

**FY 2015
Performance Budget
Congressional Submission**



NATIONAL SECURITY DIVISION

U.S. Department of Justice

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I. Overview for National Security Division

A. Introduction

The National Security Division (NSD) is responsible for combating terrorism and other threats to the national security—the Department of Justice’s (DOJ’s) highest priority. To sustain mission needs, NSD requests for FY 2015 a total of 383 positions (including 249 attorneys), 345 FTE, and \$91,800,000.¹

B. Background

In recent years, NSD engaged in a comprehensive strategic assessment of the Division’s current operations and future requirements. As a result of that assessment, NSD has outlined four areas of new or renewed focus that will guide its operations in the coming years. They are:

- Combating cyber threats to the national security and protecting national security assets;
- Enhancing NSD’s intelligence programs and expanding its intelligence oversight function;
- Continuing to bring an all-tools, integrated approach to NSD’s work, while also adapting to address the changing face of terrorism; and
- Reinvigorating NSD’s development into a mature Division – capable of keeping pace with its national security partners and outpacing the threats this nation faces.

All of the program increases reflected in NSD’s FY 2015 request map to these strategic goals and priorities and will ensure that NSD remains best positioned to fulfill the Department’s top priority mission in the face of increasing challenges and a growing and evolving threat. NSD’s assessment of the challenges inherent in fully realizing its goals in these areas are outlined more fully in section I.D., Performance Challenges.

Division Structure

The NSD consolidates within a single Division the Department’s primary national security elements outside of the Federal Bureau of Investigation (FBI), which currently are the:

- Office of Intelligence (OI);
- Counterterrorism Section (CTS);
- Counterespionage Section (CES);

¹ Within the totals outlined above, NSD has included a total of 14 positions, 14 FTE, and \$14,299,000 for Information Technology (IT).

- Law and Policy Office (L&P); and
- Office of Justice for Victims of Overseas Terrorism (OVT).

This organizational structure strengthens the effectiveness of the Department's national security efforts by ensuring greater coordination and unity of purpose between prosecutors, law enforcement agencies, intelligence attorneys, and the Intelligence Community (IC).

NSD Major Responsibilities

Intelligence Operations and Litigation

- Ensuring that IC agencies have the legal tools necessary to conduct intelligence operations.
- Representing the United States before the Foreign Intelligence Surveillance Court (FISC) to obtain authorization under the Foreign Intelligence Surveillance Act (FISA) for government agencies to conduct intelligence collection activities;
- Coordinating and supervising intelligence-related litigation matters, including the evaluation and review of requests to use information collected under FISA in criminal and non-criminal proceedings and to disseminate FISA information; and
- Serving as the Department's primary liaison to the Director of National Intelligence and the IC.

Counterterrorism

- Promoting and overseeing a coordinated national counterterrorism enforcement program, through close collaboration with Department leadership, the National Security Branch of the FBI, the IC, and the 94 United States Attorneys' Offices (USAOs);
- Developing national strategies for combating emerging and evolving terrorism threats, including the threat of cyber-based terrorism;
- Overseeing and supporting the Anti-Terrorism Advisory Council (ATAC) program by: 1) collaborating with prosecutors nationwide on terrorism matters, cases, and threat information; 2) maintaining an essential communication network between the Department and USAOs for the rapid transmission of information on terrorism threats and investigative activity; and 3) managing and supporting ATAC activities and initiatives;
- Consulting, advising, and collaborating with prosecutors nationwide on international and domestic terrorism investigations, prosecutions, and appeals, including the use of classified evidence through the application of the Classified Information Procedures Act (CIPA);
- Sharing information with and providing advice to international prosecutors, agents, and investigating magistrates to assist in addressing international threat information and litigation initiatives; and

- Managing DOJ’s work on counter-terrorist financing programs, including supporting the process for designating Foreign Terrorist Organizations and Specially Designated Global Terrorists as well as staffing U.S. Government efforts on the Financial Action Task Force.

Counterespionage

- Supporting and supervising the investigation and prosecution of espionage and related cases through coordinated efforts and close collaboration with Department leadership, the FBI, the IC, and the 94 USAOs;
- Developing national strategies for combating the emerging and evolving threat of cyber-based espionage and state-sponsored cyber intrusions;
- Assisting in and overseeing the expansion of investigations and prosecutions into the unlawful export of military and strategic commodities and technology, including by assisting and providing guidance to USAOs in the establishment of Export Control Proliferation Task Forces;
- Coordinating and providing advice in connection with cases involving the unauthorized disclosure of classified information and supporting resulting prosecutions by providing advice and assistance with the application of CIPA; and
- Enforcing the Foreign Agents Registration Act of 1938 (FARA) and related disclosure statutes.

Oversight and Reporting

- Overseeing certain foreign intelligence, counterintelligence, and other national security activities of IC components to ensure compliance with the Constitution, statutes, and Executive Branch policies to protect individual privacy and civil liberties;
- Monitoring certain intelligence and counterintelligence activities of the FBI to ensure conformity with applicable laws and regulations, FISC orders, and Department procedures, including the foreign intelligence and national security investigation provisions of the Attorney General’s Guidelines for Domestic FBI Operations; and
- Fulfilling statutory, Congressional, and judicial reporting requirements related to intelligence, counterintelligence, and other national security activities.

Policy and Other Legal Issues

- Handling appeals in cases involving national security-related prosecutions, and providing views on appellate issues that may impact national security in other civil, criminal, and military commissions cases;
- Providing legal and policy advice on the national security aspects of cybersecurity policy and cyber-related operational activities;
- Providing advice and support on national security issues that arise in an international context, including assisting in bilateral and multilateral engagements with foreign

governments and working to build counterterrorism capacities of foreign governments and enhancing international cooperation;

- Providing advice and support on legislative matters involving national security issues, including developing and commenting on legislation, supporting Departmental engagements with members of Congress and Congressional staff, and preparing testimony for senior Division/Department leadership;
- Providing legal assistance and advice on matters arising under national security laws and policies, and overseeing the development, coordination, and implementation of Department-wide policies with regard to intelligence, counterintelligence, counterterrorism, and other national security matters; handling issues related to classification and declassification of records, records management, and freedom of information requests and related litigation; and
- Developing a training curriculum for prosecutors and investigators on cutting-edge tactics, substantive law, and relevant policies and procedures.

Foreign Investment

- Performing the Department's staff-level work on the Committee on Foreign Investment in the United States (CFIUS), which reviews foreign acquisitions of domestic entities that might affect national security and makes recommendations to the President on whether such transactions are a threat;
- Tracking and monitoring certain transactions that have been approved, including those subject to mitigation agreements, and identifying unreported transactions that might merit CFIUS review;
- Responding to Federal Communications Commission (FCC) requests for the Department's views relating to the national security implications of certain transactions relating to FCC licenses; and
- Tracking and monitoring certain transactions that have been approved pursuant to this process.

Victims of Terrorism

- Prioritizing within the Department the investigation and prosecution of terrorist attacks that have resulted in the deaths and/or injuries of American citizens overseas; and
- Ensuring that the rights of victims and their families are honored and respected, and that victims and their families are supported and informed during the criminal justice process.

NSD Recent Accomplishments (unclassified selections only)

- Continued to lead the nation's counterterrorism enforcement program through collaboration with Department leadership, the FBI, the IC, and the USAOs.

- Conducted a top-to-bottom review of existing efforts to combat cyber threats to the national security (i.e., cyber-based terrorism, cyber-based espionage, and other state-sponsored cyber intrusions) to develop a baseline and chart a strategic vision for the future.
- Established a National Security Cyber Specialist Network to coordinate the Division's work to combat cyber threats to the national security, and to work with other components and the USAOs to ensure that the Department takes an all-tools approach to the problem.
- Selected a liaison to the FBI's National Cyber Investigative Joint Task Force to assist with intelligence-related issues and facilitate exploration of prosecution options.
- Continued to support the Intelligence Community by seeking authority under FISA with the FISC.
- Designated 185 international terrorism events to allow for U.S. victim compensation and reimbursement under the International Terrorism Victim Expense Reimbursement Program (ITVERP).
- Combated the growing threat posed by the illegal foreign acquisition of controlled U.S. military and strategic technologies through the National Export Enforcement Initiative.
- Successfully investigated and prosecuted national security threat actors – specific examples detailed below.
- Managed an increased workload associated with the CFIUS.
- Established a Joint Task Force with the Department of State to be activated in the event of a terrorist incident against American citizens overseas.

C. Full Program Costs

The NSD has a single decision unit. Its program activities include intelligence, counterterrorism, and counterespionage, which are related to DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law, and its four Objectives. The costs by program activity include the activity's base funding plus an allocation of management, administration, and L&P overhead costs. The overhead cost is allocated based on the percentage of the total cost comprised by each of the four program activities.

D. Performance Challenges

Protecting the nation's security is the top priority for the Department, and NSD's work is critical to that mission. However, as the threats facing this nation continue to grow and evolve, the challenges NSD must overcome also continue to increase. These challenges include:

1. the recent recognition of a significant growth of cyber threats to the national security;
2. the changing face of terrorism and the risks posed by homegrown violent extremists;
3. an increasing workload in intelligence oversight, operations, and litigation; and

4. difficulties inherent in supporting the development of a young Division in an ever-changing environment.

Among the most significant challenges that NSD faces is the rapid expansion and evolution of cyber threats to the national security. Representatives from the IC have assessed that the cyber threat may soon surpass that of traditional terrorism, and NSD must be prepared to take lessons learned over the past decade and adapt them to this new threat. Cyber threats, which are highly technical in nature, require time-intensive and complex investigative and prosecutorial work, particularly given their novelty, the difficulties of attribution, challenges presented by electronic evidence, the speed and global span of cyber activity, and the balance between prosecutorial and intelligence-related interests in any given case. To meet this growing threat head on, NSD must equip its personnel with cyber-related skills through additional training while recruiting and hiring individuals with cyber skills who can dedicate themselves full-time to these issues immediately. The window of opportunity for getting ahead of this threat is narrow; closing the gap between our present capabilities and our anticipated needs in the near future will require significant resources and commitment.

The threat posed by terrorism has also evolved, having grown and splintered in recent years. Lone wolves and homegrown violent extremists have grown in national prominence, and identifying and disrupting these isolated actors and their operations pose distinct challenges for investigators and prosecutors.

Given the complexity—and range—of the Department’s national security prosecutions and investigations, NSD has seen steady growth in the work driven by oversight obligations pertaining to national security activities – which ensure that congressional oversight committees are fully informed regarding such activities, as well as in the number of FISA applications filed before the FISC, and requests for assistance in criminal litigation involving FISA-derived information. This growth has outpaced attrition and has brought increased workloads, which are unlikely to diminish in the foreseeable future.

E. Environmental Accountability

NSD is committed to environmental wellness and participates in DOJ’s green programs.

II. Summary of Program Changes

Item Name	Description			Page	
		Pos.	FTE		Dollars (\$000)
Miscellaneous Program and Administrative Reductions	Program and administrative reductions to be identified once funds are appropriated.	0	0	(\$5,905)	34
TOTAL, NSD		0	0	(\$5,905)	

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES, NATIONAL SECURITY DIVISION

For expenses necessary to carry out the activities of the National Security Division, \$91,800,000, of which not to exceed \$5,000,000 for information technology systems shall remain available until expended: Provided, That notwithstanding section 205 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for the activities of the National Security Division, the Attorney General may transfer such amounts to this heading from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the preceding proviso shall be treated as a reprogramming under section 505 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

Analysis of Appropriations Language

No change proposed.

