THE EXTERNAL EFFECTS OF THE FEDERAL BUREAU OF INVESTIGATION'S REPRIORITIZATION EFFORTS

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EXECUTIVE SUMMARY*

For more than three years, the Federal Bureau of Investigation (FBI) has been undergoing a broad transformation aimed at focusing the agency on terrorism and intelligence-related matters. In May 2002, in the aftermath of the September 11, 2001, terrorist attacks (9/11), the FBI established counterterrorism and counterintelligence as its top two investigative priorities. At the same time, the FBI Director formally transferred more than 500 agents from traditional criminal areas to terrorism-related programs.[1] These changes were designed to transform the FBI into a more proactive, intelligence-driven agency dedicated to preventing acts of terrorism against the United States and its citizens.

The Office of the Inspector General (OIG) previously reviewed the FBI's reprioritization efforts, focusing on the internal operational changes that occurred within the FBI between fiscal years (FYs) 2000 and 2003. In that audit we identified the specific types of offenses that the FBI was no longer investigating at pre-9/11 levels.[2] We found that the FBI's investigative efforts in FY 2003 were generally consistent with its post-9/11 priorities and that the FBI was performing less work in certain traditional criminal investigative areas and more work in matters related to terrorism.

We performed the current OIG audit as a follow-on to our previous work. In this review, we examined the traditional criminal areas in which the FBI had reduced its investigative efforts and attempted to identify the impact those changes have had on the operations of other law enforcement organizations at the federal, state, and local levels. To accomplish this objective, we analyzed FBI data and documentation from FYs 2000 through 2004 to identify the specific changes in the FBI's investigative efforts related to traditional crime areas. We also reviewed case management data from

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* The full version of this report includes a limited amount of information that the Federal Bureau of Investigation (FBI), Drug Enforcement Administration (DEA), and Executive Office for United States Attorneys (EOUSA) considered to be law enforcement sensitive and therefore could not be publicly released. To create this public version of the report, the OIG redacted (deleted) the portions of the full report that were considered sensitive by the FBI, DEA, and EOUSA; and we indicated where those redactions were made.

[1] Traditional crime matters include narcotics trafficking, organized crime, violent crime, white-collar crime, and civil rights.

[2] Department of Justice, Office of the Inspector General. Audit Report Number 04-39, *The Internal Effects of the FBI's Reprioritization*, September 2004.

the Executive Office for United States Attorneys, which showed changes in the number of criminal matters that the FBI had referred to United States Attorneys' Offices (USAO) during our review period.

We interviewed headquarters-level officials at the FBI and other federal law enforcement entities, such as the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); the Department of Homeland Security's Bureau of Immigration and Customs Enforcement (ICE); the Drug Enforcement Administration (DEA); the Executive Office of the President's High Intensity Drug Trafficking Area (HIDTA) program; and the United States Marshals Service (USMS) to determine the impact of the FBI's changed investigative priorities. Further, to obtain the views of state and local law enforcement officials, we disseminated a web-based survey to approximately 3,500 state and local law enforcement agencies located in the jurisdictional areas of the following 12 FBI field offices: Atlanta, Georgia; Chicago, Illinois; Dallas, Texas; Denver, Colorado; Detroit, Michigan; Los Angeles, California; Miami, Florida; New Orleans, Louisiana; New York City, New York; Phoenix, Arizona; San Francisco, California; and Washington, D.C. We then conducted interviews with field-level federal, state, and local officials within seven of these FBI field office jurisdictions.[3] The following sections summarize the results of the OIG's review.

FBI Criminal Resources

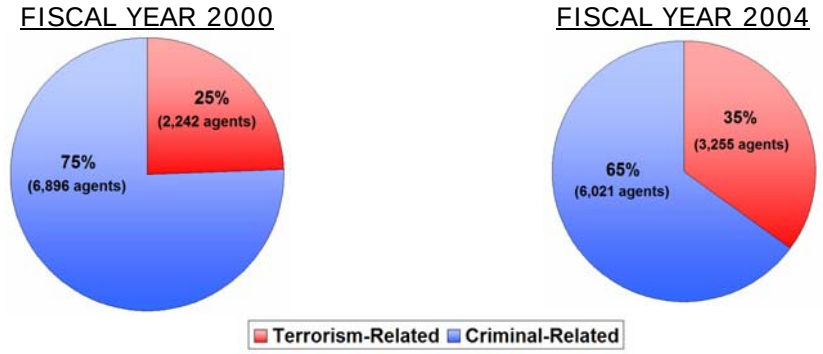
By analyzing the FBI's field agent allocations (planned resource usage) and field agent utilization (actual use of resources), we first identified the specific changes that had taken place in FBI resource usage between FYs 2000 and 2004. We determined that, through its reprioritization efforts, the FBI had formally reallocated 1,143 field agent positions away from investigating drugs, violent crime, white-collar crime, and other traditional crime and primarily placed these resources in terrorism-related programs. Further, our review of agent utilization data revealed that the FBI had reduced the actual investigative work of field agents related to traditional crimes by more than 1,200 personnel, which is in addition to the formal reallocation of 1,143 field agent positions. According to senior FBI officials, these additional agents were diverted from criminal investigative areas to terrorism-related matters as needs arose.

[3] For our interviews with state and local officials, we spoke with the major police department located in each city we visited. In addition, we judgmentally selected police departments based on responses to the OIG survey, choosing agencies that indicated they had been either negatively or positively affected by the FBI's reprioritization.

Allocation of Field Agent Personnel

A major element of the FBI's reprioritization efforts has been to reallocate FBI personnel resources and transfer agents from traditional criminal investigative areas to terrorism-related issues. The following charts provide a FY 2000 to FY 2004 comparison of the allocation of the FBI's non-supervisory field agent workforce, according to the type of investigative matter to which they were assigned.

COMPARISON OF FBI FIELD AGENT ALLOCATIONS IN TERRORISM AND CRIMINAL INVESTIGATIVE MATTERS FISCAL YEARS 2000 AND 2004[4]



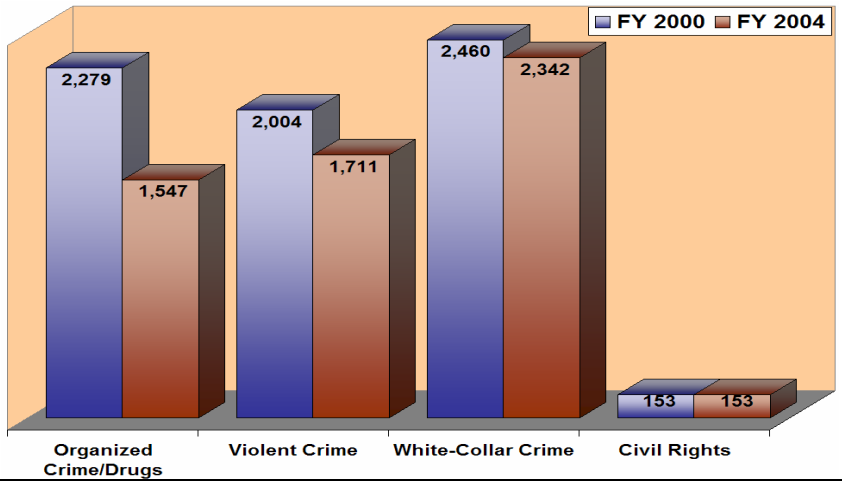
Source: OIG analysis of FBI Resource Management and Allocation (RMA) Office data

In FY 2000 the FBI allocated 75 percent of its field agent workforce to criminal investigative areas, predominantly organized crime, drugs, violent crime, and white-collar crime. By FY 2004, the proportion of FBI field agents involved in criminal-related matters declined to 65 percent.

These percentages reflect the FBI's allocation of fewer field agent positions to criminal areas in FY 2004 compared to FY 2000. The following graph depicts the changes in allocations between FYs 2000 and 2004 within traditional criminal program areas.

[4] We categorized FBI activities as terrorism-related or criminal-related based on the program in which the work was captured. We considered terrorism-related work to be captured in the National Foreign Intelligence, Domestic Terrorism, and National Infrastructure Protection/Computer Intrusion programs. We considered criminal-related work to be captured in the Civil Rights, Criminal Enterprise Investigations, Cyber Crime, Organized Crime/Drug, Violent Crime/Major Offenders, and White-Collar Crime programs.

TRADITIONAL CRIME ALLOCATIONS OF FBI FIELD AGENTS FISCAL YEARS 2000 AND 2004



Source: OIG analysis of FBI RMA Office data

As shown above, the majority of this reduction occurred in the resources allotted for drug investigations. In total, the FBI allocated 1,143 fewer agents to these traditional criminal areas in FY 2004 compared to FY 2000.

Utilization of Field Agent Personnel

In addition to the reallocation of positions, we found that the actual reduction in the number of agents investigating criminal matters was significantly greater than the FBI planned.[5] During FY 2004, the FBI allocated a total of 5,753 agent resources to traditional crime matters; however, only 4,474 field agents were actually utilized in these areas, a difference of 1,279 agents.

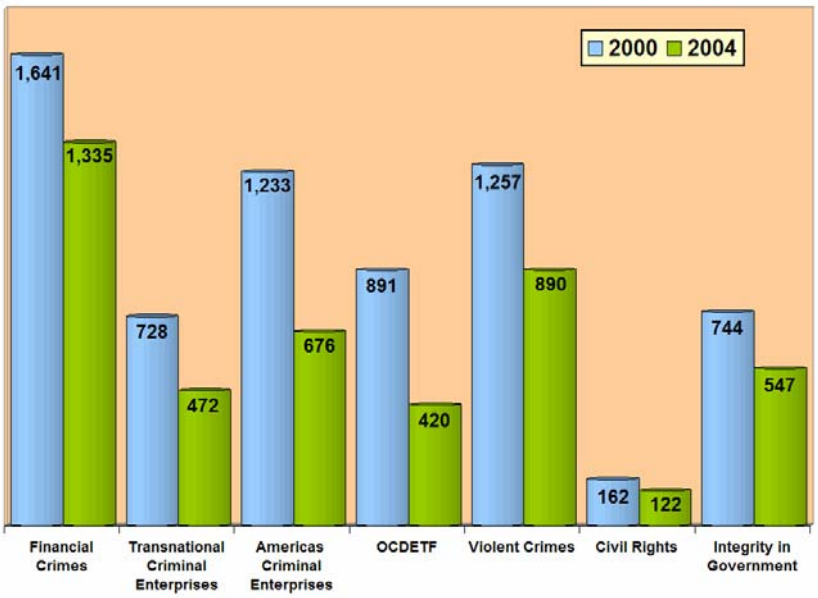
According to FBI officials, FBI field offices were directed to ensure that no terrorism-related matter went unaddressed, which primarily contributed to the significant gap in the utilization and allocation figures. As a result, the total number of agents actually investigating traditional crime matters was 2,190 less during FY 2004 than during FY 2000. Overall, the FBI had 6,664 agents involved in traditional crime areas in FY 2000, while 4,474 agents investigated such matters in FY 2004.

Further analyses revealed that each of the FBI's current criminal investigative programs experienced agent utilization reductions during this 4-year period, as shown in the following graph. Significant decreases

[5] Resource allocations reflect the FBI's planned resource usage, while resource utilization indicates the actual time that FBI field agents spent performing their duties.

occurred in Americas Criminal Enterprises (45 percent), which is responsible for investigating narcotics trafficking, gang-related crime, and major theft, and Transnational Criminal Enterprises (35 percent), which includes the FBI's organized crime investigative efforts.

FBI FIELD AGENT UTILIZATION IN SPECIFIC CRIMINAL AREAS FISCAL YEARS 2000 AND 2004[6]



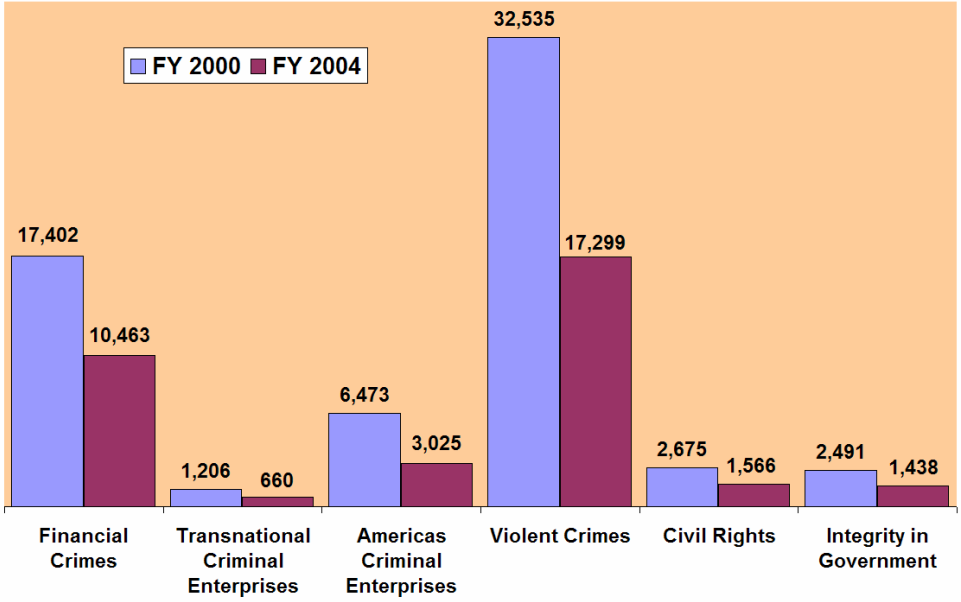
Source: OIG analysis of FBI Time Utilization and Recordkeeping data

FBI Criminal Casework

For additional insight into the impact of the FBI's reprioritization efforts, we analyzed data on changes in the number of FBI cases opened. We found that the FBI opened 28,331 fewer criminal cases in FY 2004 than it had in FY 2000, a 45-percent reduction. During FY 2000, the FBI initiated 62,782 criminal investigations, while in FY 2004 the number of investigations declined to 34,451. Within the Criminal Investigative Division, each criminal program experienced a reduction in case openings during our review period, as depicted in the following graph. Notably, the Americas Criminal Enterprises Program initiated over 50 percent fewer cases in FY 2004 than in FY 2000. Additionally, significant decreases in case initiations occurred in Financial Crimes (40 percent) and Violent Crimes (47 percent).

[6] During FY 2004, the FBI restructured its Criminal Investigative Division in an effort to better reflect current trends in criminal activity. Included in this restructuring was the creation of new programs, such as the Americas Criminal Enterprises. We adjusted the data to reflect this current program arrangement for both FYs 2000 and 2004.

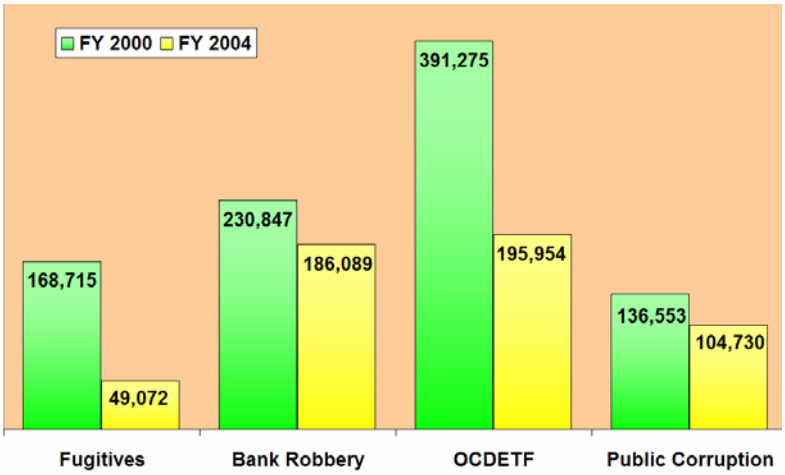
FBI CASE OPENINGS IN SPECIFIC CRIMINAL AREAS
FISCAL YEARS 2000 AND 2004



Source: OIG analysis of FBI Automated Case Support data

Aside from the decrease in the number of case openings, we also observed a reduction in the number of case serials associated with certain traditional crime matters in FY 2004 as compared to FY 2000.[7] The following graph illustrates a general decrease in case serials in four traditional crime areas.

FBI CASE SERIALS FOR SELECT TRADITIONAL CRIME MATTERS
FISCAL YEARS 2000 AND 2004

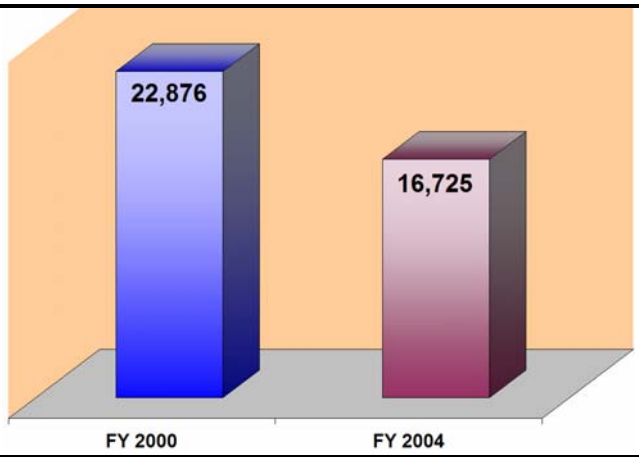


Source: OIG analysis of FBI case serials

[7] FBI agents submit documents reflecting work on a case to the appropriate case file. Each document entry receives a serial, or tracking, number and is known as a "serial."

In addition to the results of our FBI casework analysis, we found that the FBI reduced the number of criminal-related matters referred to the USAOs by 6,151, or 27 percent, between FYs 2000 and 2004.[8] As the following exhibit shows, the FBI referred 22,876 criminal-related matters to the USAOs during FY 2000; this figure declined to 16,725 criminal matters in FY 2004.

