

UNITED STATES DEPARTMENT
OF
JUSTICE



**THE ATTORNEY GENERAL'S
SEMIANNUAL MANAGEMENT REPORT
TO CONGRESS**

October 1, 2013 – March 31, 2014

Background

In accordance with the Inspector General Act of 1978¹ and the amendments to agency semiannual reporting requirements provided in the Inspector General Reform Act of 2008,² the Department of Justice (Department or DOJ) provides the following management report. The report describes the Department's actions during the semiannual period of October 1, 2013 through March 31, 2014, to address recommendations from the Office of the Inspector General (OIG) provided in audit, inspection, and evaluation reports. The first section of this report provides information on the status of completing final action for OIG reports with disallowed costs. The second section provides information on the status of completing final action for OIG reports with recommendations that funds be put to better use. The third and final section of the report, which addresses a reporting requirement for OIG audit reports only, provides the status of final action for reports with management improvements not completed within one year as of March 31, 2014. During the semiannual reporting period, Departmental components completed improvements to close 200 recommendations that had been open more than a year.

DOJ Management Report on Final Action for OIG Reports with Disallowed Costs³

Status of Final Action on Disallowed Costs (six-month period ended March 31, 2014)			
Category	Disallowed Costs	No. of OIG Reports	
Value of disallowed costs for which final action had not been completed by the beginning of the reporting period	\$1,018,591	13	
Value of disallowed costs included in the total above that management determined during the reporting period to be allowable costs based on the review of additional information	\$86,403		
Subtotal	\$932,188		
Value of disallowed costs agreed to by management in a final decision during the reporting period	\$3,665,494		
Value of disallowed costs pending final action during the reporting period (sum of preceding two lines)	\$4,597,682		
Value of disallowed costs for which final action was completed during the reporting period (sum of next two lines)	\$3,087,437		
Disallowed costs recovered by management through collection, offset, property in lieu of cash, or other means	\$3,087,437		
Disallowed costs written off by management	\$0		
Value of disallowed costs for which final action had not been completed by the end of the reporting period	\$1,510,245		19

¹ 5 U.S.C. App.

² P.L. 110-409.

³ This section reflects the status of final action for OIG reports with disallowed costs, in accordance with the Inspector General Act, as amended. For purposes of this report, the term *disallowed cost* means an incurred cost questioned by the OIG that DOJ management, in a final decision, agreed should not have been charged to the Government. The term *final decision* means management has evaluated the finding and recommendation and made a decision concerning its response, including actions concluded to be necessary or that no action is necessary. The OIG can question costs for various findings such as, at the time of audit, costs were not supported by adequate documentation. Historically, the Department has been able to provide adequate support for the majority of OIG questioned costs, resulting in the questioned costs being deemed allowable.

DOJ Management Report on Final Action for OIG Reports with Recommendations that Funds be put to Better Use⁴

Status of Final Action on Funds to Better Use Recommendations (six-month period ended March 31, 2014)		
Category	FBU Recommendations	No. of OIG Reports
Value of FBU recommendations for which final action had not been completed by the beginning of the reporting period	\$0	0
Value of FBU recommendations agreed to by management in a final decision during the reporting period	\$252,416	
Value of FBU recommendations pending final action during the reporting period (sum of preceding two lines)	\$252,416	
Value of FBU recommendations for which final action was completed during the reporting period (sum of next two lines)	\$252,416	
FBU recommendations that were completed	\$252,416	
FBU recommendations that management subsequently concluded should not or could not be implemented or completed	\$0	
Value of FBU recommendations for which final action had not been completed by the end of the reporting period	\$0	

⁴ This section reflects the status of final action for OIG reports with recommendations that funds be put to better use (FBU) that management agreed to in a final decision, in accordance with the Inspector General Act, as amended. For purposes of this report, the term *FBU recommendation* means a recommendation by the OIG that funds could be used more efficiently if management took actions to implement and complete the recommendation.

DOJ Management Report on Status of Final Action for OIG Audit Reports with Management Improvements Not Completed Within One Year⁵

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
BOP – Federal Bureau of Prisons					
09-01	The Federal Bureau of Prisons' Witness Security Program	10/16/2008	18	17	BOP has completed final action on 17 of the 18 recommendations. In addition, BOP has completed various actions related to the remaining recommendation involving the need for a non-disclosure agreement from BOP staff working with WITSEC inmates or handling WITSEC information. BOP drafted a Non-Disclosure Acknowledgement and incorporated it into the BOP Protective Custody Units Manual. Implementation of the requirements set forth in the Manual is pending negotiation with the BOP national union.
10-30	Follow-up Audit of the Federal Bureau of Prisons' Efforts to Manage Inmate Health Care	07/07/2010	7	6	BOP has completed final action on 6 of the 7 recommendations. In addition, BOP has completed various actions related to the remaining recommendation involving the need for BOP to formalize guidance established in response to the audit's recommendations. BOP incorporated the Credential Verification Program Statement and related interim guidance into the BOP Program Statement pertaining to health care providers. Implementation of the requirements set forth in the Program Statement is pending negotiation with the BOP national union.