IV. Program Activity Justification

National Security Division

<i>National Security Division</i>	Perm. Pos.	FTE	Amount
2013 Enacted w/ Rescissions and Sequester	364	312	\$83,795,000
2014 Enacted	383	336	91,800,000
Adjustments to Base and Technical Adjustments	0	9	5,905,000
2015 Current Services	383	345	97,705,000
2015 Program Offsets	0	0	(5,905,000)
2015 Request	383	345	91,800,000
Total Change 2014-2015	0	9	\$0

1. Program Description

The National Security Division (NSD) is responsible for overseeing terrorism investigations and prosecutions; handling counterespionage cases and matters; protecting critical national assets from national security threats, and assisting the Attorney General and other senior Department and Executive Branch officials in ensuring that the national security-related activities of the United States are consistent with relevant law.

In coordination with the FBI, the IC, and the USAOs, NSD's primary operational functions are to prevent acts of terrorism and espionage from being perpetrated in the United States by foreign powers and to facilitate the collection of information regarding the activities of foreign agents and powers. The NSD also advises the Attorney General on all matters relating to the national security activities of the United States, and develops strategies for emerging national security threats – including cyber threats to the national security.

On the intelligence front, NSD administers the U.S. Government's national security program for conducting electronic surveillance and physical search of foreign powers and agents of foreign powers pursuant to FISA, and conducts oversight of certain activities of the IC components and the FBI's foreign intelligence and counterintelligence investigations pursuant to the Attorney General's guidelines for such investigations. NSD prepares and files all applications for electronic surveillance and physical search under FISA, represents the government before the Foreign Intelligence Surveillance Court (FISC), and – when evidence obtained under FISA is proposed to be used in a criminal proceeding – NSD obtains the necessary authorization for the Attorney General to take appropriate actions to safeguard national security. NSD also works closely with the Congressional Intelligence Committees to ensure they are apprised of Departmental views on national security and intelligence policy and are appropriately informed regarding operational intelligence and counterintelligence activities.

In addition, NSD advises a range of government agencies on matters of national security law and policy, participates in the development of national security and intelligence policy through the National Security Council-led Interagency Policy Committee and Deputies' Committee process, and represents the DOJ on a variety of interagency committees such as the Director of National Intelligence's FISA Working Group and the National Counterintelligence Policy Board. NSD comments on and coordinates other agencies' views regarding proposed legislation affecting intelligence matters, and advises the Attorney General and various client agencies, including the Central Intelligence Agency, the FBI, and the Defense and State Departments concerning questions of law, regulations, and guidelines as well as the legality of domestic and overseas intelligence operations.

NSD also serves as the staff-level DOJ representative on the CFIUS, which reviews foreign acquisitions of domestic entities affecting national security. In this role, NSD evaluates information relating to the structure of the transaction, any foreign government ownership or control, threat assessments provided by the IC, vulnerabilities resulting from the transaction, and ultimately the national security risks, if any, of allowing the transaction to proceed as proposed or subject to conditions. In addition, NSD tracks and monitors transactions that have been approved subject to mitigation agreements and seeks to identify unreported transactions that may require CFIUS review. On behalf of the Department, NSD also responds to FCC requests for Executive Branch determinations relating to the national security implications of certain transactions that involve FCC licenses. NSD reviews such license applications to determine if a proposed communication provider's foreign ownership, control, or influence poses a risk to national security, infrastructure protection, law enforcement interests, or other public safety concerns sufficient to merit mitigating measures or opposition to the transaction.

Finally, OVT ensures that the investigation and prosecution of terrorist attacks against American citizens overseas are a high priority within the Department of Justice. Among other things, OVT is responsible for monitoring the investigation and prosecution of terrorist attacks against Americans abroad, working with other Justice Department components to ensure that the rights of victims of such attacks are honored and respected, establishing a Joint Task Force with the Department of State to be activated in the event of a terrorist incident against American citizens overseas, responding to Congressional and citizen inquiries on the Department's response to such attacks, compiling pertinent data and statistics, and filing any necessary reports with Congress.

2. Performance Tables

PERFORMANCE AND RESOURCES TABLE												
Decision Unit: National Security Division												
DOJ Strategic Goal/Objective: 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats; 1.2 Prosecute those involved in terrorist acts; 1.3 Investigate and prosecute espionage activity against the U.S., strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats; and 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors												
WORKLOAD/ RESOURCES		Target		Actual		Projected		Changes		Requested (Total)		
		FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request		
Workload¹												
Cases Opened²		107		127		142		5		147		
Cases Closed²		102		133		122		5		127		
Matters Opened		68,499		78,509		72,524		37		72,561		
Matters Closed		68,392		78,174		72,411		47		72,458		
FISA Applications Filed³		CY 2013: 2,000		CY 2013: 2,000		CY 2014: 2,200		0		CY 2015: 2,200		
National Security Reviews of Foreign Acquisitions		CY 2013: 200		CY 2013: 178 ⁴		CY 2014: 200		0		CY 2015: 200		
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	
		312	83,796	312	83,796	336	91,800	9	0	345	91,800	
		FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request		
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	
Intelligence		200	58,872	200	58,872	210	63,040	0	(4,174)	207	59,926	
Output Measure		Intelligence Community Oversight Reviews		CY 2013: 82		CY 2013: 112		CY 2014: 89		0		CY 2015: 89
Efficiency Measure		Percentage of OVT responses to victims within 3 business days of victim request for information from OVT		80%		100%		80%		0%		80%
Outcome Measure		Percentage of services/rights OVT successfully provided to victims of new attacks ⁵		95%		94% ⁶		95%		0%		95%

¹Workload measures are not performance targets, rather they are estimates to be used for resource planning. In addition, these measures do not take into consideration potential policy changes.

²Beginning FY 2014, the Counterterrorism Section will count each defendant as a case to more accurately reflect workload as cases often times have multiple defendants. This will also be consistent with the way the Counterespionage section counts cases for the cases opened and closed measures.

³FISA applications filed data is based on historical averages and do not represent actual data, which remains classified until the public report is submitted to the Administrative Office of the US Courts and the Congress in April for the preceding calendar year.

⁴The FY 2013 projection for National Security Reviews of Foreign Acquisitions was not met because fewer cases were filed than anticipated.

⁵Title was modified to better explain information being measured.

⁶NSD did not meet its FY 2013 target. In order to meet future targets, the Division has identified the need for a stronger procedure to more closely coordinate with other Division components and the US Attorney's Offices on finding out information about the filing of charges in cases being tried in the United States.

PERFORMANCE AND RESOURCES TABLE

Decision Unit: National Security Division

DOJ Strategic Goal/Objective: 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats; 1.2 Prosecute those involved in terrorist acts; 1.3 Investigate and prosecute espionage activity against the U.S., strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats; and 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors

WORKLOAD/ RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Program Activity	Counterterrorism	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		77	16,854	77	16,854	80	18,290	0	(1,211)	80	17,386
Outcome Measure	Percentage of CT defendants whose cases were favorably resolved	90%		94%		90%		0		90%	
Outcome Measure	Percentage of CT cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	99%		100%		99%		0		99%	
Program Activity	Counterespionage	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		35	8,070	35	8,070	36	7,816	0	(520)	39	11,834
Outcome Measure	Percentage of CE defendants whose cases were favorably resolved	90%		100%		90%		0		90%	
Outcome Measure	Percentage of CE cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	99%		100%		99%		0		99%	
Output Measure	FARA Inspections	15		15		12 ⁷		3		15	
Output Measure	High priority national security reviews completed	CY: 30		CY: 30		CY: 30		0		CY: 35	
Program Activity	Cyber	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		NA	NA	NA	NA	10	2,654	9	0	19	2,654
New FY 2015 Outcome Measure	Percentage of Cyber defendants whose cases were favorably resolved	NA		NA		90%		0		90%	

⁷Due to the Department's recent hiring restrictions, the FARA Unit has been working with limited personnel resources and therefore decreased the FY 2014 target from 15 inspections to 12. The FARA Unit expects to hire additional resources as these restrictions are no longer in place and complete 15 inspections in FY 2015.

PERFORMANCE MEASURE TABLE									
Decision Unit: National Security Division 1.1, 1.2, 1.3 & 1.4							Strategic Objectives:		
Performance Report and Performance Plan Targets		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013		FY 2014	FY 2015
		Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Intelligence Community Oversight Reviews	N/A	NA	CY 2011: 92	CY 2012: 99	CY 2013: 82	CY 2013: 112	CY 2014: 89	CY 2015: 89
Efficiency Measure	Percentage of OVT responses to victims within 3 business days of victim request for information from OVT	80%	95%	90%	89%	80%	100%	80%	80%
Outcome Measure	Percentage of services/rights OVT successfully provided to victims of new attacks ¹	N/A	N/A	N/A	N/A	95%	94% ²	95%	95%
Outcome Measure	Percentage of CT defendants whose cases were favorably resolved	100%	100%	98%	98%	90%	94%	90%	90%
Outcome Measure	Percentage of CT cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	100%	100%	100%	100%	99%	99%	99%	99%
Outcome Measure	Percentage of CE defendants whose cases were favorably resolved	98%	94%	98%	100%	90%	100%	90%	90%
Performance Measure	FARA inspections completed	14	15	15	15	15	15	12 ³	15
Performance Measure	High priority national security reviews completed	FY 2009: 27	FY 2010: 28	FY 2011: 29	CY 2012: 37 ⁴	CY 2013: 30	CY 2013: 30	CY 2014: 30	CY 2015: 35
Outcome Measure	Percentage of CE cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	100%	100%	100%	100%	99%	100%	99%	99%
New FY 2014 Outcome Measure	Percentage of Cyber defendants whose cases were favorably resolved	N/A	N/A	N/A	N/A	N/A	NA	90%	90%

¹ Title was modified to better explain information being measured.

² NSD did not meet its FY 2013 target. In order to meet future targets, the Division has identified the need for a stronger procedure to more closely coordinate with other Division components and the US Attorney's Offices on finding out information about the filing of charges in cases being tried in the United States.

³ Due to the Department's recent hiring restrictions, the FARA Unit has been working with limited personnel resources and therefore decreased the FY 2014 target from 15 inspections to 12. The FARA Unit expects to hire additional resources as these restrictions are no longer in place and complete 15 inspections in FY 2015.

⁴ Beginning FY 2012, this measure is tracked on a calendar year basis rather than a fiscal year basis (similar to other agencies in CFIUS and Team Telecom) for ease of reporting.

3. Performance, Resources, and Strategies

For performance reporting purposes, resources for NSD are included under DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation’s Security Consistent with the Rule of Law. Within this Goal, NSD resources address all four Objectives:

- 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats
- 1.2 Prosecute those involved in terrorist acts
- 1.3 Investigate and prosecute espionage activity against the U.S., strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats
- 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors

Based on these four objectives, performance resources are allocated to four program activities: Intelligence, Counterterrorism, Counterespionage, and Cyber Security

Intelligence Performance Report

Measure: Intelligence Community Oversight Reviews

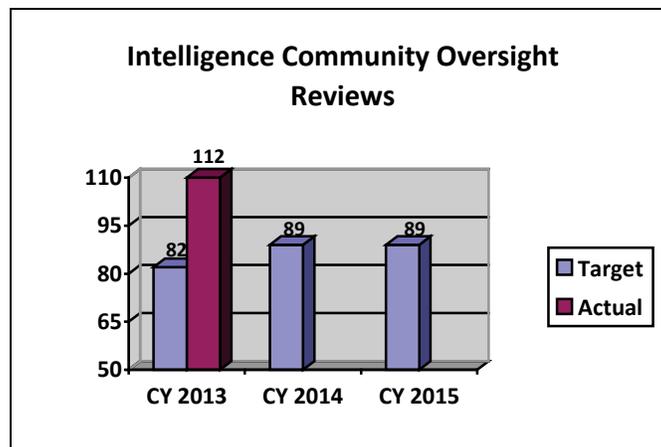
CY 2013 Target: 82

CY 2013 Actual: 112

CY 2014 Target: 89

CY 2015 Target: 89

Discussion: Tracked on a calendar year basis for ease of reporting.



