0	0	7,277	0	0	2,232	6,773	21	751	748	190,304
<b>TOTAL</b>	<b>751</b>	<b>748</b>	<b>\$174,001</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$7,277</b>	<b>0</b>	<b>0</b>	<b>\$2,232</b>	<b>\$6,773</b>	<b>\$21</b>	<b>751</b>	<b>748</b>	<b>\$190,304</b>
Reimbursable FTE		328														328	
Total FTE		1,076			0			0			0		0			1,076	
Other FTE																	
LEAP																	0
Overtime		[2]															[2]
Total Compensable FTE		1,076			0			0			0					1,076	

Reprogramming/Transfers: Funding includes transfers from the Department of State in the amount of \$7,277,000 to support the Afghanistan training program.

Reallocations: Funding was reallocated to the Criminal Division from the ALS fund in the amount of \$1.0 million and from ENRD for Deepwater Oil Spill support in the amount of \$1,231,915.

Carryover: Funding includes \$268,733 for FARA, \$548,878 for ALS, \$2,405,000 for Afghanistan training, and \$3,550,000 for SWB supplemental funding.

Recoveries: Funding includes \$21,113 for ALS recoveries.

**G: Crosswalk of 2012 Availability**

**Crosswalk of 2012 Availability**

Criminal Division  
Salaries and Expenses  
(Dollars in Thousands)

Decision Unit	FY 2012 Enacted Without Balance Rescissions			Balance Rescissions			Reprogrammings / Transfers			Reallocations			Carryover	Recoveries	2012 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
Enforcing Federal Criminal Laws	751	748	174,000	0	0	0	0	0	(269)	0	0	0	4,367	0	751	748	178,098
<b>TOTAL</b>	<b>751</b>	<b>748</b>	<b>\$174,000</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>(\$269)</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$4,367</b>	<b>\$0</b>	<b>751</b>	<b>748</b>	<b>\$178,098</b>
Reimbursable FTE		343														343	
Total FTE		1,091			0			0			0					1,091	
Other FTE																	
LEAP		0			0			0			0					0	
Overtime		[2]			0			0			0					[2]	
Total Compensable FTE		1,091			0			0			0					1,091	

Reprogrammings/Transfers: Criminal Division will transfer \$296K from their carryover resources of the FARA program to the National Security Division where the program currently exists.

Carryover: Funding includes \$268,733 for FARA, \$297,097 for ALS, \$2,600,000 for Afghanistan training, and \$1,200,679 for Deepwater Oil Spill.

**H: Summary of Reimbursable Resources**

**Summary of Reimbursable Resources**

Criminal Division  
Salaries and Expenses  
(Dollars in Thousands)

Collections by Source	2011 Enacted			2012 Planned			2013 Request			Increase/Decrease		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
U.S. Department of State	183	183	187,006	183	183	157,340	183	183	213,356	0	0	56,016
Interagency Crime and Drug Enforcement	14	14	2,072	13	13	2,072	13	13	2,097	0	0	25
All Other Sources	131	131	49,001	147	147	53,001	147	147	63,728	0	0	10,727
<b>Budgetary Resources:</b>	<b>328</b>	<b>328</b>	<b>\$238,079</b>	<b>343</b>	<b>343</b>	<b>\$212,413</b>	<b>343</b>	<b>343</b>	<b>\$279,181</b>	<b>0</b>	<b>0</b>	<b>\$66,768</b>