FBI CRIMINAL MATTERS REFERRED TO THE USAOs FISCAL YEARS 2000 AND 2004



Source: OIG analysis of United States Attorney case data

Impact of Shift in FBI Criminal Investigative Effort

We examined the effect of the FBI's shift in resources and case openings on the operations of other law enforcement agencies. To assess these impacts, we interviewed FBI and other federal law enforcement officials. We also surveyed and interviewed many state and local officials. The following sections provide an overview of the results of our interviews and survey.

FBI Field Office Perspective

Several FBI field division officials commented that the significant resource reductions in traditional crime areas have considerably affected their investigative efforts. For example, prior to 9/11 one of the FBI's 56 field offices had at least 9 drug squads. By the time of our fieldwork in April 2005, the number of drug squads in that field office had been reduced to three. Similarly, another FBI field office had at least four drug squads before the FBI's reprioritization, but is currently operating with two. According to FBI field managers, the reduction in the number of drug squads resulted in a reduction in the number of drug-related investigations.

[8] The figures presented for criminal-related matters include all non-terrorism related referrals to the USAOs. For purposes of this report, we considered the matters referred to the USAOs that are categorized as Internal Security Offenses to be terrorism-related.

Reductions in the number of FBI squads were not limited to drug-related matters, but also occurred within the areas of violent crime and white-collar crime. For example, one FBI field office had three individual squads responsible for bank robberies, fugitives, and truck hijacking/cargo theft which, after 9/11, were combined into one squad with a resource level equivalent to only one of the original squads. Additionally, another FBI field office had operated with at least four white-collar crime squads prior to 9/11, but at the time of our fieldwork in March 2005 the office had two such squads.

Some FBI officials we interviewed stated that the FBI's more limited presence in violent crime and white-collar crime had impaired the law enforcement community's efforts to address these crime areas, particularly financial institution fraud and bank robberies. They added that state and local law enforcement agencies generally do not have the necessary resources or jurisdictional authority to effectively address many of these violations, and they commented that no other law enforcement agency has been able to compensate entirely for the FBI's reduced efforts in these areas.

Other Federal Law Enforcement Perspectives

We obtained mixed perspectives from the non-FBI federal agency officials we interviewed regarding the FBI's reprioritization. At the headquarters-level, while some agency officials stated that they had not observed significant changes in the FBI's traditional criminal operations, other agency representatives said they noticed a reduction in FBI investigative effort in traditional crime matters.

At the field-level, many non-FBI federal officials we interviewed said they had observed changes in the FBI's investigative efforts of criminal matters. They commented that the FBI focused much of its attention on terrorism-related matters while pulling back in traditional areas such as drugs and fugitive apprehensions. Despite the FBI's reduced investigative effort in these traditional crime areas, most non-FBI federal managers in the field said they did not believe their agencies' operations had been significantly affected, aside from an increase in their caseloads. However, these other non-FBI federal law enforcement officials raised concerns about their resource levels and commented that it will become increasingly difficult for their agencies to assume a greater role investigating traditional crime areas without increased resources.

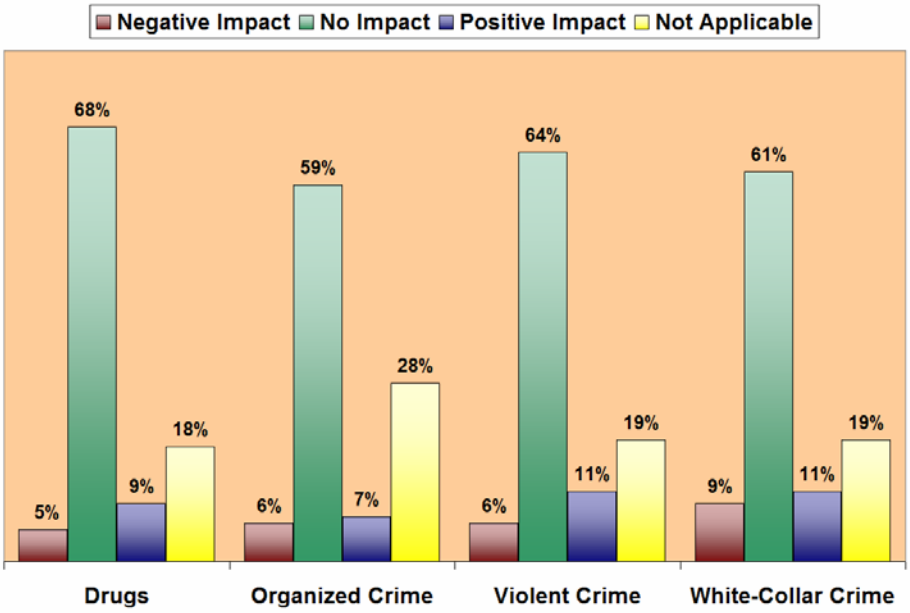
In addition to the feedback obtained from non-FBI federal investigative officials, representatives from various USAOs said they noted a significant decline in the number of FBI cases brought to them for prosecution. These federal prosecutors also commented that they believed the FBI's shift in

priorities had created investigative gaps in certain crime areas, such as financial crimes.

State and Local Law Enforcement Perspectives

The overall response to our web-based survey of state and local law enforcement agencies located within 12 different FBI field office jurisdictions indicated that state and local law enforcement operations were affected only minimally by the FBI's reprioritization. Our survey contained several questions inquiring as to whether the responding agency's investigative efforts had been affected by the FBI's reprioritization in various criminal areas, such as drug-related crime and white-collar crime. Participants were provided a scaled response to select not only the type of impact but also the magnitude of that impact.[9] The following graph illustrates the perceived impact of respondents for traditional crime matters.[10]

SURVEY RESULTS OF THE IMPACT ON STATE AND LOCAL LAW ENFORCEMENT AGENCIES' TRADITIONAL CRIME INVESTIGATIONS



Source: OIG analysis of survey responses

[9] Participants were provided a scaled response to select whether the impact was positive or negative, and the magnitude of such impact. A negative impact was defined as an agency being impaired by the FBI's shift in priorities, such as if the agency experienced severe difficulty in handling the type of investigation listed. A positive impact was defined as an agency benefiting from the FBI's reprioritization, such as if the agency significantly enhanced its operations to successfully address the investigative area in question.

[10] We distributed our survey to 3,514 agencies, and 1,265 agencies submitted a response. However, not every agency answered each question and in some instances agencies submitted multiple responses. Detailed information on the survey instrument, recipients, respondents, and responses can be found in Appendices I, VIII, IX, and X of this report.

As shown in this graph, only a small percentage of the state and local respondents indicated that their operations had been impaired by the FBI's reprioritization. However, in the white-collar crime area, more agencies said they were negatively affected (9 percent of respondents) than in other crime areas (5 to 6 percent of respondents).

In addition to questions related to these general traditional crime areas, our survey included questions related to specific types of violations, such as bank robberies and gang-related activity. Although the answers to these questions mirrored the results of the overall investigative areas – a majority of respondents said their operations were only minimally affected by the FBI's shift in priorities – we did identify some matters, such as bank robberies and financial institution fraud, in which respondents indicated a greater negative impact caused by the FBI's reprioritization.

To follow-up on our survey, we interviewed state and local law enforcement officials in 7 of the 12 geographic areas to which the survey was disseminated. In these interviews, the officials described the impact that the FBI's shift in investigative priorities had on state and local operations. These discussions were more detailed than the survey results indicated, and many officials discussed specific concerns they had with the FBI's post-9/11 shift in investigative priorities.

In general, state and local law enforcement officials commented that their caseloads have increased following the FBI's reprioritization. Officials at several of these agencies expressed concern that they do not have adequate resources to address this increased volume. Moreover, some of these officials stated that the complex and far-reaching crimes that the FBI had been handling often exceeded their departments' resource levels, expertise, and jurisdictional authority.

During our discussions with state and local law enforcement representatives, we also asked for information on specific crime areas in which they had noticed an impact following the FBI's reprioritization. According to these officials, the primary area that their agencies were not able to adequately address alone was financial crimes, especially matters related to financial institution fraud. To a lesser extent, several local law enforcement agencies observed reduced involvement by the FBI in the investigation of gangs and bank robberies, which some local officials stated had caused a gap that the local agencies have been unable to completely fill.

Specific Crime Areas Affected by the FBI Reprioritization

Through our discussions with FBI and non-FBI law enforcement officials, we identified and focused on several specific crime areas that these individuals said were negatively affected by the FBI's reprioritization efforts. In addition, our discussions with the FBI and other federal law enforcement agencies revealed areas such as identity theft and fugitive apprehension in which it appears that the federal government's response should be addressed in a more coordinated manner.

Financial Crimes

Our data analyses and fieldwork revealed that the FBI had significantly reduced its investigations of financial institution fraud (FIF), especially less significant, low-dollar incidents. Between FYs 2000 and 2004, the FBI reduced the number of agents addressing FIF matters under $100,000 from 111 agents to 20. Based on our interviews and data analysis, we concluded that this decreased effort created an investigative gap that no other law enforcement agency had substantially filled. Several local law enforcement officials stated that many of these crimes were going unaddressed as a result of the FBI's reduced presence in this area. Similarly, discussions with USAO representatives and analysis of USAO criminal data showed that generally no other law enforcement agency had assumed a greater investigative role on FIF matters to compensate for the FBI's reduced effort in this area.

To a lesser extent, our data analysis and interviews revealed that a gap existed within the law enforcement community related to telemarketing and wire fraud. Comparing FY 2004 to FY 2000, the FBI used fewer agents to address telemarketing and wire fraud, opened fewer such cases, and referred fewer telemarketing fraud matters to the USAOs. According to FBI and local law enforcement officials, other law enforcement agencies were unable to assume a greater investigative role in these areas because they lacked sufficient resources, technical capability, and jurisdictional authority.

In addition, according to FBI data, the FBI experienced reductions in both its overall agent utilization and case openings between FYs 2000 and 2004 on health care fraud investigations, even though it is the FBI's second highest national priority for financial crimes. Our analysis of USAO data showed similar results – the FBI referred fewer health care fraud matters to the USAOs in FY 2004 than in FY 2000. Other federal agencies increased the number of such matters referred to the USAOs, but not nearly to the extent of the FBI's reduction. At our exit conference, the FBI provided evidence

that its efforts related to health care fraud had increased in FY 2005 compared to FY 2004.

Corporate fraud is the FBI's top financial crime priority nationally. In accordance with this ranking, the FBI utilized more agents on corporate fraud investigations and referred more corporate fraud matters to the USAOs in FY 2004 than in FY 2000.

Criminal Enterprises

In this section, we assess the FBI's investigative efforts with regard to criminal enterprises, which include drug trafficking, gangs, and organized crime. The FBI's greatest reduction in agent resources between FYs 2000 and 2004 occurred in its drug-related investigations, resulting in fewer drug cases being opened and a decreased overall effort in investigating drug crime. According to the FBI, it has focused its limited resources on dismantling major drug trafficking criminal enterprises rather than on low-level narcotics trafficking investigations. The DEA field managers we interviewed stated that their drug-related efforts had not been negatively affected by the FBI's reprioritization in the large metropolitan areas, but some of these officials were concerned that an investigative gap existed in smaller urban areas in which prior to 9/11 the FBI was the predominant federal agency addressing drug crime. Many of the state and local law enforcement officials we interviewed noted that their drug-related operations had not been adversely affected by the FBI's change in priorities.

Our analysis of USAO data revealed that the FBI had submitted almost 1,600 fewer drug-related criminal matters to the USAOs in FY 2004 than it had in FY 2000. Other federal law enforcement agencies, particularly the DEA and ATF, increased the number of drug trafficking matters that they referred to the USAOs between FYs 2000 and 2004. However, these increases did not fully compensate for the overall decrease in drug-related matters referred to the USAOs. The following table details the drug trafficking matters received by the USAOs in FYs 2000 and 2004.

OVERALL DRUG-RELATED MATTERS RECEIVED BY THE USAOs FISCAL YEARS 2000 AND 2004

	FY 2000	FY 2004	Number Change	Percent Change
All Agencies	**20,331**	**18,368**	**-1,963**	**-10%**
FBI	3,292	1,699	-1,593	-48%
DEA	10,053	10,296	243	2%
ICE	5,683	4,834	-849	-15%
ATF	464	779	315	68%

Source: OIG analysis of United States Attorneys' central case management system data

Similar to the FBI's reduced investigative effort in drug-related crime, the FBI experienced a reduction in its organized crime effort between FYs 2000 and 2004. We found that the FBI utilized 35 percent fewer agents on organized crime matters, resulting in fewer organized crime case openings and referrals to the USAOs since FY 2000. Several USAO officials that we interviewed commented that the FBI's reduced organized crime effort had a negative effect in their jurisdictions.

In contrast to the FBI's decreased emphasis on drug crimes and organized crime, the FBI has increased its investigation of gangs over the past few years. Data revealed that the FBI essentially maintained the same level of agents investigating gang-related matters in FY 2004 than it had in FY 2000. Moreover, the FBI initiated more cases on gang matters during FY 2004 than during FY 2000.

However, our fieldwork revealed that the law enforcement community in many metropolitan areas believed they lacked useful communication regarding gang-related activity and investigations. Despite the number of agencies addressing these matters, we were told that the FBI, the ATF, local police and sheriff's departments, and other agencies in several large cities did not adequately coordinate gang-related efforts. For example, we were told of instances in which multiple agencies in a city targeted the same gang without knowing about the other agencies' efforts. We believe the FBI should seek a more coordinated approach with other members of the law enforcement community to successfully combat gangs.

Fugitive Apprehension

Our analysis and review of FBI data showed that the FBI has reduced its efforts in fugitive-related investigations since FY 2000. In line with our analysis, USMS officials at several of the district offices we visited remarked that they had noticed a lessened effort by the FBI in fugitive-related matters, although they said this change had not affected their ability to address an increased caseload. Moreover, the majority of state and local law enforcement agency representatives we interviewed did not indicate that their work had been negatively affected by any changes in the FBI's efforts with respect to fugitive-related matters. However, during our discussions with executives at the FBI and the USMS about fugitive operations, we found that the relationship between the agencies was strained and that there was little agreement about the types of cases each agency would work in order to avoid duplication of effort.

Bank Robberies

Another area in which the FBI has reduced its efforts since 9/11 is the investigation of bank robberies. According to the FBI's data, the number of agents handling bank robberies decreased by approximately 30 percent between FYs 2000 and 2004. Both FBI and non-FBI officials agreed that the FBI was no longer addressing bank robberies as aggressively as it had prior to 9/11.

According to state and local officials, the primary effect of the FBI's reduced role in bank robberies was an increase in their caseloads. However, a few state and local officials indicated that the FBI's reprioritization had created a gap in bank robbery investigations for which they were unable to compensate.

Identity Theft

Identity theft was cited as a major concern by the majority of state and local law enforcement agencies we interviewed. Officials at these agencies viewed identity theft as an emerging criminal issue and expected criminal activity in this area to increase in the future. Although we found that several federal agencies, including the FBI, are involved in investigating identity theft to varying degrees, we found no coordinated approach for combating this crime. Local law enforcement officials said they are, at times, confused about which agency to turn to for assistance. Overwhelmingly, local law enforcement agencies conveyed the need for the development of a federal strategy to combat identity theft at all levels of law enforcement.

Public Corruption

Public corruption is the FBI's highest non-terrorism criminal investigative priority. As a result, field offices considered these matters of utmost importance in their criminal investigative efforts. Despite this, the FBI's agent utilization data revealed an overall reduction on public corruption matters from FYs 2000 to 2004. Additionally, the FBI opened fewer public corruption cases during FY 2004. It also appeared that some field offices were not giving these matters sufficient emphasis given its priority status. As a result, the FBI has implemented an initiative to review the public corruption efforts within its field offices to ensure that this crime area receives adequate attention. At our exit conference, the FBI provided evidence that its resource utilization in public corruption had significantly increased in FY 2005 compared to FY 2004.

Other Crime Areas

FBI and non-FBI law enforcement officials also raised concerns about their investigative efforts related to child pornography, human trafficking, and alien smuggling. The primary problem for federal agencies, including the FBI, was a lack of resources to adequately address these crimes. In addition, state and local law enforcement officials said their agencies lacked sufficient resources, technical capability, and jurisdictional authority required to investigate these matters. Moreover, in certain locations we identified a lack of coordination between the FBI and ICE on these types of investigations.

Relationships with Others in the Law Enforcement Community

Communication and coordination among law enforcement agencies at the federal, state, and local level is crucial to effective and efficient law enforcement. Given its broad range of investigative jurisdiction, the FBI has significant contact with other law enforcement personnel at each of these levels. With the FBI's reprioritization and resulting reduced focus on traditional crime areas, the FBI's relationships with other law enforcement officials, who will more often address these matters instead of the FBI, are critical.

According to the majority of FBI managers and other law enforcement officials we interviewed, the overall relationships between the FBI and other law enforcement agencies has improved over the last few years. These sentiments were voiced by officials at both the headquarters and field office levels. State and local law enforcement officials also indicated that the FBI has shared more terrorism-related information with them since 9/11. However, while they welcome this intelligence information, these officials said they would like the FBI to share more traditional information related to crime areas such as gangs.

In several cities we visited, monthly meetings of law enforcement agency managers within a jurisdiction were highly regarded. According to many officials, these meetings fostered and maintained good working relationships among the law enforcement community. Additionally, these meetings provided an opportunity for agencies to share ideas and information surrounding current investigative efforts. However, FBI managers at some field divisions told us that such meetings were not occurring in their jurisdictions.