Data Definition: NSD attorneys are responsible for conducting oversight of certain activities of IC components. The oversight process involves numerous site visits to review intelligence collection activities and compliance with the Constitution, statutes, AG Guidelines, and relevant Court orders. Such oversight reviews require advance

preparation, significant on-site time, and follow-up and report drafting resources. These oversight reviews cover many diverse intelligence collection programs. FISA Minimization Reviews and National Security Reviews will be counted as part of Intelligence Community Oversight Reviews.

Data Collection and Storage: The information collected during each review is compiled into a report, which is then provided to the reviewed Agency. Generally, the information collected during each review, as well as the review reports, are stored on a classified database. However, some of the data collected for each review is stored manually.

Data Validation and Verification: Reports are reviewed by NSD management, and in certain instances reviewed by agencies, before being released.

Data Limitations: None identified at this time.

Measure: Percentage of OVT Responses to Victims within 3 Business Days of Victim Request for Information from OVT

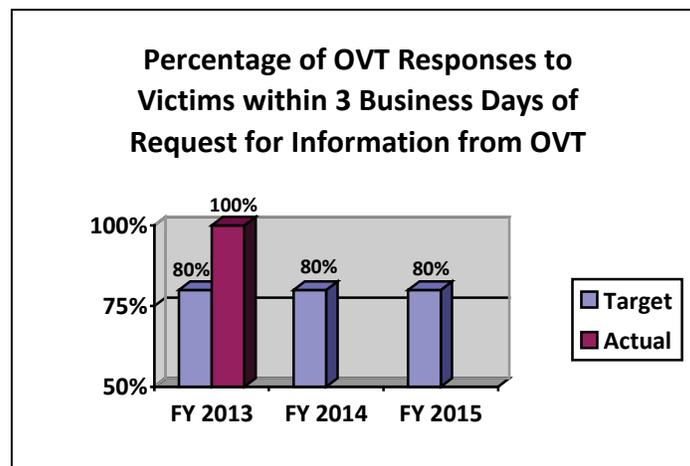
FY 2013 Target: 80%

FY 2013 Actual: 100%

FY 2014 Target: 80%

FY 2015 Target: 80%

Discussion: None



Data Definition: Victims: American citizens who are the victims of terrorism outside the borders of the U.S. This measure reflects OVT's efficiency in providing information to victims after they have contacted OVT.

Data Collection and Storage: Data is collected and storage in an electronic database.

Data Validation and Verification: Data is validated by management and staff.

Data Limitations: None.

Measure: Percentage of Services/Rights OVT Successfully Provided to Victims of New Attacks

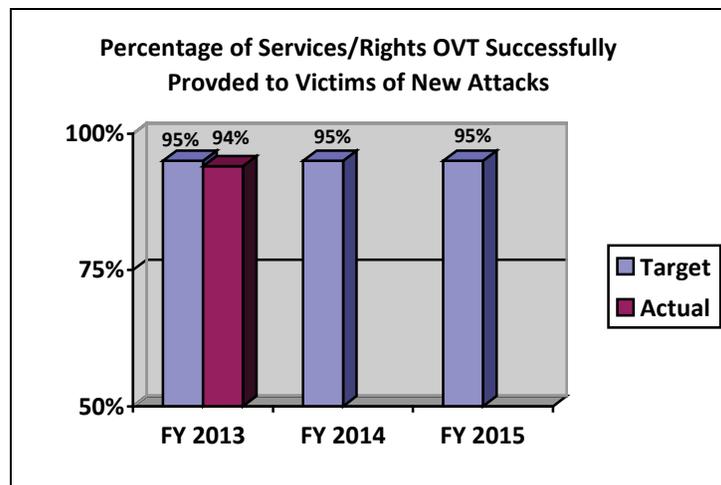
FY 2013 Target: 95%

FY 2013 Actual: 94%

FY 2014 Target: 95%

FY 2015 Target: 95%

Discussion: NSD did not meet its FY 2013 target. In order to meet future targets, the Division has identified the need for a stronger procedure to more closely coordinate with other Division components and the US Attorney’s Offices on finding out information about the filing of charges in cases being tried in the United States. Additionally, the metric title was modified to better explain information being measured.



Data Definition: This measure counts the percentage of services/rights OVT provided during the fiscal year that are successfully resolved through the provision of a set group of services. We are monitoring only new attacks that occurred during the fiscal year. Most referrals come from the FBI’s Office for Victim Assistance, which will inform OVT when a foreign attack has U.S. victims and the FBI is opening an investigation. Another source for information is CTS, which will inform OVT about foreign and domestic terrorism trials with U.S. victims. In some situations, referrals may come from the State Department, media, or other victims.

Data Collection and Storage: For each new attack identified to OVT, OVT creates a paper file to document OVT efforts. The file contains a checklist of services that OVT can either provide or refer to another agency to provide, or which cannot be provided for a legitimate reason (e.g., it would involve divulging National Security information or information pertaining to a criminal justice proceeding that is ongoing at the time). On a quarterly basis, the paper files are reviewed and analyzed to determine whether the checklist services have been successfully addressed as indicated in the previous sentence. The performance measure is the percentage of services OVT successfully provided during the fiscal year.

Data Validation and Verification: OVT will review the paper files on a quarterly basis. The information in the paper files will then be loaded into OVT’s automated Victim/Attack Tracking Tool so that the information can be easily accessed.

Data Limitations: Some criminal justice proceedings and OVT support efforts will take place over several years, but OVT's efforts will only be reported in the year in which the attack occurred to avoid duplication.

Counterterrorism (CT) Performance Report

Measure: Percentage of CT Defendants Whose Cases Were Favorably Resolved

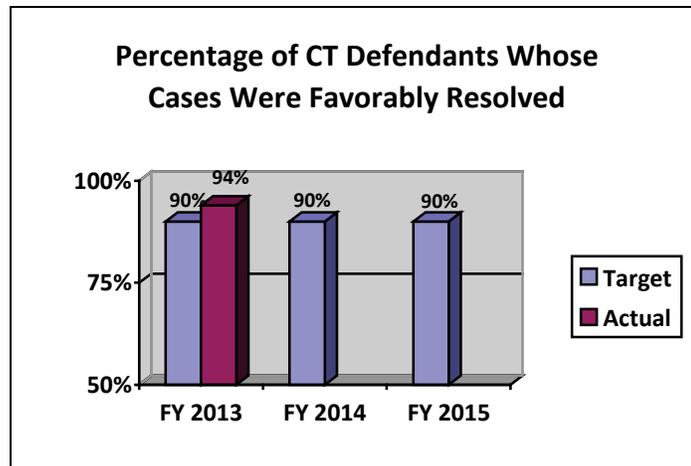
FY 2013 Target: 90%

FY 2013 Actual: 94%

FY 2014 Target: 90%

FY 2015 Target: 90%

Discussion: None



Data Definition: Defendants whose cases were favorably resolved include those defendants whose cases were closed during the fiscal year that resulted in court judgments favorable to the government.

Data Collection and Storage: Attorneys provide data which is stored in the ACTS database.

Data Validation and Verification: Data validation and verification is accomplished via quarterly review by CTS Chief.

Data Limitations: None identified at this time.

Select Recent Counterterrorism Prosecutions:

Boston Marathon Bombings -- On April 15, 2013, two near-simultaneous explosions occurred on Boylston Street, near hundreds of spectators along the Boston Marathon's final stretch. A preliminary examination of the remains of the two devices revealed that they both contained low-grade explosives housed in pressure cookers produced by the same manufacturer, as well as metallic BBs and nails. As a result of the explosions, three people were killed and over two

hundred were injured. Subsequently, Tamerlan Tsarnaev and his brother Dzhokhar were identified as the individuals who had left the explosive-laden backpacks at the scene. Tamerlan Tsarnaev died after a gun fight with law enforcement on April 18, 2013. Dzhokhar Tsarnaev was apprehended following an extensive manhunt the next day. On April 21, 2013, a complaint was filed in the District of Massachusetts charging Dzhokhar Tsarnaev with use of a weapon of mass destruction and malicious destruction of property resulting in death for his role in the bombings. The statutory charges authorize a penalty, upon conviction, of death or imprisonment for life or any term of years. The investigation into the bombings continues. On July 10, 2013, Dzhokhar Tsarnaev was arraigned on a 30-count indictment filed on June 27, 2013, charging Dzhokhar with use of a weapon of mass destruction conspiracy, bombing a place of public use and conspiracy, malicious destruction of property and conspiracy, use of a firearm during and in relation to a crime of violence, use of a firearm during and in relation to a crime of violence causing death, carjacking resulting in serious bodily injury, and interference with commerce by threats or violence. Seventeen of the charges authorize a penalty, upon conviction, of life in prison or the death penalty. Dzhokhar had his initial appearance on April 21, 2013, during which the defense consented to Dzhokhar's detention. On August 8, 2013, in the District of Massachusetts, an indictment was returned which charges Dias Kadyrbayev and Azamat Tazhayakov with conspiracy to obstruct justice, and obstruction of justice. The charges are connected to the investigation of the Boston Marathon bombing. The two defendants were previously charged by criminal complaint. On April 18, 2013, upon recognizing still images of a man that law enforcement identified as one of the Marathon bombers, Kadyrbayev and Tazhayakov began to communicate with their friend, Dzhokhar Tsarnaev. Dzhokhar suggested that they could go to his dorm room at the University of Massachusetts at Dartmouth and take his possessions. In an attempt to protect Dzhokhar, whom they then believed to be one of the bombers, Kadyrbayev, Tazhayakov, and a third friend went to the dorm room and took Dzhokhar's black backpack, some fireworks, and his computer. To conceal evidence of the crime, Kadyrbayev and Tazhayakov threw the backpack and its contents into a dumpster outside of the apartment that Kadyrbayev and Tazhayakov shared. The backpack was found in a landfill on April 26, 2013. Kadyrbayev and Tazhayakov are both nationals of Kazakhstan who entered the United States on student visas. On September 23, 2013, Dzhokhar had a status conference occurred before U.S. District Judge George O'Toole. The parties briefed the Court on the progress of discovery in the case and informed the Court of their positions regarding the Death Penalty Protocol which must be submitted to the Attorney General 90 days in advance of trial. The Court ordered written submissions on outstanding discovery issues and invited the parties to submit memorandum of law on the Court's authority to establish timing parameters in relation to the Death Protocol. An additional status conference was held on November 12, 2013. Various discovery motions were argued and decided. The court set motion dates for change of venue and attacks on the indictment. He also ordered the government to issue its position on the death penalty by January 31, 2014. In December 2013, the Capital Case Committee met with the defense team.

U.S. v. Sulaiman Abu Ghayth -- From at least May 2001 until approximately 2002, Sulaiman Abu Ghayth served alongside Usama Bin Laden, appearing with Bin Laden and his then-deputy Ayman al-Zawahiri ("Zawahiri"), speaking on behalf of the terrorist organization and in support

of its mission, and warning that attacks similar to those of September 11, 2001 would continue. Among many other things, after the September 11, 2001 terrorist attacks, Abu Ghayth delivered a speech in which he addressed the then-U.S. Secretary of State and warned that “the storms shall not stop, especially the Airplanes Storm,” and advised Muslims, children, and opponents of the United States “not to board any aircraft and not to live in high rises.” Abu Ghayth arranged to be, and was, successfully smuggled from Afghanistan into Iran in 2002. On February 28, 2013, at an overseas location, Abu Ghayth was arrested on a complaint filed in the Southern District of New York charging him with conspiring to kill United States nationals. Abu Ghayth was indicted on this same charge on March 1, 2013. The offense carries a maximum term of life in prison. His initial appearance on the charges in the Southern District of New York was on March 8, 2013. A trial is scheduled to begin on February 24, 2014, for Abu Ghayth.