⁵ In accordance with the Inspector General Act, as amended, the reporting on final action related to OIG-recommended management improvements not completed within one year includes only the management improvements that DOJ management agreed to in a final decision.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
10-44	The Federal Bureau of Prisons' Furlough Program	09/01/2010	7	4	BOP has completed final action on 4 of the 7 recommendations. BOP is continuing its negotiations with the BOP national union on policies developed for the Furlough Program in response to the recommendations, as well as associated proposed changes to the Master Agreement. Completion of final action is dependent, in part, on BOP's conversion to electronic inmate files, which is scheduled to be completed in FY 2015.
COPS – Office of Community Oriented Policing Services					
10-25	A Review of the Grantee Selection Process for the COPS Hiring Recovery Program	05/14/2010	7	6	COPS has completed final action on 6 of the 7 recommendations. In addition, COPS has completed various actions related to the remaining recommendation to provide OJP with access to additional COPS grant management data to facilitate the grant management functions OJP performs for COPS. COPS is working with OJP and OVW, as part of an Enterprise Grants Management Data Collaboration Initiative, to develop an enterprise data warehouse that will contain data elements from all three grant-issuing components, allowing accessibility to data by all three components. COPS plans to complete final action on the remaining recommendation in FY 2014.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
Various	10 Grant Audit Reports	Various	102	57	COPS completed final action during the reporting period on disallowed costs valued at \$1,882,283 and FBU recommendations valued at \$252,416. COPS continues to work with grantees to remedy reported deficiencies and questioned costs and complete final action on disallowed costs valued at \$135,641.
DEA - Drug Enforcement Administration					
12-02	The Drug Enforcement Administration's Personnel Resource Management and Casework	12/07/2011	6	5	DEA has completed final action on 5 of the 6 recommendations. In addition, DEA has completed various actions related to the remaining recommendation involving the resource allocation process for domestic field division personnel. DEA plans to complete final action on the remaining recommendation in FY 2015.
12-05	The Drug Enforcement Administration's Aviation Operations	12/13/2011	11	10	DEA has completed final action on 10 of the 11 recommendations. In addition, DEA has completed various actions related to the remaining recommendation involving DEA's hangar leases and the possibility of obtaining private hangar space or sharing hangar space with other law enforcement agencies to help defray costs and improve aviation personnel and asset security. DEA plans to complete final action on the remaining recommendation in FY 2014.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
EOUSA – Executive Office for United States Attorneys					
08-04	The Department of Justice's Victim Notification System	01/24/2008	19	18	EOUSA has completed final action on 18 of the 19 recommendations. In addition, EOUSA has completed various actions related to the remaining recommendation involving the development of an interface that will allow the Victim Notification System (VNS) to accept USMS custody status data. EOUSA is coordinating with USMS and expects to complete final action on the recommendation in FY 2014.
09-03	Resource Management of United States Attorneys' Offices	11/10/2008	10	9	EOUSA has completed final action on 9 of the 10 recommendations. In addition, EOUSA has completed various actions related to the remaining recommendation involving the need to ensure that reopened cases are not double counted in statistical reports. EOUSA is in the process of implementing a new case management system to address the issue. Implementation is expected to be completed in FY 2014.
FBI – Federal Bureau of Investigation					
08-03	The Federal Bureau of Investigation's Management of Confidential Case Funds and Telecommunications Costs	01/09/2008	16	14	FBI has completed final action on 14 of the 16 recommendations. In addition, FBI has completed various actions related to the remaining recommendations involving measures to enhance FBI management of confidential case funds and telecommunications costs. FBI plans to complete final action on the remaining recommendations in FY 2014.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
09-25	The Federal Bureau of Investigation's Management of Terrorist Watchlist Nominations	05/06/2009	16	15	FBI has completed final action on 15 of the 16 recommendations. In addition, FBI has completed various actions related to the remaining recommendation to evaluate the overall watchlist nomination process and the time frames that should be allocated to the various phases of the process. OIG suspended follow-up for the audit in December 2011 pending completion of its follow-on audit of FBI's management of terrorist watchlist nominations. OIG issued the follow-on audit report in March 2014 and, in April 2014, reopened follow-up for the 2009 audit. FBI plans to complete final action on the remaining recommendation in FY 2014.
10-02	Follow-up Audit of the Federal Bureau of Investigation's Foreign Language Translation Program	10/21/2009	24	23	FBI has completed final action on 23 of the 24 recommendations. In addition, FBI has completed various actions related to the remaining recommendation involving the development of protocols to ensure the timely translation of foreign language material collected for high-priority cases. FBI plans to complete final action on the remaining recommendation in FY 2014.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