OIG Conclusions and Recommendations

Since the 9/11 terrorist attacks, the FBI has attempted to transform itself into a more proactive, intelligence-driven law enforcement agency with a greater emphasis on counterterrorism and intelligence gathering. As part of this process, in May 2002 the FBI issued a new set of priorities and transferred a significant number of agent positions from traditional crime areas to terrorism-related programs. This reprioritization has affected not only the FBI's operations but also the investigative operations of other law enforcement agencies.

Our analyses of FBI agent utilization data revealed that the FBI has lessened its efforts to combat traditional crime even more than it had planned. Further, the FBI opened fewer criminal cases and referred fewer criminal matters to the USAOs throughout the country in FY 2004 compared to FY 2000.

The effects of the FBI's shift in priorities and resources on other law enforcement agencies' operations varied from agency to agency, and often from crime area to crime area. Still, our review identified specific crime areas, such as financial institution fraud and bank robberies, in which other law enforcement officials said the FBI's reduced investigative activity has hurt their ability to address the crime problem in their area and has left an investigative gap.

In our report, we provided seven recommendations to assist FBI management in the allocation of its agent resources and for improving specific areas of its operations. These recommendations include: (1) assessing investigative need among its various programs to establish realistic and practical personnel projections; (2) pursuing an interagency working group on identity theft; and (3) seeking a more coordinated approach in the areas of fugitive apprehension, child pornography, alien smuggling, and human trafficking.

THE EXTERNAL EFFECTS OF THE FEDERAL BUREAU OF INVESTIGATION'S REPRIORITIZATION

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION 1
Overview of the FBI 1
FBI Reprioritization 1
Prior Reviews 3
Audit Approach 4

CHAPTER 2: THE FBI'S CRIMINAL INVESTIGATIVE DIVISION 8
Overview of the CID 8
Criminal Enterprise Plan 10

CHAPTER 3: FBI RESOURCE AND CASEWORK ANALYSIS 12
FBI Resource Allocations 12
FBI Resource Utilization 15
Comparison of Resource Allocation to Actual Utilization 17
Reasons for Criminal Agent Underutilization 19
FBI Casework Data 20
Criminal Matters Received by United States Attorneys' Offices 21
Comments from FBI Personnel on Effects of Reprioritization 22

CHAPTER 4: SUMMARY OF THE IMPACT ON THE LAW ENFORCEMENT COMMUNITY 24
Federal Law Enforcement Perspectives 24
State and Local Law Enforcement Perspectives 26
Overview of Affected Crime Areas 31

CHAPTER 5: FINANCIAL CRIMES 34
FBI Financial Crimes Focus 35
Overall Changes within the FBI's Financial Crime Efforts 36
Impact on Other Law Enforcement Agencies' Financial Crime Efforts 37
Financial Institution Fraud (Bank Fraud) 39
Telemarketing and Wire Fraud 45
Health Care Fraud 48
Corporate (Securities) Fraud 52
Chapter Summary 53

CHAPTER 6: CRIMINAL ENTERPRISES 55
Overall FBI Criminal Enterprise Investigative Efforts..... 55
Narcotic/Illegal Drug Trafficking Organizations 57
Street Gangs 67
Organized Crime 73
Chapter Summary 79

CHAPTER 7: FUGITIVES 81
Impact of Investigative Changes 83
Chapter Summary 86

CHAPTER 8: BANK ROBBERIES 87
FBI Bank Robbery Measured Response Initiative..... 87
FBI Investigative Effort 88
External Observations and Impact 89
Chapter Summary 90

CHAPTER 9: IDENTITY THEFT 91
FBI Involvement 91
Need for Federal Strategy on Identity Theft 92

CHAPTER 10: PUBLIC CORRUPTION..... 94
Statistical Evaluation of FBI Public Corruption Efforts..... 94
Public Corruption's Priority Status..... 95
Impact of Public Corruption Emphasis 96
Chapter Summary 98

CHAPTER 11: OTHER CRIME MATTERS..... 99
Child Pornography..... 99
Alien Smuggling and Human Trafficking..... 101
Chapter Summary 102

CHAPTER 12: FBI RELATIONSHIPS WITH OTHER LAW ENFORCEMENT AGENCIES 103
FBI Relationships with Law Enforcement Community 103
Other Federal Agencies 104
State and Local Agencies..... 104
Best Practice 104

CHAPTER 13: OIG CONCLUSIONS AND RECOMMENDATIONS 105

APPENDIX I: OBJECTIVE, SCOPE, AND METHODOLOGY 111

APPENDIX II: PRIOR FBI CRIMINAL INVESTIGATIVE DIVISION ORGANIZATION CHART 121

APPENDIX III: CROSSWALK OF FBI INVESTIGATIVE PROGRAMS AND SUBPROGRAMS 122

APPENDIX IV: AGENT UTILIZATION IN FBI INVESTIGATIVE CLASSIFICATIONS 126

APPENDIX V: AGENCIES USED IN OIG ANALYSIS OF UNITED STATES ATTORNEY CASE MANAGEMENT DATA 128

APPENDIX VI: CHANGES IN REFERRALS FOR THE CRIMINAL CATEGORIES USED BY THE UNITED STATES ATTORNEYS' OFFICES 129

APPENDIX VII: LAW ENFORCEMENT AGENCIES CONTACTED DURING FIELDWORK 133

APPENDIX VIII: WEB-BASED SURVEY RESULTS 137

APPENDIX IX: ADDITIONAL SURVEY ANALYSES 159

APPENDIX X: LIST OF SURVEY RESPONDENTS 165

APPENDIX XI: FEDERAL BUREAU OF INVESTIGATION RESPONSE 183

APPENDIX XII: OFFICE OF THE INSPECTOR GENERAL ANALYSIS AND SUMMARY OF ACTIONS NECESSARY TO CLOSE THE REPORT 192

CHAPTER 1: INTRODUCTION

Since the September 11, 2001, terrorist attacks, the Federal Bureau of Investigation (FBI) has worked to become a more proactive, intelligence-driven agency. To achieve this goal, the FBI is undergoing an extensive transformation, driven by new priorities which resulted in a realignment of its investigative resources from traditional crime areas to terrorism-related matters. During the past three years, the FBI has devoted more agents to counterterrorism and counterintelligence, while reducing its investigative involvement in organized crime, drugs, violent crime, and white-collar crime. With a more limited FBI presence in these traditional crime areas, the responsibility to address an increasing number of these issues has fallen to other federal, state, and local law enforcement agencies. The purpose of this review was to determine the impact the FBI's reprioritization has had on other agencies in the law enforcement community.

Overview of the FBI

The FBI is the largest investigative agency of the Department of Justice (DOJ) and is responsible for enforcing more than 200 federal laws. It has the broadest jurisdiction of any federal law enforcement agency. The FBI is charged with not only investigating criminal matters such as organized crime, drugs, and violent crime, but it is also responsible for counterterrorism and counterintelligence matters.

The FBI is comprised of divisions and offices within the United States and around the world. The FBI's executive management is located at FBI Headquarters in Washington, D.C. Domestically, the FBI has 56 field divisions, with approximately 400 resident agencies that report to a respective field division.[11] The FBI also has several additional, specialized facilities, such as the Critical Incident Response Group and the FBI Laboratory, as well as more than 50 Legal Attaché offices located in U.S. embassies and consulates around the world. As of May 31, 2005, the FBI employed 12,382 special agents and 17,271 support personnel.

FBI Reprioritization

After the terrorist attacks of September 11, 2001 (9/11), the FBI began transforming itself, including the primary emphasis of its investigative efforts. According to the FBI Director, the reprioritization process was designed to reshape the FBI into an organization better able to combat the imminent

[11] FBI domestic offices are referred to as divisions, such as the FBI Chicago Division. The FBI also refers to its divisions as field offices, such as the FBI Phoenix Field Office. We use the terms "division" and "field office" interchangeably throughout the report.

terrorist threat and to prevent another terrorist attack against the United States and its citizens. One of the major results of this process was the issuance of a new set of priorities in May 2002, which established the order of precedence for the investigative operations of the FBI. These priorities are presented in the following exhibit.

EXHIBIT 1-1
FBI'S TOP TEN PRIORITIES

1. **Protect the United States from terrorist attack.**
2. **Protect the United States against foreign intelligence operations and espionage.**
3. **Protect the United States against cyber-based attacks and high-technology crimes.**
4. **Combat public corruption at all levels.**
5. **Protect civil rights.**
6. **Combat transnational and national criminal organizations and enterprises.**
7. **Combat major white-collar crime.**
8. **Combat significant violent crime.**
9. **Support federal, state, county, municipal, and international partners.**
10. **Upgrade technology to successfully perform the FBI's mission.**

Source: www.fbi.gov

As shown, the FBI's top priorities are counterterrorism and counterintelligence. In line with the newly established priorities, the FBI Director formally shifted more than 500 field agents from traditional crime areas to terrorism-related programs in May 2002. These resources were taken primarily from the FBI's Criminal Investigative Division (CID), which addresses traditional criminal areas such as narcotics trafficking and white-collar crime. This reprogramming of resources is discussed in further detail in Chapter 3.

Additionally, the FBI has undergone and continues to undergo several changes in its organizational structure since 9/11, including the creation of the Office of Intelligence and the Cyber Division and a restructuring of the CID. The restructuring of the CID included a resource management initiative and the implementation of the Criminal Enterprise Plan, which gave the FBI field divisions more flexibility in investigating criminal organizations. These CID changes are more fully explained in Chapter 2.

Prior Reviews

We previously performed two audits related to the FBI's reprioritization efforts, issuing our first report in September 2003 and the second in September 2004.[12] The first review examined the FBI's casework and resource utilization before and immediately after 9/11. In that report, we found that prior to 9/11, although the FBI identified counterterrorism in its top priorities, the FBI utilized the majority of its agent resources in traditional criminal investigative areas, such as white-collar crime, violent crime, organized crime, and drugs.[13] Following 9/11, agent usage on terrorism-related matters dramatically increased. Additionally, after the initial response to these terrorist incidents, resource usage related to counterterrorism stabilized at a level higher than it was prior to 9/11. One of the recommendations we made in that review was that the FBI Director explore additional means of analyzing the FBI's resource utilization among its various programs. As a result, the FBI Director now receives resource level reports similar to the analyses we performed in our initial review.

Our second review focused solely on the internal operations of the FBI and the changes it had undergone between fiscal years (FY) 2000 and 2003. The FBI formally moved a significant number of funded personnel from traditional criminal investigative areas to matters related to terrorism, and reorganized itself with the intent of becoming a more proactive, intelligence-driven law enforcement agency. Our analyses found that FBI activities in FY 2003 were generally in line with its post-9/11 priorities. Specifically, our analysis of FBI timekeeping data detailed how the FBI was performing less work in certain traditional criminal investigative areas and more work in matters related to terrorism.

The U.S. Government Accountability Office (GAO) has also conducted several reviews of the FBI's post-9/11 reprioritization efforts, issuing its most

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[12] See Department of Justice, Office of the Inspector General, *Federal Bureau of Investigation Casework and Human Resource Allocation*, Audit Report Number 03-37, September 2003; Department of Justice, Office of the Inspector General, *The Internal Effects of the Federal Bureau of Investigation's Reprioritization*, Audit Report Number 04-39, September 2004.

[13] Prior to the FBI Director's issuance of the top 10 priorities, the FBI operated under a three-tiered structure for prioritizing its investigations. Tier One represented the FBI's highest priority area, which focused on national and economic security, including terrorism-related activity.

recent report in August 2004.[14] In this report, the GAO followed up its previous work regarding the FBI's changes since 9/11.[15] The GAO found that its review of data was inconclusive on determining the impact the FBI's changes have had on traditional law enforcement areas.

Audit Approach

This review was performed as a follow-on to our previous work in which we focused on the internal operational changes occurring within the FBI. This audit primarily concentrated on the external effects of the FBI's shift in priorities on the law enforcement community. Specifically, our objective was to determine the impact of the FBI's reprioritization efforts on other federal, state, and local law enforcement agencies. As the FBI reduces its involvement in traditional crime areas, other law enforcement agencies need to enhance their investigative efforts to compensate for the FBI's changes. If not, the potential for certain crimes to go unaddressed increases.

To accomplish our objective, we reviewed various data and documentation and solicited feedback from numerous law enforcement representatives. Specifically, we obtained FBI data related to its allocation of FBI field agent positions, its actual utilization of FBI field agents, and its investigative caseload for FYs 2000 through 2004. We focused on the traditional criminal investigative areas of organized crime, drug trafficking, violent crime, and white-collar crime.

Additionally, we interviewed headquarters-level management at the FBI and other federal law enforcement entities to gain a national perspective. Within the FBI, we spoke primarily with CID officials and personnel from the Office of Law Enforcement Coordination. We also obtained feedback from 11 different federal agencies and programs, including the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); the Drug Enforcement Administration

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[14] Government Accountability Office. *FBI Transformation: Data Inconclusive on Effects of Shift to Counterterrorism-Related Priorities on Traditional Crime Enforcement*, Report Number GAO-04-1036, August 2004.

[15] The GAO previously issued four reports on the FBI's reprioritization efforts: (1) Government Accountability Office. *FBI Reorganization: Initial Steps Encouraging but Broad Transformation Needed*, Report Number GAO-02-865T, June 21, 2002; (2) Government Accountability Office. *FBI Reorganization: Progress Made in Efforts to Transform, but Major Challenges Continue*, Report Number GAO-03-759T, June 18, 2003; (3) Government Accountability Office. *FBI Transformation: FBI Continues to Make Progress in Its Efforts to Transform and Address Priorities*, Report Number GAO-04-578T, March 23, 2004; and (4) Government Accountability Office. *FBI Transformation: Human Capital Strategies May Assist the FBI in Its Commitment to Address Its Top Priorities*, Report Number GAO-04-817T, June 3, 2004.

(DEA); and the Executive Office of the President's High Intensity Drug Trafficking Area (HIDTA) program. A complete listing of the federal agencies we visited is contained in Appendix I.

Further, to obtain the viewpoints of state and local law enforcement officials, we disseminated a web-based survey to chief law enforcement executives of 3,514 agencies located in the jurisdictional areas of 12 FBI field offices: Atlanta, Georgia; Chicago, Illinois; Dallas, Texas; Denver, Colorado; Detroit, Michigan; Los Angeles, California; Miami, Florida; New Orleans, Louisiana; New York City, New York; Phoenix, Arizona; San Francisco, California; and Washington, D.C.[16] These 3,514 agencies generally encompass all state and local law enforcement agencies operating in those 12 FBI jurisdictional areas. Exhibit 1-2 provides the number of recipients and respondents for these locations, as well as the response rate. In addition to the survey, we interviewed representatives at international and national law enforcement associations, such as the International Association of Chiefs of Police and the Major Cities Chiefs Association.

EXHIBIT 1-2
SUMMARY OF SURVEY RESPONDENTS BY LOCATION[17]

FBI Field Office Jurisdiction	Number of Recipients	Number of Respondents	Survey Response Rate
Atlanta	593	170	28.7%
Chicago	366	181	49.5%
Dallas	526	204	38.8%
Denver	361	105	29.1%
Detroit	556	220	39.6%
Los Angeles	159	71	44.7%
Miami	101	35	34.7%
New Orleans	362	75	20.7%
New York City	178	69	38.8%
Phoenix	129	45	34.9%
San Francisco	150	72	48.0%
Washington, D.C.	33	18	54.5%
Totals	**3,514**	**1,265**	**36.0%**

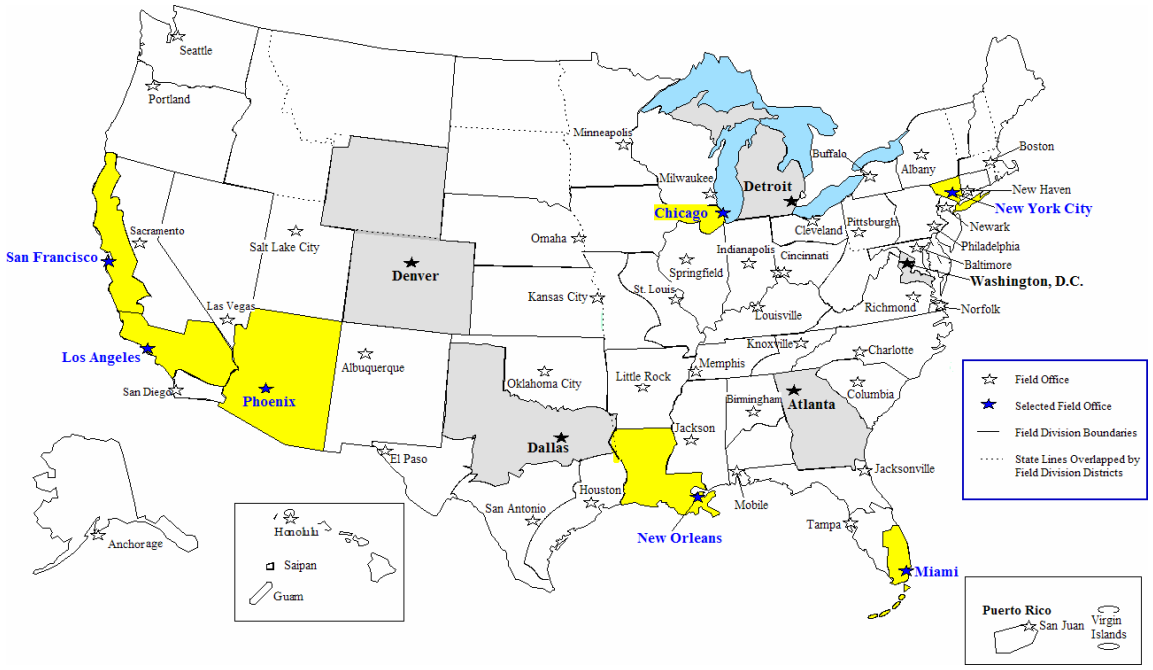
Source: Office of the Inspector General analysis

After analyzing the FBI data and survey results, we judgmentally selected seven of the FBI field office jurisdictions in which to perform additional audit work. Exhibit 1-3 presents the seven areas visited, which are highlighted in yellow. The areas shown in gray are the remaining five jurisdictions to which we disseminated the survey.