New York Subway Bomb Plot / U.S. v. Medunjanin, et al. -- On May 2, 2012, Adis Medunjanin, a Queens, N.Y., resident who joined al-Qaeda and plotted to commit a suicide terrorist attack, was convicted of multiple federal terrorism offenses in the Eastern District of New York. Evidence at trial demonstrated that the defendant and his accomplices, Najibullah Zazi and Zarein Ahmedzay, traveled to Afghanistan and Pakistan in 2008, where they met senior al-Qaeda leaders and received al Qaeda training. Upon their return to the United States, Medunjanin, Zazi, and Ahmedzay met and agreed to carry out suicide bombings in New York City. They came within days of executing a plot to conduct coordinated suicide bombings in the New York City subway system in September 2009, as directed by senior al Qaeda leaders in Pakistan. When the plot was foiled, Medunjanin attempted to commit a terrorist attack by crashing his car on the Whitestone Expressway in New York in an effort to kill himself and others. To date, seven defendants, including Medunjanin, Zazi, Amanullah Zazi and Ahmedzay, have been convicted in connection with the New York City bombing plot and related charges. Medunjanin was sentenced to life imprisonment, and Amanullah Zazi was sentenced to 40 months’ imprisonment with a judicial order of removal to Pakistan upon completion of his sentence. Najibullah Zazi and Zarein Ahmedzay, who each face a maximum sentence of life imprisonment, are scheduled to be sentenced later this year. On January 3, 2013, Abid Naseer was extradited from the United Kingdom to the United States to become the eighth defendant to face charges in Brooklyn federal court related to this plot. He faces a maximum sentence of life imprisonment if convicted of all counts. A status conference is scheduled for March 7, 2014, for Naseer. No trial date has been set.

U.S. v. Fazliddin Kurbanov – On May 16, 2013, Fazliddin Kurbanov, an Uzbekistan national residing in the U.S., was indicted by a grand jury in Boise, Idaho, on three charges, including conspiracy to provide material support to a designated Foreign Terrorist Organization; conspiracy to provide material support to terrorists; and possession of an unregistered firearm. On the same day, Kurbanov was also indicted by a grand jury in the District of Utah charging him with one count of distribution of information relating to explosives, destructive devices, and weapons of mass destruction. The Idaho indictment alleges that between August 2012 and May 2013, Kurbanov knowingly conspired with unnamed co-conspirators to provide material support and resources to the Islamic Movement of Uzbekistan, a designated foreign terrorist

organization. The indictment also alleges that the material support and resources included himself, computer software and money. In count two, the indictment further alleges that the defendant conspired to provide material support and resources, including himself, to terrorists knowing that the material support was to be used in preparation for and in carrying out an offense involving the use of a weapon of mass destruction. Kurbanov is currently detained pending trial on the Idaho charges and he has not yet appeared in Utah or been arraigned on the Utah charges. Trial in Idaho is scheduled for July of 2014.

U.S. v. Nafis – Quazi Mohammad Rezwanul Nafis was arrested and charged by criminal complaint on October 17, 2012, after he attempted to detonate what he believed to be an explosive device outside of the New York Federal Reserve Bank in Manhattan. The two-count criminal complaint filed at the time of arrest also charged Nafis with one count of attempting to provide material support to a designated Foreign Terrorist Organization (specifically al Qaeda). On November 15, 2012, a grand jury in the Eastern District of New York returned an indictment charging Nafis with these two crimes. Nafis, a 21-year-old Bangladeshi national, arrived in the United States in January 2012 on a student visa, and began making plans to carry out a terrorist attack on U.S. soil. Nafis discussed several possible targets for his attack, and met with an FBI undercover employee (UC) multiple times over a period of several weeks while formulating his plan. On the morning of October 17, 2012, assembled what he believed to be a 1,000-pound bomb inside a van. Nafis and the UC then traveled in the van to the New York Federal Reserve Bank, parked the car next to the bank, and walked to a pre-arranged nearby location. Nafis then recorded a videotaped statement about his intentions behind carrying out the attack and attempted to detonate the explosive using a cellular telephone that he believed was part of a functional remote detonation device. Throughout the course of his interactions with UCs, Nafis repeatedly stated his desire to have al Qaeda involved in the attack, and claimed to an FBI source that he had overseas connections to al Qaeda. On February 7, 2013, Nafis entered a guilty plea to one count of attempting to use a weapon of mass destruction. On August 9, 2013, Nafis was sentenced to 30 years' incarceration and has waived appeal as part of his plea agreement.

U.S. v. Mohamed Osman Mohamud – In November 2010, Mohamed Osman Mohamud was charged with attempting to use a weapon of mass destruction. Mohamud, a naturalized U.S. citizen from Somalia, and resident of Corvallis, Oregon, was arrested on the evening of November 26, 2010, after he attempted to detonate what he believed to be an explosives-laden van that was parked near the tree lighting ceremony in Portland's Pioneer Courthouse Square. The arrest was the culmination of a long-term undercover operation, during which Mohamud had been monitored closely for months as his alleged bomb plot developed. The device was in fact inert. Trial began on January 13, 2013, and on January 31, a jury found him guilty as charged. Mohamud has been re-scheduled for sentencing at a date to be determined, and faces a maximum potential sentence of life in prison. Case is in post-litigation involving the recent notice of FAA.

U.S. v. Sami Osmakac – (Middle District of Florida): Sami Osmakac was indicted on February 2, 2012, with attempting to use weapons of mass destruction and with possession of an unregistered machine gun. Osmakac is facing a maximum sentence of life in prison, and a \$250,000 fine. Osmakac is a 25-year-old Yugoslavian native and naturalized United States

citizen who became the subject of an active counter-terrorism investigation in the Fall of 2011 after he communicated with an FBI confidential source (CS) that he intended to commit a violent attack in the United States. Specifically, Osmakac told the CS that he intended to use explosive devices and firearms to conduct an attack in the Tampa, Florida, metropolitan area. Osmakac and the FBI undercover agent (UC) later engaged in three meetings initiated by Osmakac to discuss the purchase of a fully automatic AK-47, grenades, a suicide belt or vest, and a bomb that could be placed in the trunk of a car. Osmakac identified a number of potential targets to the UC in the Ybor City area, the operations center for the Hillsborough County Sheriff's Office, and a business in South Tampa. On January 7, 2012, FBI agents arrested Osmakac after he took possession of purported explosive devices and firearms. All of the items that were to be part of the exchange had been rendered inoperable by law enforcement. Prior to his arrest, Osmakac also made a video of himself explaining his motives for carrying out the attack. Osmakac was scheduled for trial in Tampa, Florida, in October 2013, and has been continued but no date set yet. A competency hearing is set for November 13, 2013. On November 22, 2013, the Court found the defendant to be competent. Trial date is set for May 27, 2014.

U.S. v. Arbabsiar, et al. – On October 20, 2011, the grand jury in the Southern District of New York returned an indictment against Manssor Arbabsiar and Gholam Shakuri charging them with: (1) conspiracy to murder a foreign official; (2) conspiracy to engage in foreign travel and use of interstate and foreign commerce facilities in the commission of murder-for-hire; (3) conspiracy to use a weapon of mass destruction (explosives); and (4) conspiracy to commit an act of international terrorism transcending national boundaries. Arbabsiar is further charged with an additional count of foreign travel and use of interstate and foreign commerce facilities in the commission of murder-for-hire. Arbabsiar is a 56-year-old naturalized U.S. citizen holding both Iranian and U.S. passports. Gholam Shakuri is alleged to be an Iran-based member of Iran's Qods Force, which is a special operations unit of the Iranian Islamic Revolutionary Guard Corps (IRGC) that is said to sponsor and promote terrorist activities abroad. Shakuri remains at large. Arbabsiar was arrested on Sept. 29, 2011, at John F. Kennedy International Airport in Queens, New York. On May 30, 2013, Arbabsiar was sentenced by U.S. District Judge John F. Keenan to 25 years' imprisonment.

U.S. v. Abu Khalid Abdul-Latif, et al. – On June 23, 2011, Walli Mujahidh, a/k/a Frederick Domingue, Jr., a former resident of Los Angeles, California, and Abu Khalid Abdul-Latif, a resident of Seattle, Washington, were charged with plotting an attack on the Military Enlistment Processing Station in Seattle. The defendants allegedly planned to use machine guns and hand grenades during the attack. On December 8, 2011, Mujahidh pled guilty pursuant to a plea agreement to three charges: (1) conspiracy to murder officers and employees of the United States; (2) conspiracy to use weapons of mass destruction; and (3) unlawful possession of machine guns. On March 25, 2013, Abdul-Latif was sentenced to 18 years' incarceration. On April 8, 2013, Mujahidh was sentenced to 17 years' incarceration.

U.S. v. Waad Ramadan Alwan, et al. – (Western District of Kentucky): On May 26, 2011, Waad Ramadan Alwan was indicted by a grand jury in Bowling Green, Kentucky, on 23 charges, including conspiracy to kill U.S. nationals abroad, conspiracy to use a weapon of mass

destruction against U.S. nationals abroad, distributing information on the manufacture and use of improvised explosive devices (IEDs), attempting to provide material support to terrorists and to al-Qaeda in Iraq and conspiracy to transfer, possess, and export Stinger missiles. Alwan's co-defendant, Mohanad Shareef Hammadi, was charged in the same indictment with five counts of attempting to provide material support to terrorists, in violation of 18 U.S.C. §2339A; four counts of attempting to provide material support to a foreign terrorist organization (al Qaeda in Iraq), in violation of 18 U.S.C. § 2339B; and one count of conspiracy to transfer, possess or export a device designed or intended to launch or guide a rocket or missile, in violation of 18 U.S.C. § 2332g. On February 15, 2012, a superseding indictment against Hammadi was filed adding two counts of making false statements in immigration matters, in violation of 18 U.S.C. § 1546(a). On December 16, 2011, Alwan pled guilty to all of the charges in the indictment. On August 21, 2012, a week before the scheduled trial date, Hammadi entered a guilty plea to all twelve counts of the superseding indictment. According to Alwan's plea agreement and other court documents filed in the case, from approximately 2003 through 2006, Alwan was in Iraq where he conspired with others to plant and detonate numerous IEDs against U.S. troops there. The FBI found latent prints belonging to Alwan on a component of an IED that U.S. troops had recovered in Iraq in 2005. In addition, Alwan admitted that from October 2010 through May 2011, he knowingly taught another individual in Kentucky how to manufacture and use an IED for the purpose of killing U.S. nationals overseas. Hammadi, a fellow Iraqi refugee living in Bowling Green, Kentucky, was recruited by Alwan and participated in money and weapons deliveries in Kentucky believing that the items were to support al Qaeda in Iraq. Hammadi also admitted on various occasions that he had participated in numerous IED attacks on U.S. troops while he was residing in Iraq. On January 29, 2013, Hammadi was sentenced to a term of life in prison and Alwan was sentenced to a term of 40 years in prison based upon a sentencing recommendation by the government. Hammadi subsequently appealed his sentence. In December of 2013, the Sixth Circuit Court of Appeals affirmed Hammadi's life sentence.