**I: Detail of Permanent Positions by Category**

**Detail of Permanent Positions by Category**  
Criminal Division  
Salaries and Expenses

Category	2011 Enacted		2012 Enacted		2013 Request					
	Total Authorized	Total Reimbursable	Total Authorized	Total Reimbursable	ATBs	Program Increases	Program Decreases	Total Pr. Changes	Total Authorized	Total Reimbursable
Intelligence Series (132)	1	0	1	0					1	0
Personnel Management (200-299)	10	0	10	0					10	0
Clerical and Office Services (300-399)	148	70	148	81		4		4	152	81
Accounting and Budget (500-599)	10	35	10	35		4		4	14	35
Attorneys (905)	440	191	440	195	(1)	25		25	464	195
Paralegals / Other Law (900-998)	90	25	90	25		5		5	95	25
Information & Arts (1000-1099)	1	1	1	1					1	1
Business & Industry (1100-1199)	2	0	2	0					2	0
Library (1400-1499)	4	0	4	0					4	0
Equipment/Facilities Services (1600-1699)	0	0	0	0					0	0
Forensic Scientist (1301)	0	4	0	4					0	4
Gen. Insp/Inv./Inv. Analysis (1801/1805)	0	0	0	0		3		3	3	0
Criminal Investigative Series (1811)	0	0	0	0					0	0
Supply Services (2000-2099)	0	0	0	0					0	0
Travel Services Specialist (2101)	0	1	0	1					0	1
Information Technology Mgmt (2210)	24	1	24	1		1		1	25	1
Security Specialists (080)	20	0	20	0					20	0
Soc. Sci., Econ., & Kindred (100-199)	1	0	1	0					1	0
<b>Total</b>	<b>751</b>	<b>328</b>	<b>751</b>	<b>343</b>	<b>(1)</b>	<b>42</b>	<b>0</b>	<b>42</b>	<b>792</b>	<b>343</b>
Headquarters (Washington, D.C.)	737	195	737	210	(1)	36		36	772	210
U.S. Field										
Foreign Field	14	133	14	133		6		6	20	133
<b>Total</b>	<b>751</b>	<b>328</b>	<b>751</b>	<b>343</b>	<b>(1)</b>	<b>42</b>	<b>0</b>	<b>42</b>	<b>792</b>	<b>343</b>

# J: Financial Analysis of Program Changes

## Financial Analysis of Program Changes

Criminal Division  
Salaries and Expenses  
(Dollars in Thousands)

	Enforce Federal Criminal Laws							
	Financial Fraud		Intellectual Property		Offset - IT Savings		Program Changes	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
<b>Grades:</b>								
SES							0	0
GS-15							0	0
GS-14	16	1,962	9	1,103			25	3,065
GS-13							0	0
GS-12							0	0
GS-11							0	0
GS-10							0	0
GS-9	9	478	5	265			14	743
GS-8							0	0
GS-7	3	130					3	130
GS-5							0	0
Total positions & annual amount	28	2,570	14	1,368	0	0	42	3,938
Lapse (-)	(14)	(1,285)	(7)	(684)	0	0	(21)	(1,969)
Other personnel compensation				483			0	483
Total FTE & personnel compensation	14	1,285	7	1,167	0	0	21	2,452
Personnel benefits		347		523			0	870
Travel and transportation of persons		75		377			0	452
Transportation of things		25		478			0	503
GSA rent		0		0			0	0
Communication, rents, and utilities		83		240			0	323
Printing		1		1			0	2
Advisory and assistance services		0		0			0	0
Other services		2,170		773		(382)	0	2,561
Purchases of goods & services from Government accounts		143		605			0	748
Medical Care		2		57			0	59
Research and development contracts		0		0			0	0
Operation and maintenance of equipment		0		0			0	0
Supplies and materials		26		13			0	39
Equipment		459		573			0	1,032
Buildout		384		193			0	577
<b>Total, 2013 Program Changes Requested</b>	<b>14</b>	<b>\$5,000</b>	<b>7</b>	<b>\$5,000</b>	<b>0</b>	<b>(\$382)</b>	<b>21</b>	<b>\$9,618</b>