[16] Appendix I contains details on our selection of FBI field office jurisdictions for the dissemination of the web-based survey.

[17] Each respondent equates to a distinct state or local law enforcement agency.

EXHIBIT 1-3
MAP OF FBI FIELD OFFICE JURISDICTIONS VISITED



Source: Office of the Inspector General

At each site visited, we interviewed officials at the main FBI field division and representatives from at least one FBI resident agency. Further, we spoke with management at five federal agencies: the ATF, the Bureau of Immigration and Customs Enforcement (ICE), the DEA, the United States Attorneys Office (USAO), and the United States Marshals Service (USMS). We also met with officials from at least five state or local law enforcement departments per location, including the major police department located in each city visited. We also selected local law enforcement agencies based on survey responses, choosing departments that indicated being either negatively or positively affected by the FBI's changed priorities. During the course of our audit, we spoke with approximately 330 officials.

The results of our review are detailed in Chapters 2 through 13, and the audit scope and methodology are presented in Appendix I. Most of our work at the FBI focused on the FBI's CID, which is responsible for overseeing the FBI's traditional crime efforts. Chapter 2 of this report discusses the FBI's CID and the structural changes it has undergone since our last review issued in September 2004. In Chapter 3, we present our overall analyses of FBI resource data, which identify the changes in the FBI's criminal investigative efforts between FYs 2000 and 2004. Additionally, Chapter 3 describes the overall changes occurring in the FBI's criminal casework and in the criminal matters the FBI refers to the USAOs.

In Chapter 4, we discuss the overall effect the FBI's shift in priorities has had on the national law enforcement community. In particular, this chapter incorporates feedback gathered during our interviews with non-FBI officials, as well as the responses from our survey of law enforcement officials across the country. Further, we summarize the specific crime areas affecting other law enforcement agencies' operations.

Chapters 5 through 11 of this report detail the impact of the FBI's reprioritization within distinct, traditional crime areas, namely financial crimes, criminal enterprises, fugitives, bank robberies, identity theft, and integrity in government, as well as other criminal areas such as child pornography, alien smuggling, and human trafficking. Within each of these chapters, we identify the FBI's investigative changes based on interviews with FBI officials and our review of statistical data, and we describe the concerns and perspectives of the non-FBI officials we interviewed.

During fieldwork, we examined the existing relationships between the FBI and other law enforcement agencies. Chapter 12 of this report contains details on information we collected regarding the manner in which the FBI and these other agencies interact. Finally, Chapter 13 presents our overall conclusions and recommendations for FBI management to consider in allocating its agent resources and for improving specific areas of its operations.

CHAPTER 2: THE FBI'S CRIMINAL INVESTIGATIVE DIVISION

The Criminal Investigative Division (CID) is the primary component within the FBI responsible for overseeing FBI investigations of traditional crimes such as narcotics trafficking and violent crime. According to the FBI, the CID revised its organizational structure during FY 2004 in an effort to better reflect current trends in criminal activity.

Overview of the CID

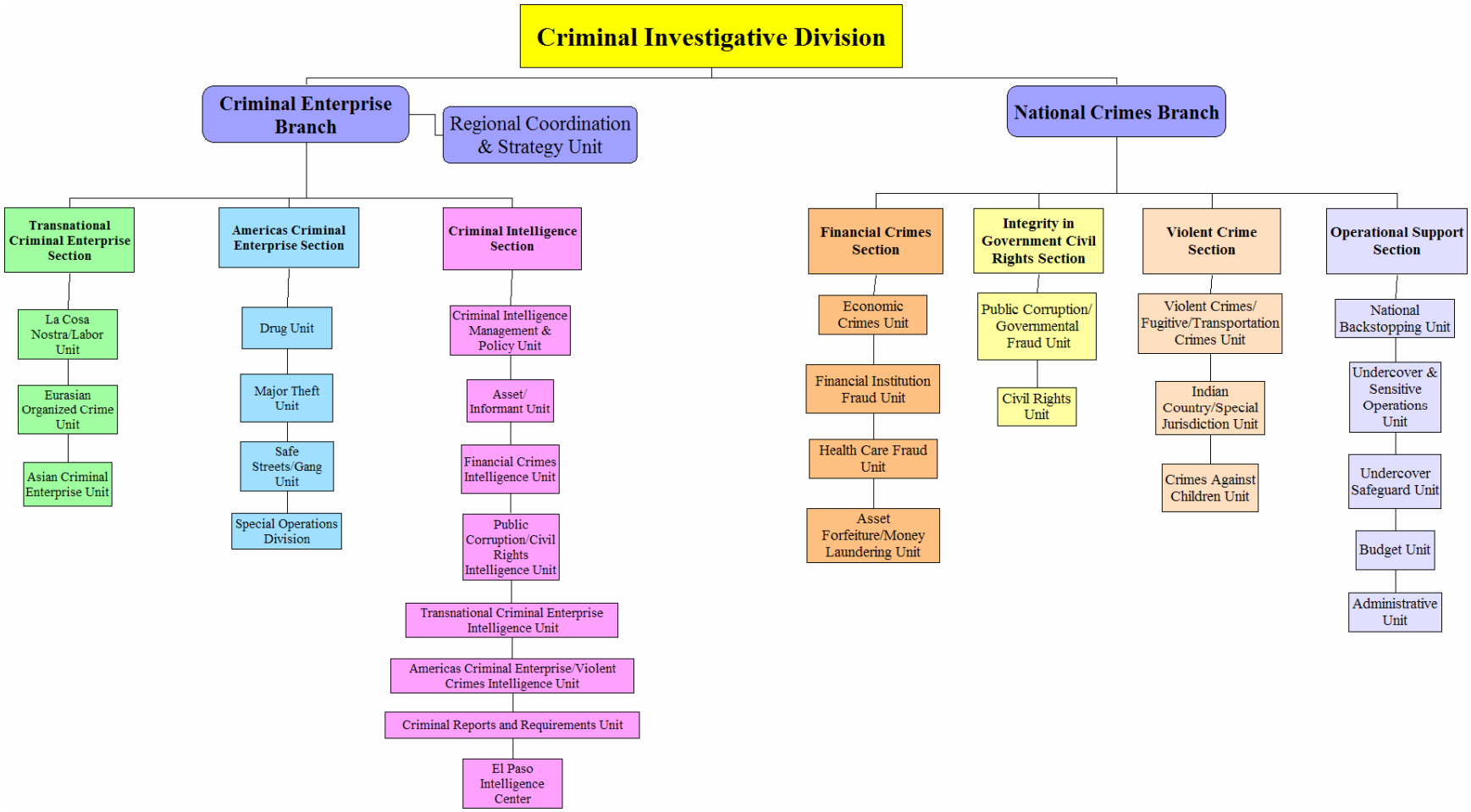
The CID addresses issues four through eight of the FBI's national priorities (listed on page 2 in Chapter 1). The organizational structure of the CID consists of branches, which are further separated into sections and units that focus on specific crime areas. Prior to the FY 2004 reorganization, the CID's structure consisted of two branches: (1) Integrity in Government/Civil Rights, Financial Crimes, & Operational Support; and (2) Drug, Organized Crime, Violent Crimes and Major Offenders, and Criminal Intelligence.[18] The restructuring involved a realignment of sections and units within two newly named branches: (1) National Crimes, and (2) Criminal Enterprise. Exhibit 2-1, on the following page, presents the current organizational structure of the CID.

Generally, the sections within each branch remained intact after the restructuring process. However, the Violent Crimes Section was moved from the new Criminal Enterprise Branch to the National Crimes Branch. Other than this shift, the National Crimes Branch (previously called the Integrity in Government/Civil Rights, Financial Crimes, & Operational Support Branch) did not experience further revisions.

The Criminal Enterprise Branch experienced more significant change than the National Crimes Branch. One of the primary modifications was the creation of the Americas Criminal Enterprise Section (ACES), which addresses drugs, gangs, and major thefts, and the Transnational Criminal Enterprise Section (TCES), which continues to investigate organized crime matters. These sections were formerly known as the Drug Section and Organized Crime (OC) Section.

[18] Appendix II contains the CID's previous organization chart.

EXHIBIT 2-1
FBI CRIMINAL INVESTIGATIVE DIVISION ORGANIZATION CHART



Source: FBI Criminal Investigative Division Organization Chart dated October 25, 2004

Criminal Enterprise Plan

In addition to its restructuring, the Criminal Enterprise Branch also experienced a major management policy change. In February 2004, the FBI Director approved the implementation of the Criminal Enterprise Plan, a strategy that provided the impetus for restructuring the CID.[19] Essentially, the Criminal Enterprise Branch attempted to pool resources to enable the FBI to more effectively investigate criminal enterprises.

The CID previously operated with separate squads designated to oversee investigations of specific crimes using a set number of resources. However, with reduced criminal resources, the FBI has focused its investigations on higher-threat targets, particularly criminal enterprise organizations. The FBI concluded that most of today's criminal enterprises could not be addressed simply by crime type, as these organizations usually perpetrate a variety of crimes. Therefore, field agents are no longer allocated specifically to drug, organized crime, major theft, or street gang investigations. Beginning in FY 2005, these resources are considered as one allocation – called criminal enterprise – enabling field managers to assign staff to investigations according to case needs and an assessment of local threats.

According to a senior CID manager, the Criminal Enterprise Plan concept establishes a new mindset for the FBI. In the past, Special Agents in Charge (SAC) monitored "burn rates" to ensure they were utilizing agents at expected levels for distinct crime problems.[20] However, the FBI reported that SACs were constantly frustrated trying to monitor burn rates while also attacking the most prominent crime threats. The Criminal Enterprise Plan attempts to alleviate this situation by providing field offices the flexibility to utilize resources to attack poly-criminal enterprise operations. According to senior CID officials, under the enterprise approach field office managers can assess the different facets of a case and assign agents with the requisite experience and skills to conduct the investigation. For example, using the criminal enterprise resource approach to investigate a street gang involved in theft, drugs, violence, and identity theft, a field office can develop a squad with expertise in each of those areas, similar to how the FBI creates an internal task force.

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[19] According to the FBI, its criminal enterprise theory of investigation – building a case against the entire criminal organization – is not a new investigative model; the innovation exists in how the FBI views and utilizes its resources in managing criminal enterprise cases.

[20] The FBI uses the term "burn rate" to refer to the difference between allocated resources and actual utilized resources. An "overburn" occurs when more resources are utilized than allocated. In turn, the FBI defines "underburn" as using fewer resources than allocated.

The Criminal Enterprise Plan was a major catalyst in restructuring the CID in that it realigned units and sections of the FBI. According to the FBI, the approach enabled a more fluid resource management approach to addressing criminal enterprise organizations, affording FBI field divisions flexibility in combating traditional crime problems with fewer resources.

CHAPTER 3: FBI RESOURCE AND CASEWORK ANALYSIS

During the FBI's reprioritization process, the FBI Director shifted resources from traditional crime areas to terrorism-related programs. We obtained and reviewed data on planned and actual utilization of FBI resources and actual casework data to assess changes in the FBI's investigative efforts between FYs 2000 and 2004.[21] Our review focused on the FBI's traditional crime-related investigative efforts, specifically the areas within the FBI's Criminal Investigative Division (CID), such as drugs/narcotics trafficking, organized crime, violent crime, white-collar crime, and civil rights violations.

Our analyses revealed that the FBI's CID is operating with significantly fewer resources than it had in FY 2000.[22] Specifically, the FBI's funded agents for CID-related programs in its 56 field offices decreased by 1,143 positions between FYs 2000 and 2004, declining from 6,896 to 5,753 during this time period. However, the FBI actually utilized 2,190 fewer field agents on traditional crime matters in FY 2004 than it had in FY 2000. In response to the reduction in criminal agent resources, the FBI directed field divisions to concentrate the majority of their criminal investigations on the most significant leads and cases. As a result, the FBI opened fewer criminal cases and referred fewer criminal matters to the USAOs in FY 2004 than it did in FY 2000.

FBI Resource Allocations

The FBI allocates its resources throughout its Headquarters and field divisions by establishing Funded Staffing Levels (FSLs). One FSL equates to one funded employee, or one full-time equivalent (FTE). These positions are assigned according to divisions, investigative programs (or subprograms), or support categories. For instance, allocated positions for agents in the field offices are allotted to specific programs, such as white-collar crime. The assignment of FSLs to the various field divisions, and specifically to programs, is the primary means by which the FBI implements its priorities and institutes its operational structure. Resource allocations represent the levels at which FBI executive management intends to address particular investigative areas.

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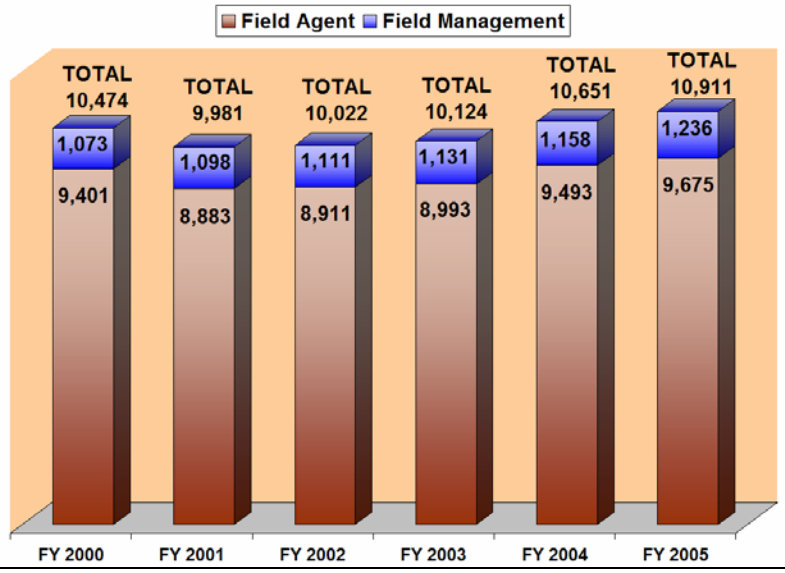
[21] When available and appropriate, we include FY 2005 data. In general, we did not use FYs 2001 and 2002 data in comparative analyses, as the events of 9/11 and the FBI's response to investigating the terrorist attacks skewed utilization data during that time period.

[22] Our previous report, which included analyses of FBI data between FYs 2000 and 2003, detailed similar results.

Between FYs 2000 and 2001, the FBI experienced an overall decrease in field agent FSLs, dropping from 10,474 agent positions to 9,981.[23] Since that time, the number of allocated positions has steadily risen. The total number of field agents in FY 2005 (10,911) represents an increase of 437 over the number of FSLs in FY 2000. Exhibit 3-1 illustrates the FBI's field agent FSLs for FYs 2000 through 2005.

EXHIBIT 3-1
TOTAL FUNDED STAFFING LEVELS FOR FBI FIELD AGENTS
FISCAL YEARS 2000 THROUGH 2005



Source: OIG analysis of FBI Resource Management and Allocation (RMA) Office data

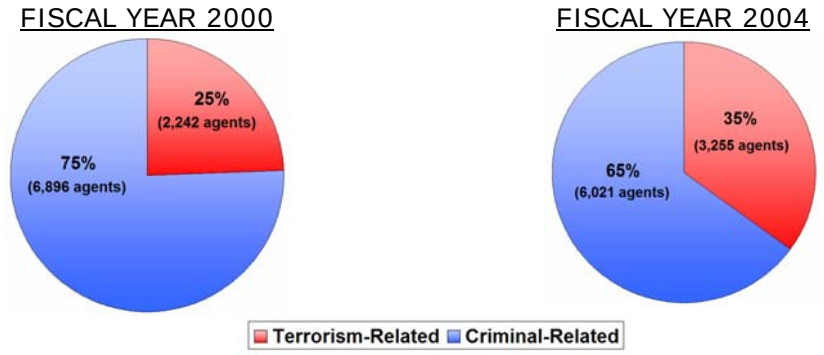
Exhibit 3-1 also shows the composition of total field agent FSLs in terms of field agent and field management positions. Field agent positions, which are non-supervisory, are allocated to specific programs, while field management positions, which are supervisory in nature, are allocated to field offices rather than to specific investigative areas. The non-supervisory field agent allocations mirrored the changes that occurred in the total number of field agent FSLs: a decline between FYs 2000 and 2001, followed by a steady increase through FY 2005. The field management positions, however, experienced an increase in each fiscal year throughout our review period.

[23] The FBI experienced an overall decline in FSLs from FYs 2000 to 2001. This reduction was primarily a result of a mandate issued by the Office of Management and Budget (OMB), which has become known as the "hollow work year" issue. During FY 2001 (but prior to 9/11), OMB ordered the FBI to reduce its reported number of funded positions because OMB believed the FBI did not have sufficient money to fund its level of authorized positions.

Terrorism and Criminal Field Agent Allocations

A major element of the FBI's reprioritization efforts has been to reallocate FBI personnel resources and transfer agents from traditional criminal investigative areas to terrorism-related issues. The following charts provide a FY 2000 to FY 2004 comparison of the allocation of the FBI's non-supervisory field agent workforce, according to the type of investigative matter to which they were assigned.