United States v. Ahmed Muse Salad – On March 8, 2011, a federal grand jury returned a 15 count indictment charging Mohammad Saaili Shibin with multiple counts of piracy as defined by the law of nations and aiding and abetting, hostage taking and conspiracy, violence against maritime navigation and conspiracy, kidnapping and conspiracy, and using a destructive device during a crime of violence. On the same date in a separate indictment, co-conspirators Mounir Ali, Abukar Osman Beyle, Jilani Abdiali, Ahmed Muse Salad, Mohamed Salad Ali, Shani Shiekh Arbrar, Saed Abdi Fooley, Muhiyaden Salad, Ahmed Salah Ali, Ali Abdi Mohamed, Mahji Jama Mohamed, Mohamud Hirs Issa Ali, Burhan Abdirahman Yusuf, and Abdi Jama Aquid, were indicted on similar charges for their piracy of the American sailing vessel Quest in the Indian Ocean on February 18, 2011. Navy personnel established radio contact with the pirates on February 19, 2011, and over the next several days negotiated an attempt to resolve the incident peacefully. As negotiations began to stall, on February 22, 2011, one of the pirates fired a rocket propelled grenade at the Navy vessel. Despite repeated warnings from the Navy that the pirates were not under attack, the pirates went below deck of the Quest and began shooting, killing the four American citizens on board and two fellow pirates. U.S. military personnel then rushed to the Quest and captured the remaining pirates. From May through July 2011, eleven defendants Issa Ali, Salad Ali, Mounir Ali, Abdiali, Pooley, Omar,

Mahdi Mohamed, Yusuf, Aquid, Burale, and Ali Mohamed each pled guilty to one count of piracy under the law of nations, in addition, Issa Ali and Salad Ali, who were the pirate leaders, also pled guilty each to a one count of criminal information charging them with hostage taking resulting in death. All have been sentenced to terms of life imprisonment. On July 8, 2011, a superseding indictment was returned charging three of the defendants Salad, Beyle, and Abrar with numerous additional counts of 1) conspiracy to commit hostage taking and hostage taking resulting in death; 2) conspiracy to commit kidnapping and kidnapping resulting in death; 3) conspiracy to commit and committing violence against maritime navigation resulting in death; 4) murder within the special maritime and territorial jurisdiction of the United States; 5) piracy under the law of nations; and 6) using, carrying, brandishing, and discharging a firearm during a crime of violence causing death. On April 27, 2012, Shibin was convicted following a nine-day trial for his role as the negotiator in the hijacking of the Quest, as well as the German merchant vessel Marida Marguerite, and sentenced to concurrent life sentences, and one ten year sentence to be served consecutively to all the other sentences. On July 8, 2013, the jury convicted Ahmed Muse Salad, Abukar Osman Beyle, and Shani Nurani Shiekh Abrar on all counts of the superseding indictment with the hijacking of the Quest, and on August 2, 2103, the jury rejected imposition of the death penalty and decided that each of the three defendants should receive life sentences for their criminal conduct.

AL SHABAAB CASES:

U.S. v. Mahamud Said Omar (D. Minn.); U.S. v. Kamal Said Hassan (D. Minn.); U.S. v. Abdifatah Yusuf Isse, et al (D. Minn.); U.S. v. Adarus Ali (D. Minn.); U.S. v. Ahmed Hussein Mahamud (D. Minn.); U.S. v. Omer Abdi Mohamed (D. Minn.); U.S. v. Amina Ali, et al (D. Minn.); U. S. v. Moalin, et. al. (S.D. Cal.); U.S. v. Omar Shafik Hammami (S.D. Ala.); U.S. v. Jihad Serwan Mostafa (S.D. Cal.); U.S. v. Mohamud Abdi Yusuf, et al. (E.D. Missouri).

In May 2013, in Minneapolis, Minnesota, the district court sentenced seven defendants for their roles in providing material support to terrorists or to the Foreign Terrorist Organization al Shabaab, or for obstructing the FBI's investigation. The prosecutions were a result of the FBI's "Operation Rhino" investigation. Sentences included:

- **Mahamud Said Omar:** 20 years in prison after a conviction on charges of material support and conspiracy to kill or maim overseas for providing money and assistance to al Shabaab.
- **Kamal Said Hassan:** 10 years in prison after pleading guilty to charges of providing material support to terrorists and a foreign terrorist organization (al Shabaab), for traveling to Somalia, graduating from an al Shabaab training camp, and participating in an al Shabaab ambush of Ethiopian soldiers.
- **Abdifatah Yusuf Isse, Salah Osman Ahmed, and Ahmed Hussein:** 3 years in prison.
- **Omer Abdi Mohamed:** 10 years in prison.
- **Adarus Ali:** 2 years in prison for committing perjury when testifying before a federal grand jury.

U.S. v. Amina Ali, et al.: In May 2013, the district court also sentenced Amina Farah Ali and Hawo Mohamed Hassan for providing material support to al Shabaab. Ali was sentenced to 20 years in prison, and Hawo Mohamed Hassan was sentenced to 10 years in prison. The Ali and Hassan prosecution was part of the FBI's "Operation Green Arrow" investigation. The indictment charged each defendant with one count of conspiracy to provide material support to al-Shabaab. Ali was also charged with 12 substantive counts of providing material support to al-Shabaab; and Hassan was also charged with 3 counts of making false statements. The defendants were charged in connection with their fundraising activities on behalf of al-Shabaab among the Somali diaspora in southeastern Minnesota and other locations in the United States and Canada. Ali, assisted by Hassan and others, raised funds by direct appeals to listeners on a teleconferencing line Ali hosted, as well as by door-to-door solicitation. Ali and Hassan raised funds under the false pretense that the monies were for the poor and needy. Ali then forwarded, or caused to be forwarded, some of the funds to al-Shabaab, frequently using altered, fictitious, or third party names to avoid detection by law enforcement.

U. S. v. Moalin, et. al.: U. S. v. Moalin, et. al.: In February 2013, in San Diego, California, following a three-week trial, Basaaly Saeed Moalin, Mohamed Mohamed Mohamud (also known as Mohamed Khadar), Issa Doreh, and Ahmed Nasir Taalil Mohamud ("Nasir") were convicted by a jury of conspiracy to provide material support to terrorists; conspiracy to provide material support to the foreign terrorist organization al-Shabaab; and conspiracy to launder monetary instruments. The jury also found defendants Moalin, Mohamud and Doreh guilty of providing material support to the foreign terrorist organization al-Shabaab. The jury found defendant Moalin guilty of providing a house to terrorists in Somalia. The prosecution was also part of the FBI's Operation Green Arrow investigation. Moalin, Mohamud, and Doreh were sentenced on November 18, 2013, to 18, 13, and 10 years' imprisonment, respectively. Nasir was sentenced on January 31, 2014, to six years' imprisonment.

U.S. v. Mohamud Abdi Yusuf, et al.: In the Eastern District of Missouri, on November 3, 2011, Mohamud Abdi Yusuf pled guilty to one count of conspiracy to provide material support to a foreign terrorist organization, and three counts of providing material support to a foreign terrorist organization. On June 19, 2012, Yusuf was sentenced to 140 months in prison. On January 10, 2012, Abdi Mahdi Hussein pled guilty to conspiring to structure financial transactions to Somalia in order to prevent licensed money remitting businesses from keeping accurate records. He was sentenced to three years' probation on April 10, 2012. Yusuf and Duane Mohamed Diriye were charged by indictment with providing material support to al-Shabaab, a designated foreign terrorist organization. The indictment also charged Yusuf and Hussein with conspiring to structure transactions to Somalia in order to prevent licensed money remitting businesses from keeping accurate records. Yusuf is further charged with lying to immigration authorities. According to the indictment, Yusuf is a Somali-born taxi driver residing in St. Louis, Missouri. Yusuf allegedly raised funds for al-Shabaab from within the Somali diaspora in Missouri and elsewhere. He sent funds to Diriye in Somalia to support al-Shabaab. Diriye is alleged to have facilitated and coordinated the receipt of funds and the distribution of the funds to al-Shabaab, and provided Yusuf with information concerning al-Shabaab's

operations and activities in Somalia. Diriye, an ethnic Somali who lives in Kenya, was arrested by Kenyan police on January 26, 2012, and was released on bail. Diriye is still at large. The prosecution was also part of the FBI's Operation Green Arrow investigation.

Measure: Percentage of CT Cases Where Classified Information is Safeguarded (according to CIPA requirements) Without Impacting the Judicial Process

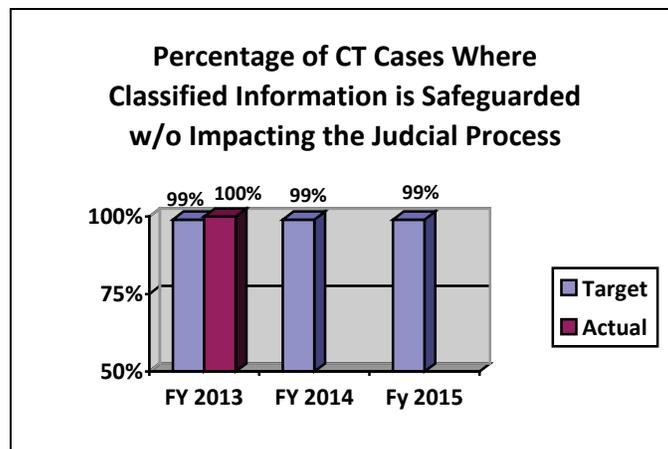
FY 2013 Target: 99%

FY 2013 Actual: 100%

FY 2014 Target: 99%

FY 2015 Target: 99%

Discussion: None



Data Definition: Classified information - information that has been determined by the United States Government pursuant to an Executive Order or statute to require protection against unauthorized disclosure for reasons of national defense or foreign relations, or any restricted data as defined by the Atomic Energy Act of 1954.

Safeguarded - that the confidentiality of the classified information is maintained because the Government has proposed redactions, substitutions or summarizations pursuant to CIPA which the Court has accepted.

Impact on the judicial process - that the Court does not exclude certain evidence, dismiss particular counts of the indictment, or dismiss the indictment as a remedy for the Government's insistence that certain classified information not be disclosed at trial.

Data Collection and Storage: Data collection and storage is manual.

Data Validation and Verification: Data validation and verification is accomplished via quarterly review by CTS Chief.

Data Limitations: None identified at this time.

Counterespionage (CE) Performance Report

Measure: Percentage of CE Defendants Whose Cases Were Favorably Resolved

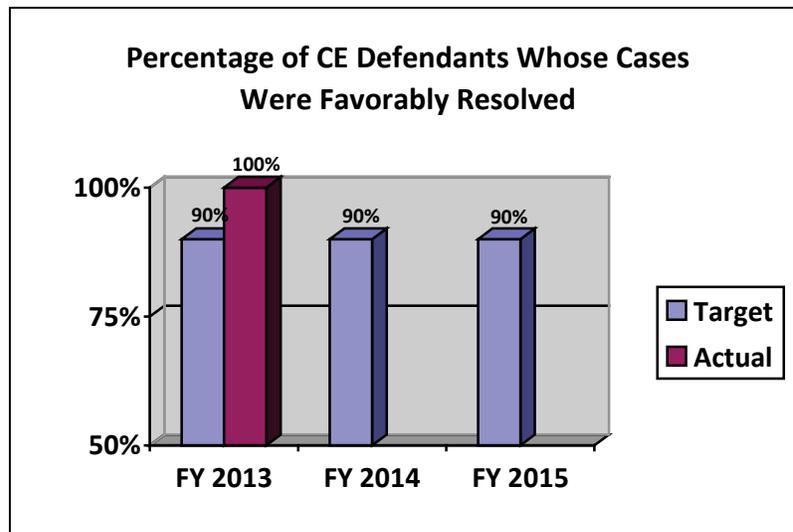
FY 2013 Target: 90%

FY 2013 Actual: 100%

FY 2014 Target: 90%

FY 2015 Target: 90%

Discussion: None



Data Definition: Defendants whose cases were favorably resolved include those defendants whose cases were closed during the fiscal year that resulted in court judgments favorable to the government.

Data Collection and Storage: Attorneys provide data which is stored in the ACTS database.

Data Validation and Verification: Quarterly review of database records and data updates from CES attorneys in order to insure that records are current and accurate.

Data Limitations: Reporting lags.