GR-80-09-002	Compliance with Standards Governing Combined DNA Index System Activities at the Louisiana State Police Crime Laboratory, Baton Rouge, Louisiana	01/23/2009	6	4	FBI has completed final action on 4 of the 6 recommendations. FBI continues to coordinate with the Louisiana State Police Crime Laboratory to complete final action on the remaining recommendations. One pertains to the laboratory needing to review arrestee profiles to ensure the allowability of profiles uploaded to the National DNA Index System (NDIS) prior to January 2007. The other recommendation involves the need for FBI to ensure the laboratory has updated the criterion used by its staff to qualify profiles for upload to NDIS. FBI plans for final action to be completed for both recommendations in FY 2014.
JMD – Justice Management Division					
11-46	The Justice Security Operations Center's Capabilities and Coordination	09/27/2011	20	19	JMD has completed final action on 19 of the 20 recommendations. In addition, JMD has completed various actions related to the remaining recommendation involving the Justice Security Operations Center (JSOC) obtaining system feeds from all DOJ components for review and trending purposes. JMD plans to complete final action on the remaining recommendation in FY 2014.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
OJP - Office of Justice Programs					
Various	19 Grant Audit Reports	Various	246	155	OJP completed final action during the reporting period on disallowed costs valued at \$400,681. OJP continues to work with grantees to remedy reported deficiencies and questioned costs and complete final action on disallowed costs valued at \$1,148,854.
Various	35 Single Audit Act Reports	Various	135	66	OJP completed final action during the reporting period on disallowed costs valued at \$175,226. OJP continues to work with grantees to remedy reported deficiencies and questioned costs and complete final action on disallowed costs valued at \$165,241.
OVW - Office on Violence Against Women					
Various	10 Grant Audit Reports	Various	65	30	OVW completed final action during the reporting period on disallowed costs valued at \$5,500. OVW continues to work with grantees to remedy reported deficiencies and questioned costs and complete final action on disallowed costs valued at \$38,500.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
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			Recommended	Completed	
USMS – U.S. Marshals Service					
11-02	United States Marshals Service's Oversight of Its Judicial Facilities Security Program	11/18/2010	15	12	USMS has completed final action on 12 of the 15 recommendations. In addition, USMS continues to make progress on policy and contract changes associated with the remaining recommendations. USMS plans to complete final action on the policy-related recommendations in FY 2014. Final action on the recommendation involving contract changes is expected to be completed in FY 2016, because the contract changes are being made in conjunction with new contract awards to avoid costs that would be associated with modifying existing contracts.
13-05	United States Marshals Service's Procurement Activities	12/18/2012	12	2	USMS has completed final action on 2 of the 12 recommendations. In addition, USMS has completed various actions on the remaining recommendations related to enhancing processes, guidance, training, and oversight of USMS procurement activities. USMS plans to complete final action on the remaining recommendations in FY 2014.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
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			Recommended	Completed	
13-06	Department of Justice's Oversight of Non-Federal Detention Facility Inspections	1/9/2013	7	1	USMS and the Office of the Deputy Attorney General (ODAG) have completed final action on 1 of the 7 recommendations. In addition, various actions have been completed on the remaining recommendations related to ensuring that policies for the inspection of non-federal detention facilities are congruent throughout the Department and enhancing processes and guidance for conducting and monitoring inspections, to include modifying inspections for facilities that repeatedly receive acceptable inspection ratings. USMS and ODAG plan to complete final action on the remaining recommendations in FY 2014.
USNCB – United States National Central Bureau - INTERPOL Washington					
09-35	INTERPOL Washington – United States National Central Bureau (USNCB)	09/18/2009	27	22	USNCB and ODAG have completed final action on 22 of the 27 recommendations. In addition, various actions have been completed on the remaining recommendations related to enhancing automated processes for transmitting INTERPOL information to U.S. agency systems and USNCB analytical and workflow processes. USNCB and ODAG plan to complete final action on the remaining recommendations in FY 2014.

Status of Final Action on Management Improvements Not Completed Within One Year (as of March 31, 2014)					
Report Number	Audit Report Title	Report Date	Management Improvements		Status of Final Action
			Recommended	Completed	
Audit Reports Encompassing More Than One DOJ Component					
10-01	Explosives Investigation Coordination Between the Federal Bureau of Investigation and the Bureau of Alcohol, Tobacco, Firearms and Explosives	10/21/2009	15	14	The Department had completed final action on 14 of the 15 recommendations as of the end of the reporting period. In April 2014, the Department completed final action on the remaining recommendation, and OIG closed the report.