EXHIBIT 3-2
COMPARISON OF FBI FIELD AGENT ALLOCATIONS IN TERRORISM AND CRIMINAL INVESTIGATIVE MATTERS FISCAL YEARS 2000 AND 2004[24]



Source: OIG analysis of FBI Resource Management and Allocation (RMA) Office data

In FY 2000 the FBI allocated 75 percent of its field agent workforce to criminal investigative areas, predominantly organized crime, drugs, violent crime, and white-collar crime. By FY 2004, the proportion of FBI field agents involved in criminal-related matters declined to 65 percent.

FBI Field Agent Resource Allocations within Traditional Criminal Programs

In our September 2004 report, we found that the FBI experienced reductions in the number of allocated field agent positions to CID programs from FYs 2000 through 2003. We extended our analyses in this review to include FY 2004 data and generally did not observe any significant changes between FYs 2003 and 2004.

[24] We categorized FBI activities as terrorism-related or criminal-related based on the program in which the work was captured. We considered terrorism-related work to be captured in the National Foreign Intelligence, Domestic Terrorism, and National Infrastructure Protection/Computer Intrusion programs. We considered criminal-related work to be captured in the Civil Rights, Criminal Enterprise Investigations, Cyber Crime, Organized Crime/Drug, Violent Crime/Major Offenders, and White-Collar Crime programs.

Exhibit 3-3 details the non-supervisory field agent FSL levels for CID-related areas for FYs 2000 through 2004. The data in the table indicates that while there was a slight increase in criminal agent-allocated resources from FYs 2003 to 2004, the FBI still allotted more than 1,100 fewer field agents for traditional crime matters than it had in FY 2000. Therefore, the FBI planned to use significantly fewer resources in FY 2004 than it had in FY 2000. By far, the 732 agent reduction from drug and organized crime matters was the largest decrease among the crime areas.

EXHIBIT 3-3
FIELD AGENT FUNDED STAFFING LEVELS ALLOCATED TO FBI TRADITIONAL CRIMINAL AREAS FISCAL YEARS 2000 THROUGH 2004[25]

	2000	2001	2002	2003	2004	2004-2000
Drug & Organized Crime	2,279	2,078	1,511	1,521	1,547	-732
Violent Crime	2,004	1,821	1,656	1,710	1,711	-293
White-Collar Crime	2,460	2,404	2,210	2,303	2,342	-118
Civil Rights	153	153	153	153	153	0
TOTALS	**6,896**	**6,456**	**5,530**	**5,687**	**5,753**	**-1,143**

Source: OIG analysis of FBI RMA Office data

FBI Resource Utilization

While the FBI develops a resource utilization plan through its FSL assignments, actual utilization of its resources often deviates from the plan due to local public safety threats and jurisdictional crime trends. The FBI tracks actual time worked by its field personnel in its Time Utilization and Recordkeeping (TURK) system. Field agent personnel record the percentage of time worked on investigative cases, which is converted in TURK to Average On-Board (AOB) data. One AOB equals one agent and refers to either: (1) one agent working solely in a single investigative area, or (2) multiple agents working part-time on the same investigation. For instance, three agents spending one-third of their time investigating a kidnapping is equivalent to one agent working the case fulltime, or one AOB. Unlike resource allocations (or FSLs), AOB is tracked by specific investigative classifications, which are assigned to programs or subprograms.[26] An example is provided in Exhibit 3-4.

[25] Allocation figures are displayed according to the FBI's allocation categories used in FYs 2000 through 2004. In FY 2005, the FBI allocated its field agent positions in accordance with the CID's new organizational structure. For example, instead of allocating positions to organized crime and drugs, positions are now allocated to Transnational Criminal Enterprises and Americas Criminal Enterprises. This change precludes us from comparing resource allocation data from FYs 2000-2004 to FY 2005.

[26] At the beginning of FY 2005, the FBI had over 630 investigative classifications.

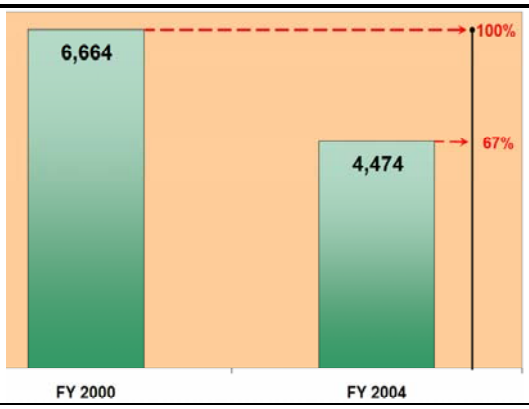
EXHIBIT 3-4
FBI INVESTIGATIVE NOMENCLATURE EXAMPLE

Category	Name
Program	Violent Crime
Subprogram	Violent Incident Crimes
Classification	Kidnapping

Overall Criminal Agent Resource Utilization

In our September 2004 review, we reported that in FY 2003 the FBI utilized substantially fewer agent resources on criminal matters than it had in FY 2000. The FBI used 6,664 agents on traditional crime in FY 2000 compared to 4,639 in FY 2003 – a decline of 2,025 agents. Our current analysis revealed that the FBI utilized even fewer agents on criminal matters during FY 2004 than during FY 2003.

EXHIBIT 3-5
FBI CRIMINAL AGENT RESOURCES
FISCAL YEARS 2000 AND 2004



Source: OIG analysis of FBI TURK data

The FBI utilized 2,190 fewer criminal field agent resources in FY 2004 compared to FY 2000, declining from 6,664 agents to 4,474. Essentially, in FY 2004, the FBI was operating at 67 percent of its FY 2000 criminal agent resource level. These results are displayed in the chart in Exhibit 3-5.

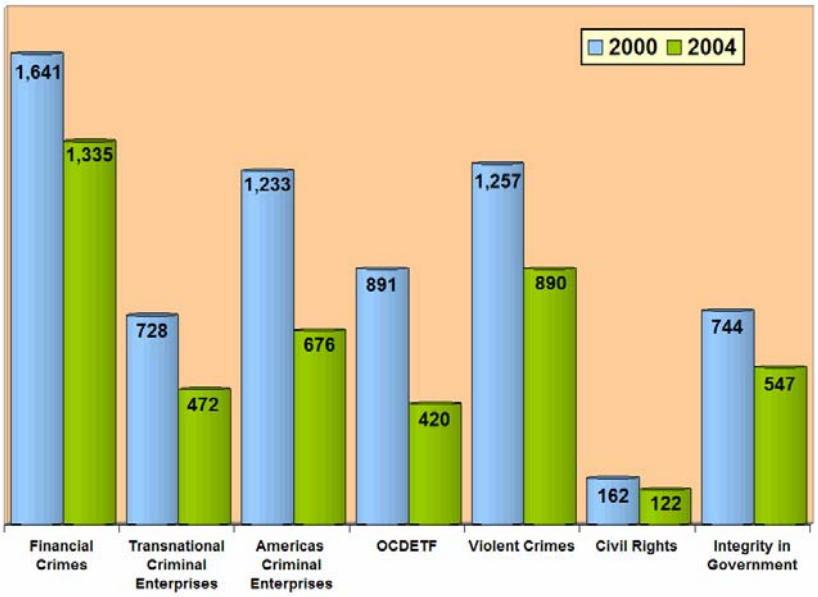
Criminal Agent Utilization After Implementing the Criminal Enterprise Plan

In Chapter 2, we discussed the FBI's development of the Criminal Enterprise Plan and analyzed actual agent utilization data according to the CID's new structure resulting from implementation of the Plan, as seen in Exhibit 3-6. This analysis identified that the most noticeable reductions occurred within the Americas Criminal Enterprises and OCDETF programs, which primarily embody the FBI's efforts to combat illegal drug trafficking.[27] The reduction in resource utilization in these two programs coincides with the FBI's plan to reduce its efforts to investigate drug-related crime. Further evaluation of agent utilization data is addressed in Chapters 5 through 11.

[27] OCDETF is the acronym for Organized Crime Drug Enforcement Task Force, a congressionally funded program administered by the Criminal Division in the DOJ that focuses on the disruption and dismantling of major drug trafficking organizations.

Additionally, Appendix IV separately identifies the 30 FBI investigative classifications experiencing the greatest AOB reductions and increases between FYs 2000 and 2004.

EXHIBIT 3-6
FBI AGENT UTILIZATION CHANGE IN SPECIFIC CRIMINAL AREAS FISCAL YEARS 2000 AND 2004



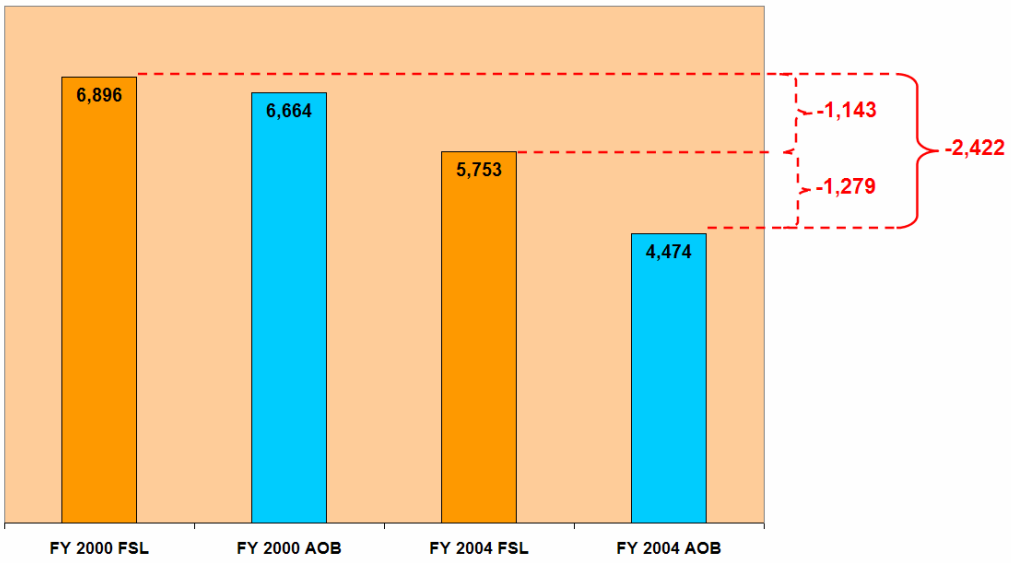
Source: OIG analysis of FBI TURK data

Comparison of Resource Allocation to Actual Utilization

As previously discussed, the FBI reduced the allocation of agent resources assigned to address traditional crime matters between FYs 2000 and 2004. Additionally, through analysis of FBI agent utilization data, we found that the FBI was, in fact, utilizing even fewer resources for criminal investigations than it had allocated.

In addition to the formally transferred 1,143 allocated field agent positions away from investigating drugs, violent crime, white-collar crime, and other traditional crime between FYs 2000 and 2004 (as detailed in Exhibit 3-3), the FBI utilized over 1,200 fewer agents than it had allocated to these areas. Specifically, in FY 2004, of the 5,753 field agents allocated to criminal matters, the FBI utilized 4,474 of these agents – a difference of 1,279 agents. According to senior FBI officials, these agents were diverted to terrorism-related matters as needs arose. Adding these diverted agents to the planned reduction of 1,143 allocated field agent positions shows that the FBI reduced its investigative efforts related to traditional crimes by more than 2,400 agents, or more than twice the amount originally planned.

EXHIBIT 3-7
EVALUATION OF FBI FIELD OFFICE CRIMINAL RESOURCES
FISCAL YEARS 2000 AND 2004

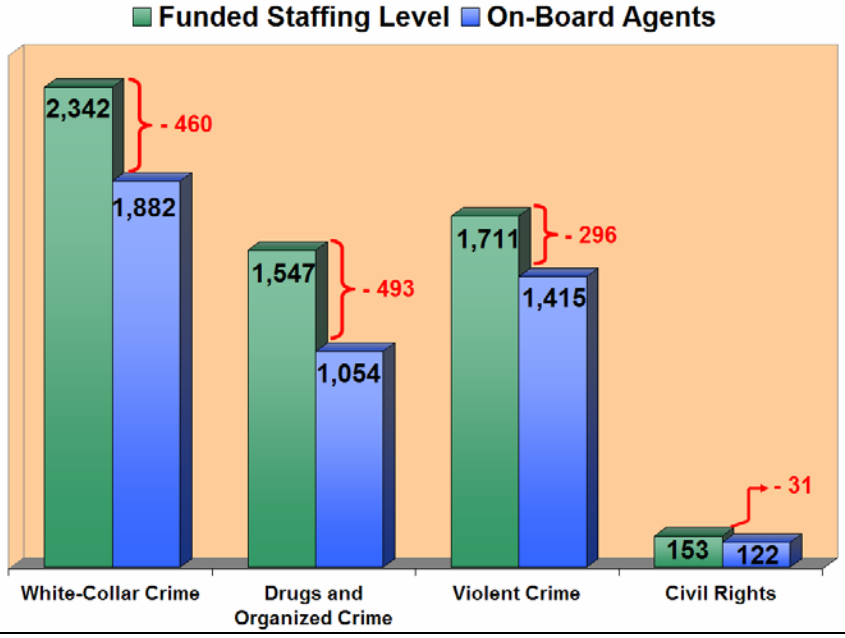


Source: OIG analysis of FBI TURK and RMA Office data

It was clear from our discussions with FBI Headquarters and field-level management that FBI field offices were directed to ensure that the FBI's national priority areas were adequately staffed and that no terrorism-related matter went unaddressed, which explains the significant gap in the utilization and allocation figures. The FBI needs to ensure that it has accurately evaluated its investigative needs and necessary resource levels within each area of the FBI's operations – including both terrorism and non-terrorism related programs – and translate this information into realistic and practical field agent allocations.

Breaking down our comparison of agent allocation and actual utilization to specific crime areas, we confirmed that the general crime areas investigated by the FBI experienced resource under-utilization during FY 2004. As Exhibit 3-8 illustrates, all general crime areas experienced significant gaps between funded staffing levels and actual utilization.

EXHIBIT 3-8
COMPARISON OF FISCAL YEAR 2004 ALLOCATED CRIMINAL AGENT POSITIONS AND ACTUAL AGENT UTILIZATION[28]



Source: OIG analysis of FBI TURK and RMA Office data

Reasons for Criminal Agent Underutilization

As discussed above, FBI criminal programs have utilized fewer agents than allocated in order to address terrorism-related matters, often using criminal resources. FBI field office management commented to us that it would not permit understaffed counterterrorism squads or tolerate any unaddressed terrorism lead. Besides utilizing criminal resources for terrorism-related matters, personnel vacancies, temporary duty assignments, and field division surveillance contributed to the underutilization of criminal agents.

Personnel Vacancies – According to many FBI officials interviewed, criminal squads absorb any field division personnel vacancies and are required to augment any understaffed counterterrorism squads. Field division management stated that criminal squads would suffer any agent vacancy within the division and that counterterrorism squads would be fully staffed at all times.

Temporary Assignments – Temporary assignment responsibilities remove agents from their field division duties, often for extended periods of time. We learned from discussions with FBI officials that if these agents are taken from a criminal squad, that squad will usually operate with one less

[28] We conducted this analysis according to the CID program areas to which the FBI allocated resources in FY 2004.

agent. However, if the agent is chosen from a counterterrorism squad, a criminal agent will normally fill that vacancy so no counterterrorism squad is understaffed.

Surveillance Responsibilities – Each field office staffs a surveillance-specific unit, such as a Surveillance and Operations Group. This unit is tasked with providing necessary technical support to investigative cases, allowing case agents to concentrate on pursuing other case leads. To develop these groups, each investigative program assigns agents in accordance with the amount of support that program receives from the surveillance unit throughout the year. However, with the overall FBI emphasis on counterterrorism, many offices reported that surveillance resources are often monopolized by the counterterrorism squads, which have primary use of their services. As a result, criminal squads are left to conduct surveillance and technical operations by themselves. These tasks are usually resource-intensive and time-consuming, thereby preventing agents from pursuing other leads or performing other case-related work.

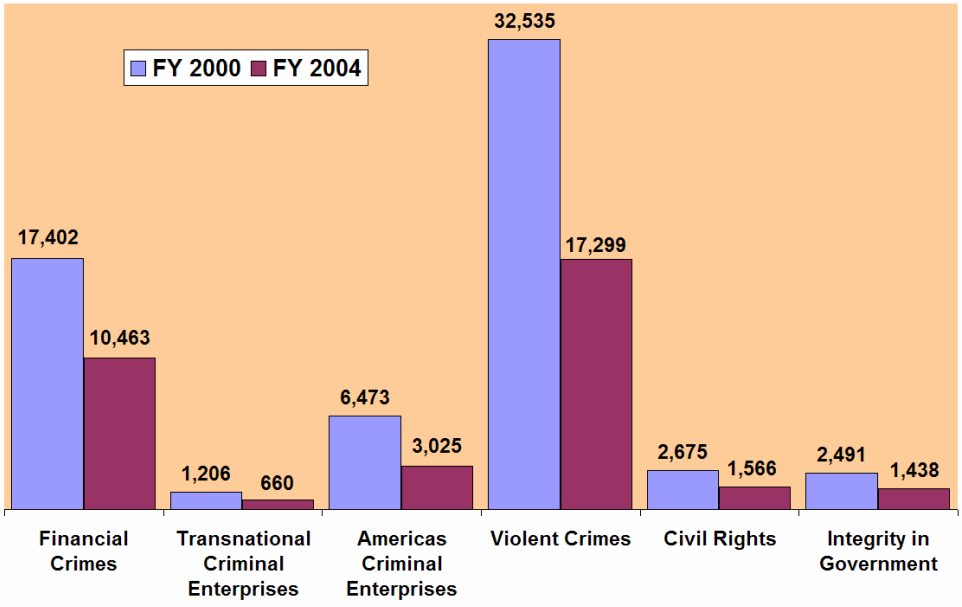
FBI Casework Data

The FBI maintains its universe of data about its cases within its Automated Case Support (ACS) system. Similar to agent utilization data, ACS data is tracked at the specific investigative classification level and tracks the dates of case openings and closings. We analyzed this data to identify substantial changes in the number of case openings between FYs 2000 and 2004. Our analyses of ACS data help to quantitatively demonstrate an effect that reduced FBI criminal resources have had on the FBI's operations.