Select Recent Counterespionage and Counterproliferation Prosecutions

Former U.S. Navy Sailor Convicted of Attempted Espionage / U.S. v. Hoffman:

On August 21, 2013, Robert Patrick Hoffman II was convicted by a federal jury of attempting to provide classified information to individuals he believed to be representatives of the Russian Federation. On February 10, 2014, Hoffman was sentenced to 30 years in prison. Hoffman had been indicted in the Eastern District of Virginia on May 8, 2013, in a one-count superseding indictment charging him with attempted espionage. According to court records and evidence at trial, Hoffman is a U.S. citizen who served for 20 years in the U.S. Navy until his retirement in 2011. While serving in the Navy, Hoffman held security clearances that granted him access to

classified and national defense information relating to programs and operations in which he participated. Even though he repeatedly signed agreements to not disclose that sensitive information, on October 21, 2012, he passed classified information to what he believed to be the Russian Federation. Hoffman, in fact, delivered the information to the FBI, which was conducting an undercover operation.

Former U.S. Consulate Guard Sentenced for Spying / U.S. v. Underwood: On August 30, 2012, Bryan Underwood, a former contract guard working at a U.S. Consulate in China, pleaded guilty to attempting to communicate national defense information to a foreign government. Underwood was charged in a superseding indictment in the District of Columbia with attempting to communicate national defense information to the People's Republic of China (PRC), making false statements, and failing to appear in court pursuant to his conditions of release. According to the superseding indictment, Underwood attempted to communicate photographs and other national defense information to representatives of the PRC from about March 1, 2011 to about August 5, 2011. On March 5, 2013, Underwood was sentenced to 9 years in prison.

Virginia Man Sentenced for Acting as Illegal Agent of Syria / U.S. v. Soueid: On July 20, 2012, Mohamad Soueid was sentenced to 18 months in prison after being convicted of unlawfully acting as an agent of a foreign government. On October 11, 2011, Soueid had been arrested for his alleged role in a conspiracy to collect video and audio recordings and other information about individuals in the United States and Syria who were protesting the Government of Syria and to provide these materials to Syrian intelligence agencies in order to silence, intimidate, and potentially harm the protestors. Soueid, a Syrian-born naturalized U.S. citizen, was charged by a federal grand jury on October 5, 2011, in the Eastern District of Virginia with conspiring to act and acting as an agent of the Syrian Government in the United States without notifying the Attorney General as required by law; two counts of providing false statements to federal law enforcement; and two counts of providing false statements on a firearms purchase form.

Former CIA Officer Sentenced for Disclosing Classified Information / U.S. v. Kiriakou: On April 5, 2012, former CIA officer John Kiriakou was indicted for allegedly disclosing classified information to journalists, including the name of a covert CIA officer and information revealing the role of another CIA employee in classified activities. Kiriakou was charged in a five-count indictment returned by a federal grand jury in the Eastern District of Virginia, after he was initially charged in a criminal complaint and arrested in January 2012. The indictment charged Kiriakou with one count of violating the Intelligence Identities Protection Act for allegedly illegally disclosing the identity of a covert officer, and with three counts of violating the Espionage Act for allegedly illegally disclosing national defense information to individuals not authorized to receive it. The indictment also charged Kiriakou with one count of making false statements for allegedly lying to the CIA Publications Review Board in an unsuccessful attempt to trick the CIA into allowing him to include classified information in a book he was seeking to publish. On October 23, 2012, Kiriakou pleaded guilty to Count One of the indictment – intentionally disclosing information identifying a covert officer. On January 25, 2013, Kiriakou was sentenced to 30 months in prison.

Scientist Sentenced for Attempted Espionage / U.S. v. Nozette: On March 21, 2012, Stewart David Nozette, a scientist who once worked for the White House's National Space Council and other federal agencies, was sentenced in the District of Columbia to 13 years in prison for attempted espionage, conspiracy to defraud the United States, and tax evasion. The sentence covered charges in two cases. In one, Nozette pleaded guilty to attempted espionage for providing classified information to a person he believed to be an Israeli intelligence officer. In the other, he pleaded guilty to fraud and tax charges. From 1989 through 2006, Nozette held security clearances as high as TOP SECRET. On September 3, 2009, Nozette was contacted by an individual purporting to be an Israeli intelligence officer, but who was actually an FBI undercover employee. That day, Nozette informed the undercover employee that he would provide classified information for money and a foreign passport to a country without extradition to the United States. A series of contacts followed over the next several weeks, including meetings and exchanges in which Nozette took \$10,000 in cash left by the FBI at pre-arranged drop-off sites and provided classified information relating to the national defense.

Components for IEDs to Iran and Iraq / U.S. v. Larijani et al.: On June 26, 2013, defendants Lim Kow Seng a/k/a Eric Lim and Hia Soo Gan a/k/a Benson Hia pleaded guilty to conspiracy to defraud the United States. On September 20, 2013, Lim and Hia were sentenced to imprisonment of 37 months and 34 months, respectively. Lim and Hia had been extradited from Singapore to the United States in December 2012. On October 25, 2011, prosecutors in the District of Columbia unsealed an indictment which charged five individuals and four of their companies with various violations, including conspiracy to defraud the United States, smuggling, illegal export of goods to Iran, illegal export of defense articles, false statements and obstruction of justice. On October 24, 2011, authorities in Singapore arrested four defendants pursuant to a U.S. extradition request. A fifth (Hossein Larijani) remains a fugitive in Iran. The indictment alleges that, between June 2007 and February 2008, the defendants fraudulently purchased and caused 6,000 radio frequency modules to be illegally exported from Minnesota through Singapore to Iran. The alleged recipient of all 6,000 modules in Iran was the at-large defendant. The indictment alleges that Coalition forces found no less than 16 of these 6,000 modules in Iraq where they were being used as part of the remote detonation devices of unexploded IEDs. The indictment further charged three of these defendants with a separate fraud conspiracy involving the illegal export of two types of military antenna from the United States. In February 2012, a Singapore court ruled that the four suspects held in Singapore may be extradited to the United States to face prosecution for their alleged roles in conspiracies to defraud the United States. The litigation over extradition continued, after another court in Singapore in August 2012 found that only two of the suspects could be extradited.

TOW Missile Components to Iran / U.S. v. Baniameri et al.: On July 26, 2012, Andro Telemi, a naturalized U.S. citizen from Iran who resided in California, pleaded guilty in the Northern District of Illinois to one count of attempting to illegally export defense articles in connection with his efforts to export TOW and TOW2 missile components to Iran. Telemi was indicted in December 2009, along with Davoud Baniameri, an Iranian citizen who lived in Woodland Hills, California. A superseding indictment returned in July 2010 charged Telemi, Baniameri, and Syed Majid Mousavi, an Iranian citizen living in Iran. According to court documents, sometime

before Oct. 2008, Mousavi, based in Iran, contacted Baniameri in California and requested that he purchase Marconi radio test sets for illegal export from the United States to Iran. Baniameri purchased these sets from an Illinois company and later exported them to Iran via Dubai. Mousavi also requested that Baniameri purchase and export to Iran, via Dubai, ten connector adaptors for the TOW and TOW2 missile system, which are used on the U.S. Army's Bradley fighting vehicle and the U.S. Marine Corp's AH-1W Cobra attack helicopter. Baniameri later negotiated the purchase of these items from an Illinois company and directed Telemi to assist him in this effort and to take possession of the items. To facilitate the export of these goods, Baniameri arranged to fly to Iran, but he was arrested before leaving the country. On May 31, 2011, Baniameri pleaded guilty to conspiracy to illegally export goods and technology to Iran and attempting to illegally export defense articles in connection with the TOW missile components and radio test sets. On August 12, 2011, Baniameri was sentenced to 51 months in prison. On November 30, 2012, Telemi was sentenced to 5 years' probation and fined \$10,000.

Military Software for China's Attack Helicopter / U.S. v. UTC et al.: On June 28, 2012, in the District of Connecticut, Pratt & Whitney Canada Corp. (PWC), a Canadian subsidiary of Connecticut-based defense contractor United Technologies Corp. (UTC), pleaded guilty to violating the Arms Export Control Act and making false statements in connection with its illegal export to China of U.S.-origin military software that was used in the development of China's first modern military attack helicopter, the Z-10. In addition, UTC, its U.S.-based subsidiary Hamilton Sundstrand Corp. (HSC), and PWC all agreed to pay more than \$75 million, subject themselves to independent monitoring for several years, and be required to comply with an extensive training and remedial action program to strengthen their export compliance as part of a global settlement with the Justice Department and the State Department in connection with various export violations, including those related to the Z-10, and for making false and belated disclosures to the U.S. government about the illegal exports for the Z-10. A three-count criminal information was filed against the companies. Count three charged PWC and HSC for their failure to timely inform the State Department of the unlawful export of defense articles to China, an embargoed nation, as required by U.S. export regulations. This is the first case in which the provisions in count three have been enforced criminally. While PWC pleaded guilty to counts one and two, prosecution of PWC, UTC, and HSC on the other charges is deferred for two years, provided that the companies abide by the terms of a deferred prosecution agreement with the Justice Department.

Radiation-Hardened Circuits to China / U.S. v. He: On September 3, 2013, Chinese citizen and former California Department of Transportation (Caltrans) engineer Philip Chaohui He pleaded guilty to conspiracy to violate the Arms Export Control Act (AECA). On December 18, 2013, He was sentenced to 36 months in prison. On February 3, 2012, He appeared in federal court in the District of Colorado after his arrest in San Francisco in connection with his efforts to export defense articles to China without a State Department license, specifically more than 300 space-qualified and radiation-hardened computer circuits used in satellite communications with a total value of nearly \$550,000. An indictment charged He with conspiracy to violate the AECA and to smuggle goods; attempted violation of AECA; and smuggling. According to the charges, He

arranged for the purchase of more than 300 radiation-hardened circuits from Aeroflex, a Colorado manufacturer, in May 2011, after a co-conspirator sent him wire transfers totaling nearly \$490,000 from a bank in China. He then provided false certification to Aeroflex that the items would remain in the United States. In December 2011, He drove to the Port of Long Beach and met with two men in front of a docked Chinese-flagged ship that was registered to a subsidiary of a China state-owned corporation. The ship recently had arrived from Shanghai and was scheduled to return on December 15, 2011. He was arrested on December 11, 2011 at the Port. He allegedly had concealed 200 circuits in infant formula containers in the trunk of his vehicle.

Measure: Percentage of CE Cases Where Classified Information is Safeguarded (according to CIPA requirements) Without Impacting the Judicial Process

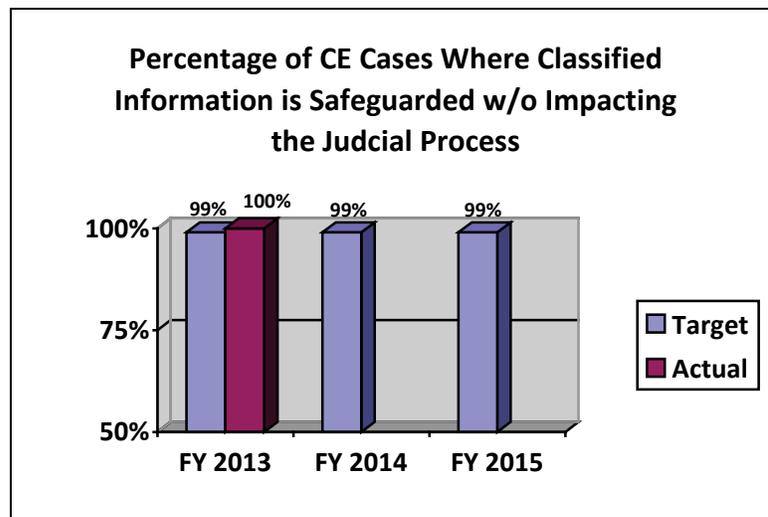
FY 2013 Target: 99%

FY 2013 Actual: 100%

FY 2014 Target: 99%

FY 2015 Target: 99%

Discussion: None



Data Definition: Classified information - information that has been determined by the United State Government pursuant to an Executive Order or statute to require protection against unauthorized disclosure for reasons of national defense or foreign relations, or any restricted data as defined by the Atomic Energy Act of 1954.