**K: Summary of Requirements by Grade**

**Summary of Requirements by Grade**

Criminal Division  
Salaries and Expenses

Grades and Salary Ranges	2011 Enacted w/Rescissions		2012 Enacted		2013 Request		Increase/Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
EX, \$145,700 - 199,700	1		1		1		0	
SES, \$119,554 - 179,700	38		38		38		0	
SL, \$119,554 - 179,700	6		6		6		0	
GS-15, \$123,758 - 155,500	396		396		395		(1)	
GS-14, \$105,211 - 136,771	58		58		83		25	
GS-13, \$89,033 - 115,742	55		55		55		0	
GS-12, \$74,872 - 97,333	41		41		41		0	
GS-11, \$62,467 - 81,204	55		55		55		0	
GS-10, \$56,857 - 73,917	0		0		0		0	
GS-9, \$51,630 - 67,114	45		45		59		14	
GS-8, \$46,745 - 60,765	20		20		20		0	
GS-7, \$42,209 - 54,875	21		21		24		3	
GS-6, \$37,983 - 49,375	7		7		7		0	
GS-5, \$34,075 - 44,293	4		4		4		0	
GS-4, \$30,456 - 39,590	4		4		4		0	
<b>Total, Appropriated Positions</b>	<b>751</b>		<b>751</b>		<b>792</b>		<b>41</b>	
<b>Average SES Salary</b>		<b>\$150,140</b>		<b>\$150,140</b>		<b>\$150,140</b>		
<b>Average GS Salary</b>		<b>\$112,972</b>		<b>\$112,972</b>		<b>\$111,922</b>		
<b>Average GS Grade</b>		<b>13</b>		<b>13</b>		<b>13</b>		

## L: Summary of Requirements by Object Class

### Summary of Requirements by Object Class

Criminal Division  
Salaries and Expenses  
(Dollars in Thousands)

Object Classes	2011 Actuals		2012 Estimate		2013 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Direct FTE & personnel compensation	652	\$79,751	673	\$79,939	694	\$81,046	21	\$1,107
11.3 Other than full-time permanent	78	\$9,487	75	8,905	74	8,700	(1)	(205)
11.5 Total, Other personnel compensation	2	\$1,686	0	1,279	0	1,250	0	(29)
<i>Overtime</i>							0	0
<i>Other Compensation</i>							0	0
11.8 Special personal services payments		\$2,272		1,945		1,900	0	(45)
<b>Total</b>	<b>732</b>	<b>93,196</b>	<b>748</b>	<b>92,068</b>	<b>768</b>	<b>92,896</b>	<b>20</b>	<b>828</b>
Other Object Classes:								
12.0 Personnel benefits		24,626		23,543		24,604		1,061
13.0 Benefits to Former Personnel		650		51		50		(1)
21.0 Travel and transportation of persons		4,815		4,621		4,950		329
22.0 Transportation of things		1,199		1,150		1,623		473
23.1 GSA rent		26,870		26,814		27,469		655
23.2 Moving/Lease Expirations/Contract Parking		1,734		1,740		1,694		(46)
23.3 Comm., util., & other misc. charges		3,603		3,582		3,810		228
24.0 Printing and reproduction		143		137		136		(1)
25.1 Advisory and assistance services		5,909		5,230		5,091		(139)
25.2 Other services		13,015		14,058		17,265		3,207
25.3 Purchases of goods & services from Government accounts (Antennas, DHS Sec. Etc.)		1,046		1,535		705		(830)
25.4 Operation and maintenance of facilities		0		0		0		0
25.5 Research and development contracts		0		0		0		0
25.6 Medical Care		96		93		150		57
25.7 Operation and maintenance of equipment		149		205		200		(5)
26.0 Supplies and materials		2,588		1,224		1,228		4
31.0 Equipment		4,312		2,047		3,025		978
32.0 Builldout		0		0		577		577
<b>Total obligations</b>		<b>\$183,951</b>		<b>\$178,098</b>		<b>\$185,473</b>		<b>\$7,375</b>
Reallocations		(\$2,232)						
Unobligated balance, start of year		(6,773)		(4,367)				
Unobligated balance, expiring		1,986						
Unobligated balance, end of year		4,367						
Recoveries of prior year obligations		(21)						
Transfers		(7,277)		269				
<b>Total DIRECT requirements</b>		<b>174,001</b>		<b>174,000</b>		<b>185,473</b>		
Reimbursable FTE:								
Full-time permanent	250		343		343			
23.1 GSA rent (Reimbursable)		\$2,394		\$2,753		\$3,166		
25.3 DHS Security (Reimbursable)								