We found the FBI opened over 28,000 fewer criminal cases in FY 2004 than it did in FY 2000.[29] During FY 2000, the FBI initiated 62,782 criminal investigations. In FY 2004, that figure declined 45 percent to 34,451 cases. Exhibit 3-9 depicts the case openings at the subprogram level for the FBI's CID for FYs 2000 and 2004 and shows that each criminal area experienced a reduction during our 5-year review period. Notably, the Americas Criminal Enterprises Program, which addresses narcotics trafficking, gang-related crime, and major theft, experienced the greatest decline in case openings in terms of percentage, initiating over 50 percent fewer cases in FY 2004 than in FY 2000. Further, case initiations in Financial Crimes and Violent Crimes decreased by 6,939 (40 percent) and 15,236 (47 percent), respectively.

[29] We identified these case openings by segregating the investigative areas for which the FBI CID was responsible after its reorganization in FY 2004.

EXHIBIT 3-9
FBI CASE OPENINGS IN SPECIFIC CRIMINAL AREAS
FISCAL YEARS 2000 AND 2004



Source: OIG analysis of FBI Automated Case Support (ACS) data

Criminal Matters Received by United States Attorneys' Offices

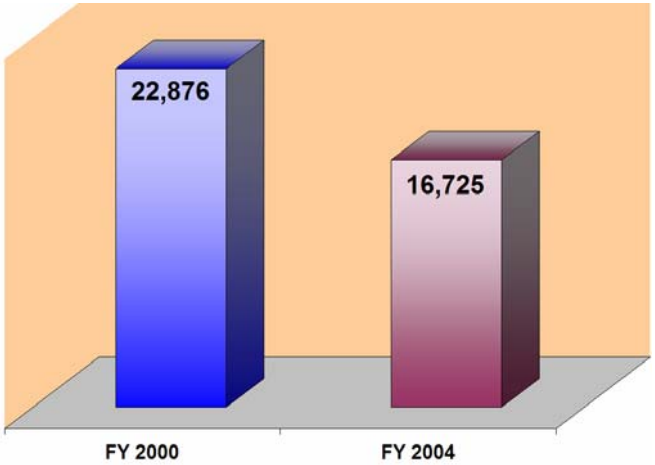
In addition to FBI casework data, we evaluated data from the United States Attorneys' Offices (USAO), including the number of criminal matters the FBI and other federal law enforcement agencies referred to the USAOs during FYs 2000 and 2004.[30] Analysis of this data provides insight into the effect the FBI's reduction in investigations of traditional criminal cases has had on the overall enforcement of criminal activity by the federal government.

It is important to note that "criminal matter" is not synonymous with "criminal case." A "criminal matter" involves information submitted to a USAO for review; a "criminal case" only refers to instances in which defendants have been charged. Therefore, in assessing actual FBI investigative efforts, we believed the USAO's "criminal matters" data to be more appropriate for our review. The USAO tracks criminal matters received for numerous criminal categories.

[30] Appendix V lists the federal agencies included in our analyses of USAO criminal referrals. Appendix VI provides the criminal categories used by the USAOs and details the number of referrals for each category from the FBI and all agencies combined for FYs 2000 and 2004.

In FY 2004, the FBI referred approximately 6,100 fewer criminal–related matters to the USAOs than in FY 2000 (a 27-percent reduction).[31] As the following exhibit shows, the FBI referred 22,876 criminal-related matters during FY 2000; this figure declined to 16,725 for FY 2004. Additional analyses of USAO case management data for specific crime areas are contained in Chapters 5 through 11.

EXHIBIT 3-10
FBI CRIMINAL MATTERS REFERRED TO THE USAOs
FISCAL YEARS 2000 AND 2004



Source: OIG analysis of United States Attorneys' (USA) central case management system data

Comments from FBI Personnel on Effects of Reprioritization

In addition to statistical impact, FBI field division personnel commented to us on the qualitative effects of the FBI's criminal resource reductions. As discussed earlier, FBI officials said that criminal squads often operate understaffed. Moreover, most field divisions function with fewer criminal squads compared to four years ago. Additionally, several non-FBI law enforcement officials and USAO representatives commented to us that less experienced agents tended to work criminal cases, while counterterrorism matters were staffed by more experienced agents. FBI field division management generally confirmed these comments. Thus, the FBI is investigating criminal matters with less experienced personnel than that devoted to counterterrorism matters, as well as with a fewer number of agents and fewer criminal squads. In certain instances, USAO officials stated that this has resulted in fewer matters being referred to the USAOs.

[31] The figures presented for criminal-related matters include all non-terrorism related referrals to the USAOs. For purposes of this report, we considered the matters referred to the USAOs that are categorized as Internal Security Offenses to be terrorism-related.

Some FBI field managers commented that undermanned squads could jeopardize the safety of criminal investigative agents. FBI officials reported that criminal agents often attempted to handle pre-9/11 squad caseloads, even though each squad operated significantly understaffed. FBI field managers commended the agents' work ethic but were concerned that the agents were going to "burn out" mentally and physically. Additionally, some FBI officials commented that the morale of criminal agents was diminishing because most of the recognition went to those agents involved in terrorism-related matters.

CHAPTER 4: SUMMARY OF THE IMPACT ON THE LAW ENFORCEMENT COMMUNITY

We obtained mixed perspectives from other federal agencies regarding the FBI's reprioritization from the non-FBI federal law enforcement officials we interviewed. At the headquarters-level, while some agency officials stated that they had not observed significant changes in the FBI's traditional criminal operations, other agency representatives said they noticed a reduction in FBI investigative effort in traditional crime matters. At the field-level, many non-FBI federal officials we interviewed said they had observed changes in the FBI's investigative efforts of criminal matters. They commented that the FBI focused much of its attention on terrorism-related matters while pulling back in traditional areas such as drugs and fugitive apprehensions. However, most of these field managers told the OIG they did not believe the FBI's new focus critically impaired their agencies.

In response to our survey, the majority of the state and local respondents reported a minimal impact as a result of the FBI's change in priorities. From the survey responses, we selected several local law enforcement agencies to visit during our fieldwork, choosing agencies that indicated varying degrees of impact resulting from the FBI's reprioritization. Generally, the local law enforcement representatives we interviewed stated that the FBI had reduced its investigative efforts in certain traditional crime areas, which in some instances created an investigative gap.

The following sections provide detailed accounts of the effects that the FBI's shift in priorities has had on law enforcement agencies at the federal, state, and local levels, including an overview of specific crime areas that were affected by the FBI's reprioritization.

Federal Law Enforcement Perspectives

Headquarters officials at ATF, ICE, and USMS stated that they had not observed a significant decrease in the FBI's traditional criminal enforcement operations. However, a DEA Headquarters official stated that the DEA had observed a reduction in the FBI's narcotics-related work. Despite this reduction in the FBI's efforts, the DEA official added that the DEA was not adversely affected. U.S. Postal Inspection Service officials commented that the FBI worked more closely with their agency since the reprioritization because the FBI's resources in this crime area became limited.

By contrast, many field-level officials at other federal law enforcement agencies commented that the FBI was involved less in certain traditional crime matters. However, none of these officials reported negative effects

caused by this reduction in FBI involvement. Several of these agency officials said their workload had increased as a result of the FBI's shift in priorities, but these officials believed their agencies had been able to address the additional investigative matters. However, several officials noted that their agency's limited resources could potentially hinder their future investigative efforts in traditional crime areas.

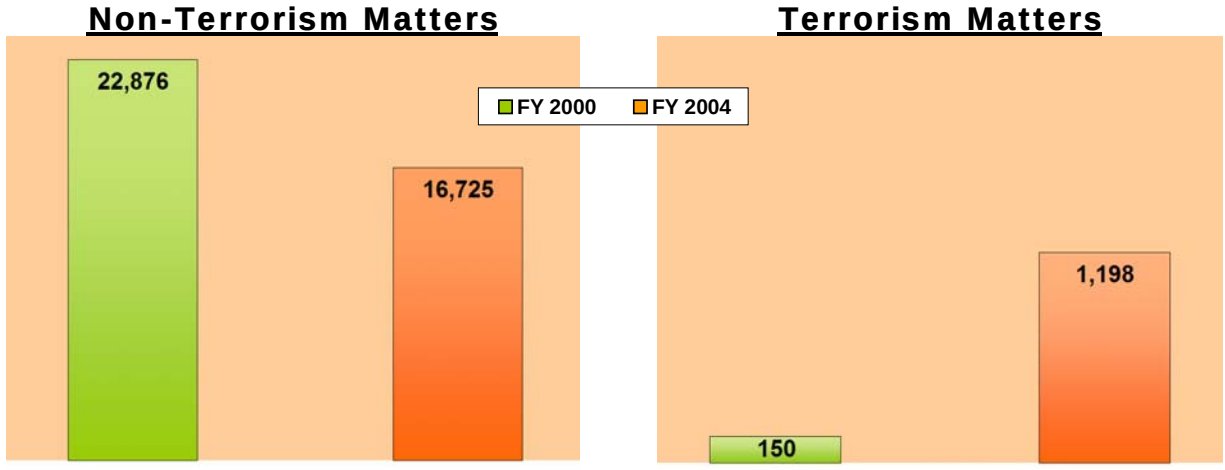
Specifically, representatives at six of the eight USMS District Offices we visited commented that their local FBI field offices were handling fewer fugitive investigations, an observation confirmed by FBI resource and caseload data.[32] Nevertheless, these USMS field managers asserted that the USMS is fully capable of addressing fugitive matters.

Similarly, managers at six of the seven DEA field divisions we visited commented that the FBI is not as aggressive in working drug-related cases as it was in the past. FBI data supports these observations. DEA field managers did not indicate that their operations were adversely affected by the FBI's reductions in drug-related work.

In addition to obtaining comments from federal investigative officials, we gathered feedback from USAO representatives at each of the seven field sites we visited. Officials at all these USAOs noted that the FBI currently focuses its attention on terrorism-related matters, while pulling back in traditional criminal areas such as drugs and bank robberies. USAO Case Management data supports these observations. As shown in Exhibit 4-1, the FBI reduced the number of non-terrorism criminal matters referred to USAOs by 6,151, or 27 percent, between FYs 2000 and 2004, decreasing from 22,876 matters in FY 2000 to 16,725 in FY 2004. Conversely, the FBI referred 1,048 more terrorism-related matters to USAOs in FY 2004 than it did in FY 2000, increasing sevenfold from 150 matters in FY 2000 to 1,198 matters in FY 2004.

[32] We spoke with USMS officials from the Eastern District of New York and the Southern District of New York. The FBI New York City Division's jurisdiction covers these two districts.

EXHIBIT 4-1
NON-TERRORISM AND TERRORISM MATTERS REPORTED TO USAOs FROM THE FBI FISCAL YEARS 2000 AND 2004



Source: OIG analysis of USA central case management system data

Officials at five of the seven USAOs remarked that the FBI's reduced efforts in financial crime investigations have left a significant gap that no other law enforcement agency has filled. These individuals indicated that while other federal agencies handle such cases, they believe these agencies are unable to address the issues to the same extent as the FBI in terms of both the quantity and quality of cases.

USAO officials made similar comments about the FBI's reduced emphasis on drug-related matters. However, some USAO officials said that the DEA helped fill the gap by submitting additional cases for prosecution. Chapters 5 through 11 contain more extensive information from USAO officials as it relates to particular crime areas.

State and Local Law Enforcement Perspectives

To obtain feedback from state and local law enforcement agencies, we surveyed 3,514 state, local, and tribal law enforcement agencies located in the jurisdictional areas of 12 FBI field offices.[33] In total, 1,265 agencies

[33] The 12 FBI field offices were Atlanta, Chicago, Dallas, Denver, Detroit, Los Angeles, Miami, New Orleans, New York City, Phoenix, San Francisco, and Washington, D.C.

responded to our survey, which equated to an overall response rate of 36 percent.[34]

We judgmentally selected 7 of the 12 FBI field office jurisdictions to conduct fieldwork based on survey responses and analyses of FBI data.[35] We spoke with officials at the major police department located in each city visited. In addition, at each site we judgmentally selected local law enforcement agencies to visit. In this selection process, we used responses to the survey, choosing departments that indicated they were either negatively or positively affected by the FBI's reprioritization. In total, we spoke with officials at 47 departments in these 7 cities. We provide a list of the agencies contacted in each jurisdictional area in Appendix VII.

Survey Analysis

The overall responses to the survey indicated a minimal impact on state and local law enforcement agencies as a result of the FBI's shift in investigative priorities and resources. The survey contained several questions that asked whether the responding agency's operations in various investigative areas had been affected by the FBI's reprioritization. Participants were provided a scaled response to select whether the impact was positive or negative, and the magnitude of such impact. A negative impact was defined as an agency being impaired by the FBI's shift in priorities, such as if the agency experienced severe difficulty in handling the type of investigation listed. A positive impact was defined as an agency benefiting from the FBI's reprioritization, such as if the agency significantly enhanced its operations to successfully address the investigative area in question.

In response, many agencies indicated that their efforts in addressing specific matters were only nominally impacted by any change at the FBI.

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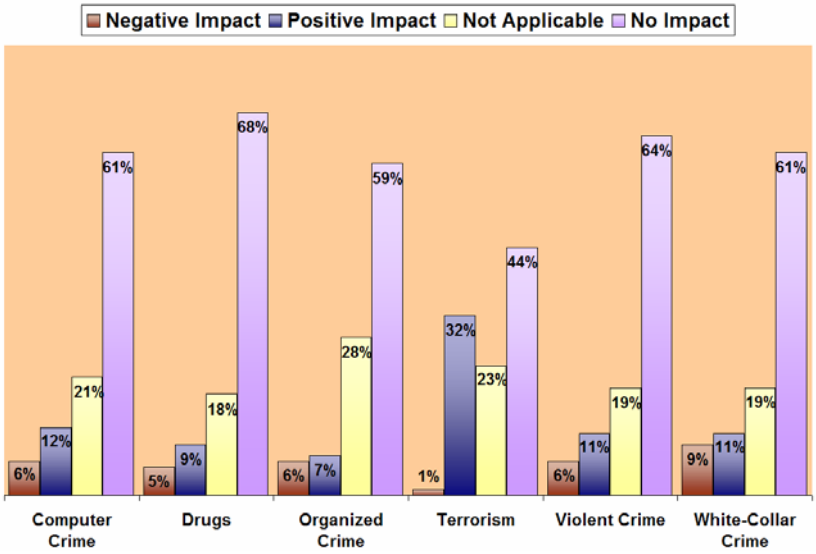
[34] The 1,265 agencies responded in varying degrees. Some agencies answered all of the survey questions, others answered all multiple choice survey questions except for the open-ended questions, and others only answered a few questions. Our analyses detailed throughout this report are based solely upon the number of actual responses to each question. Appendix X lists the names of each state and local law enforcement agency that responded to our survey. Some agencies responded more than once, which occurred primarily with the larger-sized police departments. For example, the Chicago Police Department submitted 17 individual responses to the survey, which came from its various bureaus, divisions, and districts. Although not reflected in the figures presented in Exhibit 1-2, the information provided in these multiple responses from the same agency are reflected in our survey analyses.

[35] We visited the following cities: Chicago, Los Angeles, Miami, New Orleans, New York City, Phoenix, and San Francisco.

The following exhibit presents a graphic display of our survey results for general investigative areas of computer crime, drugs, organized crime, terrorism, violent crime, and white-collar crime.

EXHIBIT 4-2
SURVEY RESULTS OF THE IMPACT ON STATE AND LOCAL LAW ENFORCEMENT AGENCIES' INVESTIGATIONS

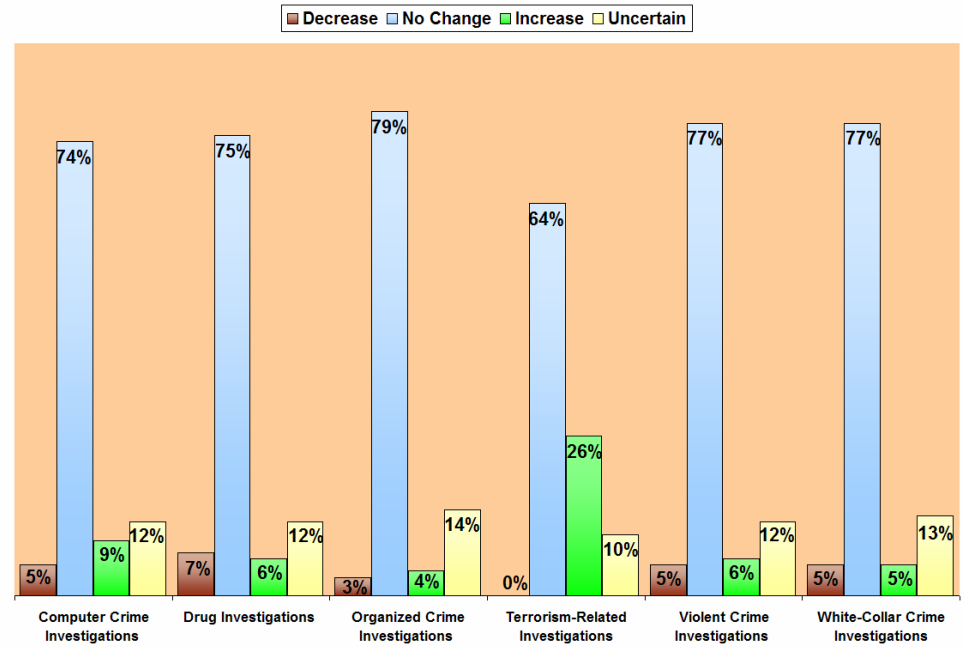


Source: OIG analysis of survey responses

As shown above, at least 59 percent of respondents indicated that they were not affected by the FBI's reprioritization in each crime area, with the exception of their investigative efforts on terrorism-related matters. Although several noted no effects in terrorism-related matters, 32 percent indicated that their departments experienced a positive impact from the FBI's shift in priorities. In turn, no more than 9 percent of survey respondents remarked that they were impaired in any one investigative area. Based on the survey responses, we found that the greatest adverse effect on state and local law enforcement agencies pertained to white-collar crime matters. The chapters that follow contain more in-depth analyses of survey responses related to specific crime areas.