Safeguarded - that the confidentiality of the classified information is maintained because the Government has proposed redactions, substitutions or summarizations pursuant to CIPA which the Court has accepted.

Impact on the judicial process - that the Court does not exclude certain evidence, dismiss particular counts of the indictment, or dismiss the indictment as a remedy for the Government's insistence that certain classified information not be disclosed at trial.

Data Collection and Storage: CES attorneys provide data concerning CIPA matters handled in their cases as well as the status or outcome of the matters, which are then entered into the ACTS database.

Data Validation and Verification: Quarterly review of database records and data updates from CES attorneys in order to insure that records are current and accurate.

Data Limitations: Reporting lags.

Measure: Targeted FARA Inspections Completed

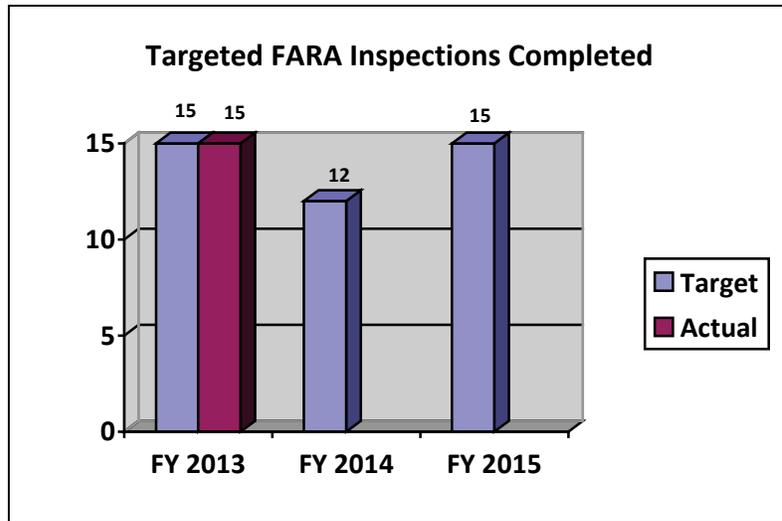
FY 2013 Target: 15

FY 2013 Actual: 15

FY 2014 Target: 12

FY 2015 Target: 15

Discussion: None



Data Definition: Targeted FARA Inspections are conducted routinely. There can also be additional inspections completed based on potential non-compliance issues. Inspections are just one tool used by the Unit to bring registrants into compliance with FARA.

Data Collection and Storage: Inspection reports are prepared by FARA Unit personnel and stored in manual files.

Data Validation and Verification: Inspection reports are reviewed by the FARA Unit Chief.

Data Limitations: None identified at this time

Measure: High Priority National Security Reviews Completed

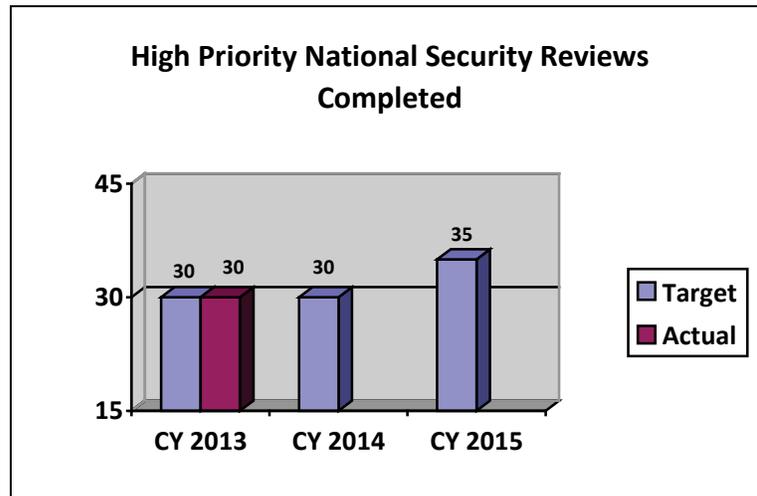
CY 2013 Target: 30

CY 2013 Actual: 30

CY 2014 Target: 30

CY 2015 Target: 35

Discussion: Tracked on a calendar year basis for ease of reporting.



Data Definition: High Priority National Security Reviews include (1) CFIUS case reviews of transactions in which DOJ is a co-lead agency in CFIUS due to the potential impact on DOJ equities; (2) CFIUS case reviews which result in a mitigation agreement to which DOJ is a signatory; (3) Team Telecom case reviews which result in a mitigation agreement to which DOJ is a signatory; and (4) mitigation monitoring site visits.

Data Collection and Storage: Data is collected manually and stored in generic files; however management is reviewing the possibility of utilizing a modified automated tracking system.

Data Validation and Verification: Data is validated and verified by management.

Data Limitations: Given the expanding nature of the program area – a more centralized data system is desired.

Cyber Performance Report

Measure: Percentage of Cyber Defendants Whose Cases Were Favorably Resolved

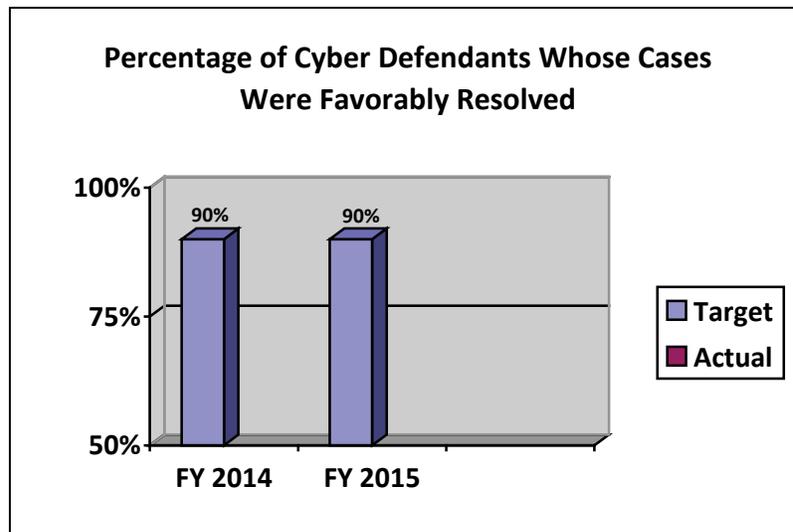
FY 2013 Target: NA

FY 2013 Actual: NA

FY 2014 Target: 90%

FY 2015 Target: 90%

Discussion: This is a new measure that will have a baseline in FY 2014.



Data Definition: Defendants whose cases were favorably resolved include those defendants whose cases resulted in court judgments favorable to the government.

Data Collection and Storage: Data will be collected manually and stored in internal files.

Data Validation and Verification: Data validation and verification is accomplished via quarterly reviews done by the Counterterrorism Section and the Counterespionage Section.

Data Limitations: There are no identified data limitations at this time.

VI. Program Offsets by Item

Item Name:	Miscellaneous Program and Administrative Reductions
Strategic Goal:	Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law
Strategic Objective:	1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats 1.2 Prosecute those involved in terrorist acts 1.3 Investigate and prosecute espionage activity against the U.S., strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors
Budget Decision Unit(s): Organizational Program:	National Security Division Counterterrorism, Counterespionage, Foreign Investment Review, Intelligence, Law & Policy, Office of Justice for Victims of Overseas Terrorism, Executive Office

Program Offset: Positions 0 Atty 0 FTE 0 Dollars (\$5,905,000)

Description of Item

Program and administrative reductions to be identified once funds are appropriated.

Justification

Reductions to existing operations and services necessary to pay for increases in existing costs, including pay raises, FERS contributions, and GSA rent, among others. Program and administrative reductions to be identified once funds are appropriated.

Impact on Performance

Performance impact information is not yet available for this offset.

VII. Exhibits

A: Organizational Chart

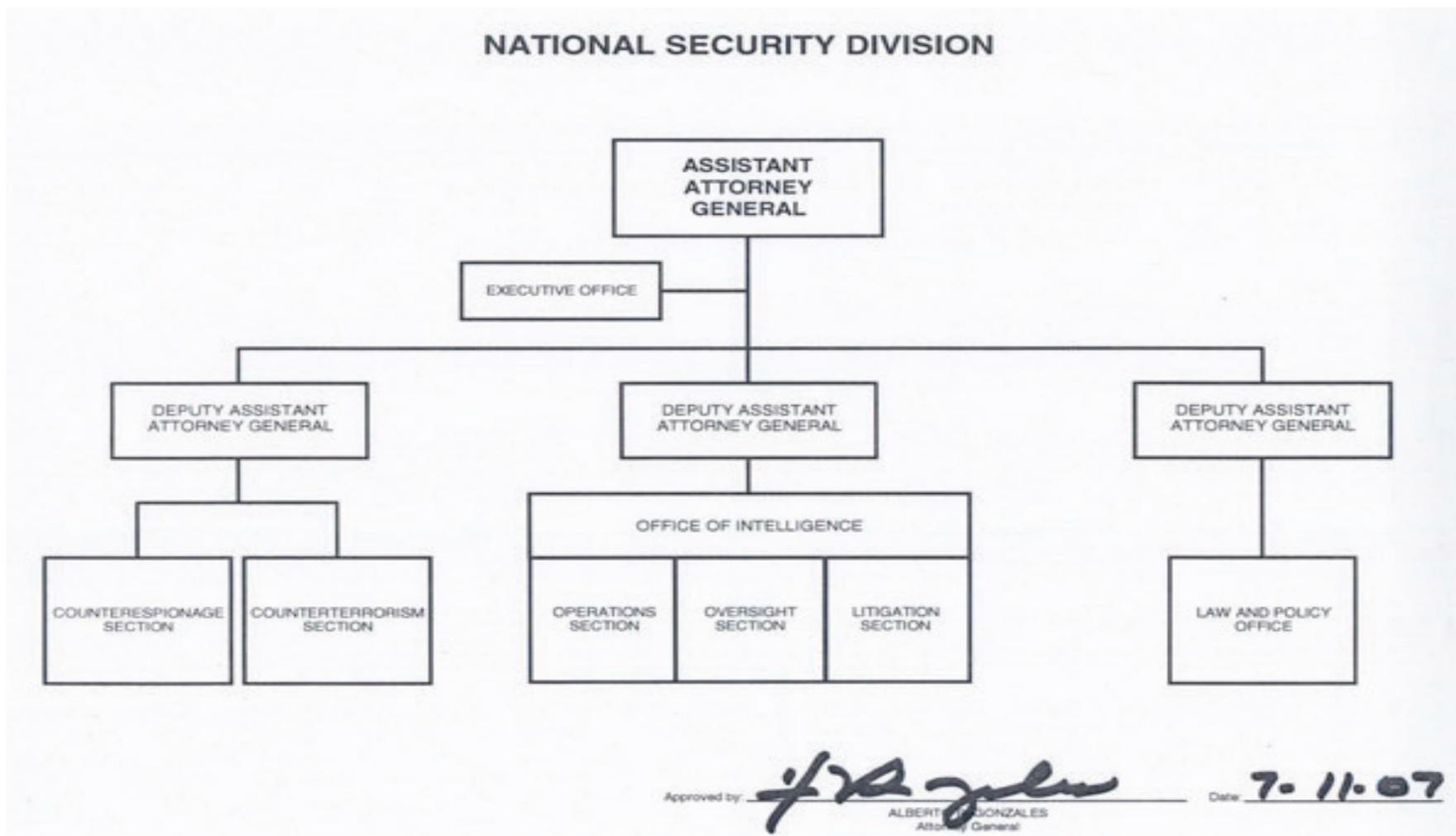


Exhibit A - Organizational Chart

B. Summary of Requirements

Summary of Requirements

National Security Division

Salaries and Expenses

(Dollars in Thousands)

	FY 2015 Request		
	Direct Positions	FTE	Amount
2013 Enacted	364	312	90,039
2013 Rescissions (1.877% & 0.2%)			(1,867)
2013 Sequester			(4,377)
Total 2013 Enacted (with Rescissions and Sequester)	364	312	83,796
2014 Enacted	383	336	91,800
Base Adjustments			
Pay and Benefits	0	9	1,107
Domestic Rent and Facilities	0	0	4,798
Total Base Adjustments	0	9	5,905
2015 Current Services	383	345	97,705
Program Changes			
Program Offset - Miscellaneous Program and Administrative Reductions	0	0	(5,905)
Subtotal, Offsets	0	0	(5,905)
Total Program Changes	0	0	(5,905)
2015 Total Request	383	345	91,800
2014 - 2015 Total Change	0	9	0

Note: The FTE for FY 2013 is actual and for FY 2014 and FY 2015 is estimated.

B. Summary of Requirements

Summary of Requirements

National Security Division
Salaries and Expenses
(Dollars in Thousands)

Program Activity	2013 Enacted with Rescissions and Sequester			2014 Enacted			2015 Technical and Base Adjustments			2015 Current Services		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
National Security Division	364	312	83,796	383	336	91,800	0	9	5,905	383	345	97,705
Total Direct	364	312	83,796	383	336	91,800	0	9	5,905	383	345	97,705
Total Direct with Rescission			83,796			91,800			5,905			97,705
Reimbursable FTE		0			0			0			0	
Total Direct and Reimb. FTE		312			336			9			345	
Other FTE:												
LEAP		0			0			0			0	
Overtime		0			0			0			0	
Grand Total, FTE		312			336			9			345	

Program Activity	2015 Increases			2015 Offsets			2015 Request		
	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
National Security Division	0	0	0	0	0	(5,905)	383	345	91,800
Total Direct	0	0	0	0	0	(5,905)	383	345	91,800
Total Direct with Rescission			0			(5,905)			91,800
Reimbursable FTE		0			0			0	
Total Direct and Reimb. FTE		0			0			345	
Other FTE:									
LEAP		0			0			0	
Overtime		0			0			0	
Grand Total, FTE		0			0			345	

C. Program Changes by Decision Unit

FY 2015 Program Changes by Decision Unit

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Program Offsets	Location of Description in Narrative	National Security Division				Total Offsets			
		Direct Pos.	Agt./ Atty.	Est. FTE	Amount	Direct Pos.	Agt./ Atty.	Est. FTE	Amount
Miscellaneous Program and Administrative Reductions	Page 34	0	0	0	(5,905)	0	0	0	(5,905)
Total Program Offsets		0	0	0	(5,905)	0	0	0	(5,905)

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective
 National Security Division
 Salaries and Expenses
 (Dollars in Thousands)

Strategic Goal and Strategic Objective	2013 Enacted with Rescissions and Sequester		2014 Enacted		2015 Current Services		2015 Increases		2015 Offsets		2015 Total Request	
	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount
Goal 1 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 by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats	200	58,872	210	63,040	207	64,100	0	0	0	(4,174)	207	59,926
1.2 Prosecute those involved in terrorist acts.	77	16,854	80	18,290	80	18,597	0	0	0	(1,211)	80	17,386
1.3 Investigate and prosecute espionage activity against the United States, strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats	35	8,070	36	7,816	39	12,354	0	0	0	(520)	39	11,834
1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors	0	0	10	2,654	19	2,654				0	19	2,654
Subtotal, Goal 1	312	83,796	336	91,800	345	97,705	0	0	0	(5,905)	345	91,800
TOTAL	312	83,796	336	91,800	345	97,705	0	0	0	(5,905)	345	91,800

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

National Security Division

Salaries and Expenses

(Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
Pay and Benefits			
1 <u>2015 Pay Raise:</u> This request provides for a proposed 1 percent pay raise to be effective in January of 2015. The amount request, <u>\$395,000</u> , represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (<u>\$284,400</u> for pay and <u>\$110,600</u> for benefits.)			395
1 <u>Annualization of 2014 Pay Raise:</u> This pay annualization represents first quarter amounts (October through December) of the 2014 pay increase of 1.0% included in the 2014 President's Budget. The amount requested <u>\$118,000</u> , represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (<u>\$84,960</u> for pay and <u>\$33,040</u> for benefits).			118
2 <u>Annualization of 2014 Approved Positions:</u>		9	0
3 <u>FERS Regular/Law Enforcement Retirement Contribution:</u> Effective October 1, 2014 (FY 2015), the new agency contribution rates of 13.2% (up from the current 11.9%, or an increase of 1.3%) and 28.8% for law enforcement personnel (up from the current 26.3%, or an increase of 2.5%). The amount requested, <u>\$474,000</u> , represents the funds needed to cover this increase.			474
4 <u>Employee Compensation Fund:</u> The <u>\$1,000</u> request reflects anticipated changes in payments to the Department of Labor for injury benefits under the Federal Employee Compensation Act.			1
5 <u>Health Insurance:</u> Effective January 2015, the component's contribution to Federal employees' health insurance increases by 3.6 percent. Applied against the 2014 estimate of <u>\$2,173,000</u> , the additional amount required is <u>\$79,000</u> .			79
6 <u>Retirement:</u> Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency 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 <u>\$40,000</u> is necessary to meet our increased retirement obligations as a result of this conversion.			40
Subtotal, Pay and Benefits	0	9	1,107
Domestic Rent and Facilities			
1 <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 <u>\$1,346</u> 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 FY 2015 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provides data on the rate increases.			1,346
2 <u>Guard Services:</u> This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across the country. The requested increase of <u>\$2,000</u> is required to meet these commitments.			2
3 <u>Moves (Lease Expirations):</u> GSA requires all agencies to pay relocation costs associated with lease expirations. This request provides for the costs associated with new office relocations caused by the expiration of leases in FY 2015.			3,450
Subtotal, Domestic Rent and Facilities	0	0	4,798
TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS	0	9	5,905

F. Crosswalk of 2013 Availability

Crosswalk of 2013 Availability

National Security Division
Salaries and Expenses
(Dollars in Thousands)

Program Activity	2013 Appropriation Enacted w/o Balance Rescission ¹			Supplementals			Sequester			Reprogramming/Transfers			Carryover	Recoveries/ Refunds	2013 Actual		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Amount	Amount	Direct Pos.	Actual FTE	Amount
National Security Division	364	312	88,173	0	0	0	0	0	(4,377)	0	0	0	6,179	48	364	312	90,023
Total Direct	364	312	88,173	0	0	0	0	0	(4,377)	0	0	0	6,179	48	364	312	90,023
Total Direct and Reimb. FTE		312			0			0			0					312	
Other FTE:																	
LEAP		0			0			0			0					0	
Overtime		0			0			0			0					0	
Grand Total, FTE		312			0			0			0					312	

Carryover: NSD carried over \$6,179,000 for IT related projects.

Recoveries/Refunds: NSD has a recovery of \$48,000.

G. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability
National Security Division
Salaries and Expenses
(Dollars in Thousands)

Program Activity	FY 2014 Enacted			Reprogramming/Transfers			Carryover	Recoveries/Refunds	2014 Availability		
	Direct Pos.	Estim. FTE	Amount	Direct Pos.	Estim. FTE	Amount	Amount	Amount	Direct Pos.	Estim. FTE	Amount
National Security Division	383	336	91,800	0	0	4,500	4,678	76	383	336	101,054
Total Direct	383	336	91,800	0	0	4,500	4,678	76	383	336	101,054
Total Direct with Rescission			91,800								101,054
Total Direct and Reimb. FTE		336			0					336	
Other FTE:											
LEAP		0			0					0	
Overtime		0			0					0	
Grand Total, FTE		336			0					336	

Transfer/Carryover/Recovery: FY 2014 funds totaling \$9,254,000 represents a \$4,500,000 transfer from NSD's prior year expired balances to its no-year account, 4,678,000 carryover for IT related projects, and \$76,000 in recoveries.

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Category	2013 Enacted with Rescissions & Sequestration		2014 Enacted		2015 Request				
	Direct Pos.	Reimb. Pos.	Direct Pos.	Reimb. Pos.	ATBs	Program Increases	Program Offsets	Total Direct Pos.	Total Reimb. Pos.
Security Specialists (080)	4		4					4	
Intelligence Series (132)	11		12					12	
Clerical and Office Services (300-399)	78		81					81	
Accounting and Budget (500-599)	7		8					8	
Attorneys (905)	236		249					249	
Paralegals / Other Law (900-998)	13		14					14	
Business & Industry (1100-1199)	1		1					1	
Information Technology Mgmt (2210)	14		14					14	
Total	364	0	383	0	0	0	0	383	0
Headquarters (Washington, D.C.)	363		382					382	
U.S. Field	1		1					1	
Foreign Field	0		0					0	
Total	364	0	383	0	0	0	0	383	0

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Grades	National Security Division	
	Miscellaneous Program and Administrative Reductions	
	Direct Pos.	Amount
25.2 Other Services from Non-Federal Sources		(2,225)
25.3 Other Goods and Services from Federal Sources		(2,305)
31.0 Equipment		(1,375)
Total Program Change Requests	0	(5,905)

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Object Class	2013 Actual		2014 Availability		2015 Request		Increase/Decrease	
	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount
11.1 Full-Time Permanent	312	37,934	336	46,461	345	49,105	9	2,644
11.3 Other than Full-Time Permanent	0	512	0	520	0	520	0	0
11.5 Other Personnel Compensation	0	186	0	80	0	59	0	(21)
<i>Overtime</i>	0	0	0	0	0	0	0	0
<i>Other Compensation</i>	0	0	0	0	0	0	0	0
11.8 Special Personal Services Payments	0	729	0	0	0	0	0	0
Total	312	39,361	336	47,061	345	49,684	9	2,623
Other Object Classes								
12.0 Personnel Benefits		11,543		13,037		13,695		658
21.0 Travel and Transportation of Persons		952		1,030		1,175		145
22.0 Transportation of Things		314		328		352		24
23.1 Rental Payments to GSA		9,723		10,075		11,421		1,346
23.2 Rental Payments to Others		202		208		214		6
23.3 Communications, Utilities, and Miscellaneous Charges		3,744		4,435		3,945		(490)
24.0 Printing and Reproduction		1		6		6		0
25.1 Advisory and Assistance Services		2,006		2,405		2,006		(399)
25.2 Other Services from Non-Federal Sources		5,123		10,280		5,505		(4,775)
25.3 Other Goods and Services from Federal Sources		3,440		7,497		2,841		(4,656)
25.4 Operation and Maintenance of Facilities		45		45		45		0
25.6 Medical Care		27		27		27		0
25.7 Operation and Maintenance of Equipment		216		216		229		13
26.0 Supplies and Materials		300		330		330		0
31.0 Equipment		3,192		1,498		325		(1,173)
32.0 Leasehold Improvements		277		2,576		0		(2,576)
Total Obligations	312	80,466	336	101,054	345	91,800	9	(9,254)
Subtract - Unobligated Balance, Start-of-Year		(6,179)		(4,678)		0		4,678
Subtract - Transfers/Reprogramming		0		(4,500)		0		4,500
Subtract - Recoveries/Refunds		(48)		(76)		0		76
Add - Unobligated End-of-Year, Available		4,678		0		0		0
Add - Unobligated End-of-Year, Expiring		4,879		0		0		0
Total Direct Requirements	312	83,796	336	91,800	345	91,800	9	0

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

1. NSD will take the lead on the FY 2014 Department of Justice Reporting Requirement, House Report, Title II, Page 33, Number 54, Terrorist Finance Cases. Target response to Committee May 18, 2014.