In addition to determining whether state and local agencies were affected by the FBI's reprioritization, we sought the respondents' opinion on the FBI's level of investigative efforts. In particular, we attempted to ascertain if these agencies observed changes in the degree of FBI involvement in addressing certain investigative areas. Exhibit 4-3 provides a snapshot of these survey results.

EXHIBIT 4-3
STATE AND LOCAL LAW ENFORCEMENT AGENCIES' OBSERVATIONS OF CHANGES IN FBI INVESTIGATIVE EFFORTS COMPARISON OF CALENDAR YEARS 2000 TO 2004

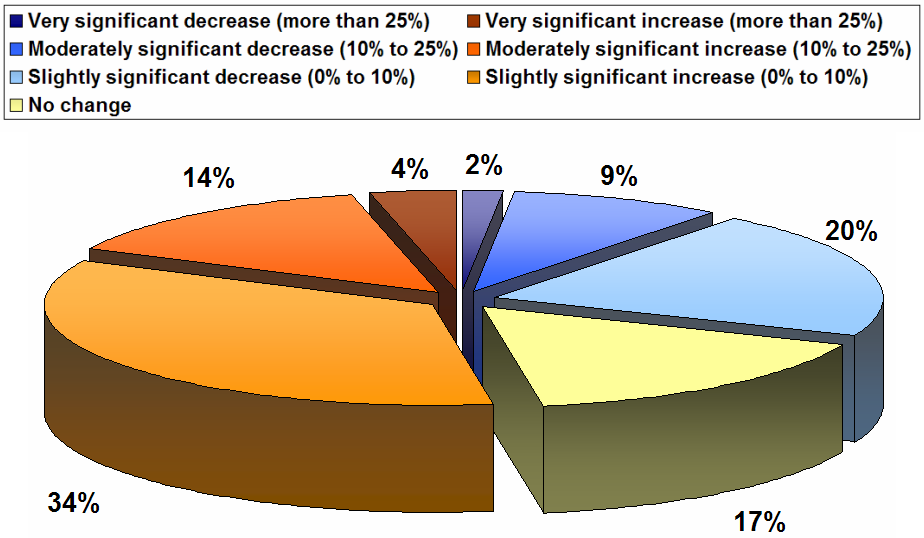


Source: OIG analysis of survey responses

As depicted in Exhibit 4-3, the majority (at least 64 percent) noted that they had not observed a change in the FBI's level of investigative efforts in any one area when comparing calendar years 2000 to 2004. Depending on the investigative category, between 10 and 14 percent of respondents were unaware, or uncertain, of any changes in the FBI's efforts in traditional crime matters.

The survey also asked questions related to changes in the agencies' crime rates between calendar years 2000 and 2004 at both an overall level and within individual crime areas. The results showed that 52 percent (581 out of 1,109 responses) experienced an increase, by varying degrees, in their overall crime rate during our review period. In turn, 31 percent noted a decline between calendar years 2000 and 2004, while the remaining 17 percent indicated no change in the crime rate. The following exhibit displays the survey results to the question of overall crime rate changes between calendar years 2000 and 2004.

EXHIBIT 4-4
STATE AND LOCAL LAW ENFORCEMENT AGENCIES' RESPONSE TO THE CHANGE IN THEIR OVERALL CRIME RATE BETWEEN CALENDAR YEARS 2000 AND 2004



Source: OIG analysis of survey responses

Our survey found that even though the FBI has reduced its investigative effort in traditional crime matters over the last 4 years, state and local law enforcement agencies indicated a minimal impact on their operations resulting from the FBI's shift in priorities and resources. Additionally, the majority of survey respondents did not observe any change within FBI operations on traditional crime matters.

Discussions with State and Local Officials

As mentioned previously, we interviewed officials at 47 state and local law enforcement agencies within the 7 locations visited. The majority reported that they were aware of the FBI's new priorities. However, some of these officials were concerned about the FBI shifting its resources away from traditional crime areas to focus them on counterterrorism issues. For example, officials expressed concerns that because they continue to combat traditional (non-terrorism) crimes and the FBI is less available to aide in these local crime-fighting efforts, state and local departments have assumed a greater investigative role, resulting in a greater caseload for their officers and detectives. These officials said that while their departments have done the best they can with available resources, they miss the FBI's expertise and the quality of its investigative tools. Particular concerns of these local officials are discussed within the following chapters according to specific crime type.

Overview of Affected Crime Areas

Some FBI officials we interviewed stated that the FBI's more limited presence in violent crime and white-collar crime had impaired the law enforcement community's efforts to address these crime areas, particularly financial institution fraud and bank robberies. They added that state and local law enforcement agencies generally do not have the necessary resources or jurisdictional authority to effectively address many of these violations, and they commented that no other law enforcement agency has been able to compensate entirely for the FBI's reduced efforts in these areas.

Our discussions with other federal agencies generally indicated that these agencies were willing and in some cases eager to increase their investigative efforts in those areas in which the FBI has reduced its involvement. However, our review led us to conclude that there are specific criminal areas in which the FBI's shift of its priorities and resources has affected investigative efforts, as we describe below.

Financial Crimes

Of the types of criminal acts categorized as financial crimes, financial institution fraud (FIF) incurred the most noticeable effect from the FBI's shift in priorities. From our analyses of FBI data, we found that the FBI was minimally addressing FIF matters under $100,000 in FY 2004 as compared to FY 2000. USAO representatives stated that this lessened involvement by the FBI has created an investigative gap that no other law enforcement agency has sufficiently filled.

To a lesser extent, a gap exists within the law enforcement community related to telemarketing and wire fraud. According to FBI and local law enforcement officials, other law enforcement agencies have not assumed a greater role in these areas due to a lack of resources, technical capability, and jurisdictional authority. Chapter 5 contains more detail on these financial crime matters.

Criminal Enterprises

As noted previously, the FBI's new Criminal Enterprise Branch oversees all drug, gang, and organized crime investigations. The FBI's most significant reduction in agent resources occurred in its drug-related investigations, resulting in decreased casework and overall investigative effort in drug crimes. According to DEA field officials, the FBI's reduced efforts in drug-related crime had not impaired the DEA's operations in large

metropolitan areas. However, the DEA officials raised concerns that smaller urban areas were hurt by the FBI's shift in emphasis because the DEA often has a limited presence in these areas.

With regard to gang-related investigations, our analyses revealed that the FBI initiated more gang-related investigations during FY 2004 than during FY 2000. Additionally, the FBI did not alter its agent utilization in the investigation of gang-related matters between FYs 2000 and 2004. Nonetheless, certain local law enforcement agencies indicated that they received less investigative assistance from the FBI on gang cases. Further, they commented that the law enforcement community in many metropolitan areas could improve communication and coordination regarding gang-related activity and investigations. A more detailed discussion on gang, drug, and organized crime-related matters is contained in Chapter 6.

Fugitive Apprehension

According to FBI data analysis and interviews with FBI and USMS field managers, the FBI reduced its efforts in fugitive-related investigations since FY 2000. According to USMS field officials, the FBI's reduced involvement in this area did not significantly impair the operations of other law enforcement agencies. Further details about fugitive matters are contained in Chapter 7.

Bank Robberies

According to the comments of federal, state, and local officials, the FBI is no longer investigating bank robberies at the same level as it has in the past. This was confirmed by our analyses of FBI data. Consequently, most state and local agencies reported that they had experienced an increased bank robbery caseload, which exceeded a few of these agencies' investigative capabilities. Chapter 8 contains additional information on bank robberies.

Identity Theft

Identity theft was a major concern for the majority of the local law enforcement officials we interviewed, and many said they expect criminal activity in this area to increase in the coming years. They stated that the nature of identity theft investigations is generally beyond the technical capability and jurisdictional authority of state and local law enforcement agencies. Although several federal agencies in addition to the FBI are involved in addressing identity theft, we found no evidence of a coordinated approach for combating this crime. Details on identity theft are conveyed in Chapter 9.

Public Corruption

According to the FBI's national priorities, public corruption is the FBI's highest criminal priority. Yet, the FBI's agent utilization and casework data revealed an overall reduction on public corruption matters. Our review found that some FBI field offices were slow to make changes to emphasize their public corruption investigations over lesser priority areas. However, in FY 2005 the FBI has implemented an initiative to ensure that field offices are appropriately emphasizing public corruption matters, and the FBI has significantly increased its resource utilization in this area in FY 2005 compared to FY 2004. Chapter 10 contains additional details on public corruption matters.

Other Crime Areas

Both FBI and non-FBI law enforcement officials we interviewed cited problems in investigating child pornography, human trafficking, and alien smuggling, particularly insufficient resources to adequately address these crimes. State and local law enforcement agencies, in turn, commented that they lacked sufficient resources and the technical ability and jurisdictional authority that often are required to handle these investigations. In addition, in certain locations we identified a lack of coordination between the FBI and other agencies on these types of cases. Further details about these crime problems are discussed in Chapter 11.

CHAPTER 5: FINANCIAL CRIMES

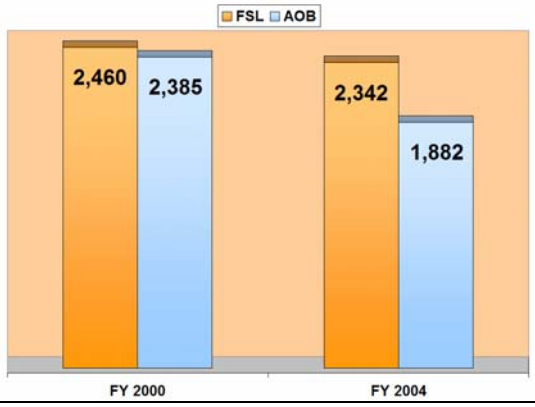
The FBI's White-Collar Crime (WCC) program can be separated into the general areas of financial crimes and integrity in government crimes. Financial crimes include fraud-related crimes such as corporate, health care, and bank fraud. Integrity in government involves issues such as public corruption and government fraud.

In FY 2004, the FBI allocated 2,342 agent positions for all white-collar crime matters throughout its field offices, which accounted for 41 percent of the total resources allotted to program areas within the CID.[36] In conjunction with its change in focus to terrorism-related matters, the FBI reduced the number of positions it allocated for white-collar crime by 118 field agent positions (or almost 5 percent) between FYs 2000 and 2004. As shown previously in Exhibit 3-3, this was the least significant reduction within the traditional crime program areas with the exception of Civil Rights.

In our analysis of Agent On-Board (AOB) data, we found that the FBI was using approximately 500 fewer agents on white-collar crime matters when comparing utilization data for FY 2004 to data for FY 2000. During FY 2000, the FBI utilized 2,385 agents on these investigations while the number of on-board agents dropped to 1,882 during FY 2004. Exhibit 5-1 compares the allocation of white-collar crime positions to the actual utilization of FBI resources for FYs 2000 and 2004. During each of these FYs, the FBI utilized fewer agents on white-collar crime matters than it allocated. The FY 2004 difference between allocated and actual was six times greater than FY 2000's variation.

[36] The FBI does not separately allocate field agent positions between financial crimes and public corruption. Thus, the figures reported within this section of the report include all white-collar crime areas. However, the remainder of this chapter focuses solely on financial crime matters. Chapter 10 discusses integrity in government crimes.

EXHIBIT 5-1
ALLOCATION AND UTILIZATION OF FBI AGENTS ON WHITE-COLLAR CRIME MATTERS FISCAL YEARS 2000 AND 2004



Source: OIG analysis of FBI RMA Office and TURK data

The FBI also opened 7,992 fewer white-collar crime cases during FY 2004 than in FY 2000. In FY 2000, the FBI opened 19,893 cases, whereas in FY 2004 it opened 11,901 cases.

FBI Financial Crimes Focus

The FBI is the primary federal investigative agency that investigates financial crimes. No other federal agency has the investigative authority to handle the range of financial-related violations as the FBI. Although other federal agencies are involved in certain areas, such as health care fraud, these agencies are more narrowly focused in their investigations. The FBI has the authority to investigate nearly all violations in the financial arena, including securities, health care, and bank fraud. The FBI's national financial crime priorities are listed in Exhibit 5-2.

EXHIBIT 5-2
FBI NATIONAL FINANCIAL CRIME PRIORITIES[37]

1. Securities and Commodities Fraud
2. Health Care Fraud
3. Financial Institution Fraud
4. Money Laundering
5. Insurance Fraud

Source: FY 2005 FBI Program Plans

[37] The priorities established by FBI Headquarters covered the entire White-Collar Crime Program, including both public corruption and financial crimes. This list only presents the financial crime national priorities. However, in relation to all white-collar crime matters, public corruption is the FBI's top priority. Moreover, the FBI's national non-priority areas in financial crimes include telemarketing fraud and bankruptcy fraud.

Overall Changes within the FBI's Financial Crime Efforts

In the area of financial crimes, the FBI experienced reductions in agent utilization and case openings between FYs 2000 and 2004. In August 2002, the FBI revised its established dollar-related thresholds for addressing financial crime investigations, which has generally limited its investigations to high-dollar matters. We found that these changes have affected other law enforcement agencies in certain jurisdictional areas, especially in the area of financial institution (or bank) fraud, as detailed in the sections that follow.

FBI Agent Utilization and Casework Data

Apart from its overall allotments to white-collar crime, the FBI does not allocate funded agent positions to specific financial crimes except health care fraud, which is discussed later in this chapter. Therefore, we were unable to provide an overview of agent allocation changes to financial crimes. However, we were able to assess the FBI's actual agent utilization in financial crime matters. Our analyses show that the FBI's investigative personnel resources for financial crime investigations decreased from 1,641 on-board agents in FY 2000 to 1,335 in FY 2004, or an almost 20 percent reduction.

We also identified differences in the utilization of agents on financial crime matters for the seven field offices we visited (presented in Exhibit 5-3). Six of the seven offices used fewer agents on these investigations during FY 2004 than in FY 2000, with the Phoenix Field Office experiencing the greatest reduction of 50 percent.

EXHIBIT 5-3
FBI AGENT UTILIZATION ON FINANCIAL CRIME MATTERS FOR THE FIELD OFFICES VISITED FISCAL YEARS 2000 AND 2004

Field Office	FY 2000 AOB	FY 2004 AOB	Change in Number	Change in Percent
Chicago	71	59	-12	-17%
Los Angeles	131	103	-28	-21%
Miami	70	63	-7	-10%
New Orleans	28	20	-8	-29%
New York City	120	125	5	4%
Phoenix	28	14	-14	-50%
San Francisco	41	37	-4	-10%

Source: OIG analysis of FBI TURK data

Likewise, the FBI's casework data showed that the FBI opened 6,939 fewer financial crime cases between FYs 2000 and 2004, decreasing from 17,402 cases to 10,463. Moreover, each of the field offices we visited

experienced at least a 24 percent reduction in financial crime case openings. Exhibit 5-4 provides data on the changes occurring at each of these offices.

EXHIBIT 5-4
FBI FINANCIAL CRIME CASE OPENINGS FOR THE FIELD OFFICES VISITED FISCAL YEARS 2000 AND 2004

Field Office	FY 2000 Case Openings	FY 2004 Case Openings	Change in Number	Change in Percent
Chicago	461	209	-252	-55%
Los Angeles	425	325	-100	-24%
Miami	383	197	-186	-49%
New Orleans	299	144	-155	-52%
New York City	413	315	-98	-24%
Phoenix	297	100	-197	-66%
San Francisco	150	94	-56	-37%

Source: OIG analysis of FBI ACS data

Impact on FBI Financial Crime Operations

At each site we visited, FBI officials indicated that they place more emphasis on those financial crime areas near the top of the FBI's national priorities (previously presented in Exhibit 5-2). As a result, FBI officials at many of these locations said they have reduced investigative efforts in low-dollar financial institution fraud (FIF or bank fraud) matters and low priority areas like telemarketing fraud and other wire/mail fraud. To identify high-level investigations, FBI field offices have implemented dollar-related thresholds to determine whether to open a case. These thresholds and their effect are discussed in further detail in the FIF section of this chapter.

We also observed various levels of FBI involvement in financial crime matters during our site visits. For instance, the FBI Miami Field Office essentially maintained the same number of financial crime squads between FYs 2000 and 2004 with only a slight reduction in agent resources. In contrast, the number of investigative squads focused on financial crime matters in the FBI Phoenix Field Office declined during this same period from five white-collar crime squads in FY 2000 to two in FY 2004, both of which focused almost exclusively on public corruption matters.

Impact on Other Law Enforcement Agencies' Financial Crime Efforts

In general, the other federal agencies we visited were primarily involved in other crime areas and were not heavily involved in financial crime investigations either before or after the FBI's reprioritization. Therefore, the

FBI's reduced efforts in financial crimes have not affected their operations. However, USAO representatives and USAO case management data indicated that the FBI's reprioritization has resulted in fewer financial-related matters being referred for U.S. Attorney review and prosecution. Additionally, several state and local law enforcement agency officials commented that their departments and communities were negatively affected by the FBI's decreased efforts in certain financial crime areas.

Other Federal Law Enforcement Agencies

Of all the federal agency officials we interviewed, only USAO officials commented on the FBI's reduced financial crime investigative efforts and the resulting reduction in criminal matters being referred to the USAO for review and prosecution. According to USAO case management data, actual FBI financial crime matters referred to the USAOs declined from 6,794 to 4,193 between FYs 2000 and 2004, a reduction of almost 40 percent.

In certain instances, the USAO representatives commented that they attempted to encourage other federal agencies, such as the U.S. Postal Inspection Service or Internal Revenue Service (IRS), to increase their investigative efforts in financial crime matters. Generally, the USAO officials we interviewed considered non-FBI agencies to be able to conduct most financial crime investigations. However, these officials noted that the FBI remains the premier investigative agency for financial-related matters. These officials said they did not believe another agency was as capable as the FBI on highly complex cases or capable of completely backfilling any investigative gap resulting from the FBI's reduced financial crime efforts.

In addition, officials at six USAOs commented on the experience level of FBI agents who are still handling traditional crime matters, including financial crime cases. Some of these officials said the FBI took experienced agents from the white-collar crime area and moved them to counterterrorism squads. According to these prosecutors, the sophistication of financial crime cases requires significant experience to effectively address case needs. With fewer experienced agents left to handle these complex investigations, these prosecutors commented that the quality of FBI financial crime cases has been affected.

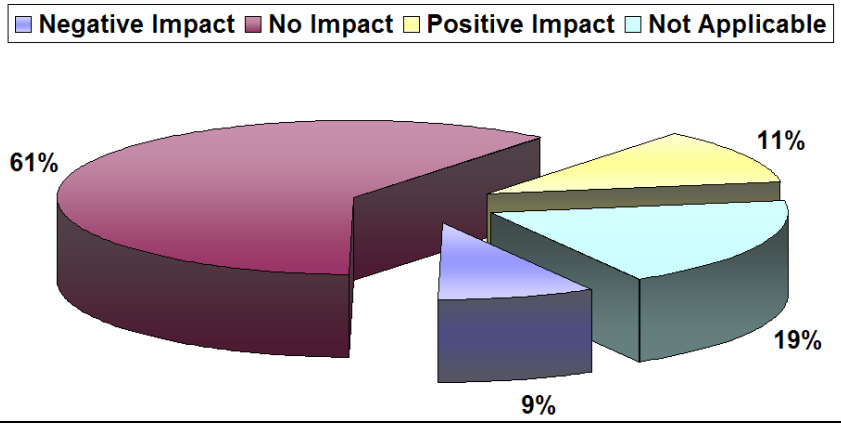
State and Local Law Enforcement Agencies

Several of the state and local law enforcement agency representatives that we interviewed indicated that their operations related to financial crime matters were negatively affected by the FBI's changed priorities. They commented that since the FBI's shift in priorities there has been less FBI

involvement on their cases, primarily because the cases did not meet the FBI's investigative threshold. In many locations, the officials specifically noted that FIF investigations were impaired the most. Many remarked that their agencies did not have sufficient resources or expertise to effectively handle these matters by themselves. As a result, they believed many FIF crimes were unaddressed.

According to our survey of state and local law enforcement officials, the majority responded that their white-collar crime investigations were not affected by the FBI's new priorities, while 106 out of 1,231 respondents (or 9 percent) indicated a negative impact on their investigative efforts in this area. Exhibit 5-5 presents these survey results.

EXHIBIT 5-5
SURVEY RESULTS OF THE IMPACT ON STATE AND LOCAL LAW ENFORCEMENT AGENCIES' WHITE-COLLAR CRIME INVESTIGATIONS



Source: OIG analysis of survey responses

The following sections of this chapter provide more detailed analysis of the FBI's investigative changes by specific financial crime areas. Specifically, we discuss FIF, telemarketing and wire fraud, health care fraud, and corporate fraud. Additionally, we provide comments obtained from non-FBI law enforcement officials related to each area, including any perceived impact on their law enforcement operations.

Financial Institution Fraud (Bank Fraud)

A variety of criminal acts can be categorized as FIF, including bank failures, check fraud, and loan fraud. [SENSITIVE INFORMATION REDACTED]

In general, FBI officials at each field office we visited stated that their offices had de-emphasized low-dollar FIF investigations and essentially left

them for other law enforcement agencies to handle. While none of the offices had completely stopped investigating these matters, all reported that they limited their efforts to the most significant cases.

Statistical Analyses

We analyzed FBI agent utilization and casework data to assess the level of FBI investigations involving FIF matters. Specifically, we determined the changes occurring within the FBI overall and at the field office level between FYs 2000 and 2004. Additionally, we reviewed the FBI data according to the dollar losses involved on these investigations, in particular FIF matters under $100,000 and those greater than or equal to $100,000. We performed similar analyses of USAO case management data to identify, from the USAOs' perspective, the changes resulting from the FBI's reduced emphasis on FIF matters.

FBI's Overall FIF Efforts – Our analyses of FBI data support FBI officials' reports of decreased investigative efforts on FIF matters. During FY 2000, 499 agents worked on FIF cases. This number dropped to 337 during FY 2004 – a decrease of 162 agents, or 32 percent. Similarly, the FBI opened 5,011 fewer FIF cases in FY 2004 than in FY 2000 – decreasing from 10,383 cases in FY 2000 to 5,372 in FY 2004.

USAO case management data demonstrates that the FBI was the primary federal law enforcement agency investigating FIF matters in both FYs 2000 and 2004. In FY 2000, the FBI contributed 81 percent of all FIF matters referred to the USAOs. Although this proportion dropped to 67 percent in FY 2004, the FBI remained the predominant agency providing FIF matters to the USAOs. Between FYs 2000 and 2004, the USAOs received a total of 1,701 fewer FIF matters from federal agencies. The FBI essentially accounted for all of this decrease, reducing its FIF referrals by 1,700.

The 7 FBI field divisions we visited reduced the number of FIF referrals to their respective USAOs, with 6 divisions decreasing referral numbers at least 40 percent. The FBI New York City Division was an anomaly, decreasing its FIF referrals by only 4 percent. The following exhibit provides the total number of FIF referrals to USAOs. This table also shows overall FBI referral numbers, as well as referral figures for those field divisions in which we conducted fieldwork.

EXHIBIT 5-6
FINANCIAL INSTITUTION FRAUD MATTERS RECEIVED BY THE USAOs
FISCAL YEARS 2000 AND 2004

	FY 2000	FY 2004	Number Change	Percentage Change
All Federal Agencies	4,000	2,299	-1,701	-43%
FBI Field Office Jurisdictions[38]:				
All Divisions	3,243	1,543	-1,700	-52%
Chicago	143	44	-99	-69%
Los Angeles	72	43	-29	-40%
Miami	52	19	-33	-63%
New Orleans	103	24	-79	-77%
New York City	104	100	-4	-4%
Phoenix	13	2	-11	-85%
San Francisco	34	20	-14	-41%

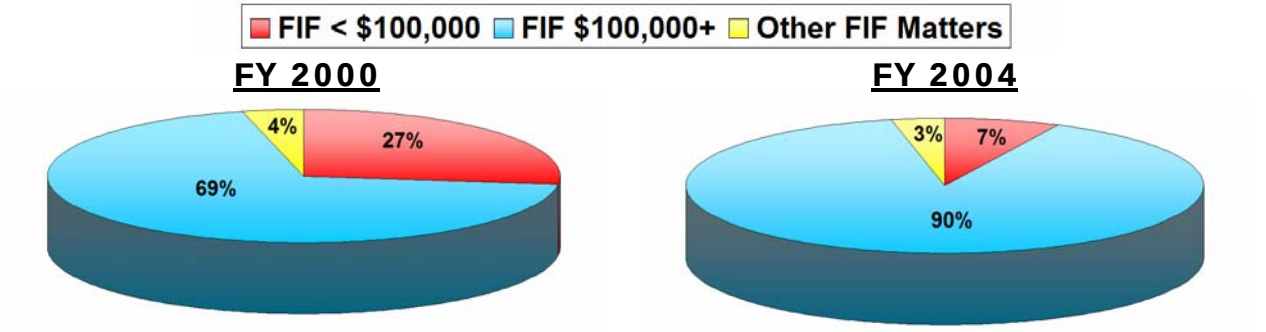
Source: OIG analysis of USA central case management system data

As our analysis of USAO data illustrates, other federal investigative agencies did not replace the FBI's reduced efforts in FIF matters.

FBI's FIF Efforts Relative to Dollar Loss – From our review of individual FIF classifications, we found that FBI agents spent nominal time investigating FIF matters involving losses under $100,000 during FY 2004, [SENSITIVE INFORMATION REDACTED]. FBI agents were primarily utilized on FIF investigations involving losses greater than or equal to $100,000. The following exhibit provides a proportional perspective of FBI agent utilization on FIF matters for FYs 2000 and 2004.

[38] The FBI's field office jurisdictions usually coincide with a USAO district; however, in some instances an FBI field office jurisdiction includes more than one USAO district. Following are the FBI field office jurisdictions listed in this exhibit with their corresponding USAOs: FBI Chicago Division – Northern District of Illinois USAO; FBI Los Angeles Division – Central District of California USAO; FBI Miami Division – Southern District of Florida; FBI New Orleans Division – Eastern, Middle, and Western Districts of Louisiana; FBI New York City Division – Eastern and Southern Districts of New York; FBI Phoenix Division – District of Arizona USAO; and FBI San Francisco Division – Northern District of California USAO. The figures presented incorporate the criminal matters submitted to the USAOs within these FBI jurisdictions.

EXHIBIT 5-7
FBI FIELD AGENT UTILIZATION
ON FINANCIAL INSTITUTION FRAUD MATTERS
FISCAL YEARS 2000 AND 2004[39]



Source: OIG analysis of FBI TURK data

We further analyzed FIF matters associated with dollar-related losses of less than $100,000 and those with losses greater than or equal to $100,000. The FBI experienced overall agent utilization reductions in both areas, but at a much greater level for the lower-dollar investigations. For FIF matters under $100,000, the FBI used over 80 percent fewer agents in FY 2004 than it had in FY 2000, decreasing from 111 on-board agents to 20. In contrast, the agent utilization decline on FIF matters with losses greater than or equal to $100,000 was not as substantial. During FYs 2000 and 2004, the FBI utilized 287 and 243 agents, respectively, or a reduction of 44 agents (15 percent).

Of the field offices we visited, the FBI's data shows that each office used fewer agents on FIF investigations under $100,000. Almost all offices had reduced their efforts on these cases to less than one AOB agent. We also noted that several offices experienced significant decreases in on-board agents for FIF investigations greater than or equal to $100,000. Two offices (New Orleans and New York City) slightly increased the number of agents involved on these cases during our review period. Exhibit 5-8 details the agent utilization changes that occurred between FYs 2000 and 2004 at the FBI field offices we visited, as well as the FBI's overall agent utilization changes on such matters.

[39] Other FIF Matters consist of FBI investigative classifications to which a dollar amount is not associated.

EXHIBIT 5-8
FBI FIELD AGENT UTILIZATION ON FINANCIAL INSTITUTION FRAUD MATTERS
FISCAL YEARS 2000 AND 2004

Field Office	UNDER $100,000			$100,000 AND OVER		
	FY 2000 AOB	FY 2004 AOB	Change in AOB	FY 2000 AOB	FY 2004 AOB	Change in AOB
Chicago	4.0	0.1	-3.9	15.8	15.2	-0.6
Los Angeles	0.7	0.1	-0.6	34.8	17.3	-17.5
Miami	0.7	0.1	-0.6	9.7	7.3	-2.4
New Orleans	4.0	0.7	-3.3	3.2	3.9	0.7
New York City	1.8	0.4	-1.4	23.0	23.5	0.5
Phoenix	1.9	0.1	-1.8	2.0	1.4	-0.6
San Francisco	1.0	0.1	-0.9	6.4	2.1	-4.3
Total of Sites Visited	**14.1**	**1.6**	**-12.5**	**94.9**	**70.7**	**-24.2**
Total of FBI Overall	**111.2**	**19.7**	**-91.5**	**287.3**	**243.2**	**-44.1**

Source: OIG analysis of FBI TURK data

Evaluation of FBI casework data provided similar results to that of our agent utilization analyses. Each of the FBI sites we visited initiated fewer FIF investigations during FY 2004 than during FY 2000. Exhibit 5-9 lists the changes in the number of case openings occurring within these locations for our review period. As evidenced in that exhibit, all but 1 of the 7 field offices opened fewer than 10 FIF cases under $100,000 in FY 2004.

EXHIBIT 5-9
FBI CASE OPENINGS OF FINANCIAL INSTITUTION FRAUD MATTERS
FISCAL YEARS 2000 AND 2004

Field Office	UNDER $100,000			$100,000 AND OVER		
	FY 2000	FY 2004	Change	FY 2000	FY 2004	Change
Chicago	114	1	-113	129	46	-83
Los Angeles	6	2	-4	73	55	-18
Miami	27	2	-25	51	16	-35
New Orleans	105	23	-82	35	26	-9
New York City	27	9	-18	85	55	-30
Phoenix	167	2	-165	23	9	-14
San Francisco	44	5	-39	24	12	-12
Totals	**490**	**44**	**-446**	**420**	**219**	**-201**

Source: OIG analysis of FBI ACS data

Impact on Law Enforcement Community

During our fieldwork, we obtained comments from non-FBI law enforcement officials regarding the FBI's reduced FIF efforts.

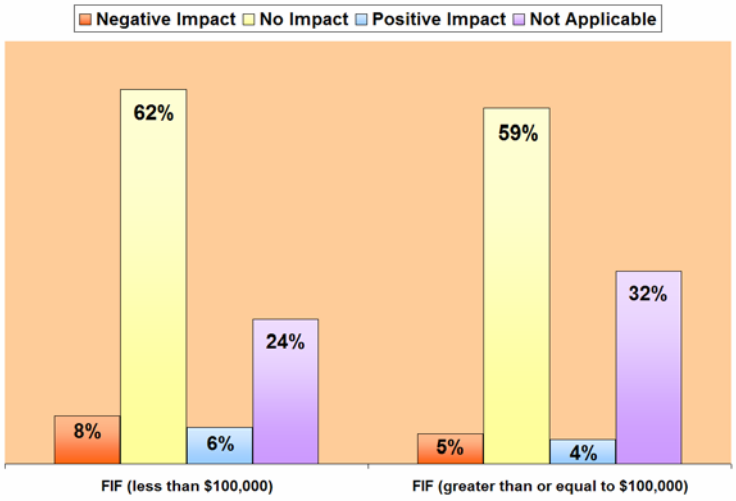
USAO Perspectives – In our discussions with the USAOs, prosecutors in the various districts had different views about the impact of the FBI's reduced FIF investigative efforts. For instance, [SENSITIVE INFORMATION REDACTED]. Representatives from both these USAOs stated that the FBI was referring fewer FIF cases for prosecution and that no other federal agency had increased the number of FIF matters to compensate for the FBI's reduced efforts in this area. However, the USAO official in Chicago indicated that his office was interested in receiving matters that are below the FBI's threshold while the federal prosecutor in San Francisco was satisfied with the FBI investigating only the most egregious violations. These two prosecutors, as well as prosecutors from the Southern District of New York, did not believe that any other law enforcement agency was able to fill the investigative gap resulting from less FBI effort in this area.

State and Local Law Enforcement Perspectives – State and local law enforcement officials at several field office jurisdictions we visited raised concerns about FIF issues. In particular, they stated that the FBI was less available to assist their agencies in addressing these crimes. One local official in South Florida commented that he stopped requesting assistance from the FBI because he was repeatedly turned down. Several other officials also remarked that they were aware of the FBI's dollar-related thresholds, and many times only approached the FBI when they had a case exceeding those limits.

In the past, these local agencies said they relied on the FBI's assistance in investigating these crimes. Now, without the FBI's involvement, these agencies are left to handle bank fraud matters on their own. The local officials said this has caused problems because their agencies do not have sufficient resources or the expertise to effectively investigate these cases. They said that as a result, many of these crimes are unaddressed. In addition, the officials said they believed that FIF crimes could escalate in the coming years.

In our survey of state and local law enforcement agencies, we asked participants if the FBI's shift in priorities had any effect on their investigations of FIF matters with losses greater than or equal to $100,000 and those under $100,000. The majority reported that their investigation of these cases was not affected by the FBI's reprioritization. However, a few agencies noted an adverse impact on such investigations. Specifically, 101 out of 1,223 responses, or 8 percent, indicated varying degrees of negative impact on FIF matters under $100,000. Exhibit 5-10 illustrates the survey results as related to FIF investigations.

EXHIBIT 5-10
SURVEY RESULTS RELATED TO THE IMPACT ON STATE AND LOCAL LAW ENFORCEMENT AGENCIES' FINANCIAL INSTITUTION FRAUD INVESTIGATIONS



Source: OIG analysis of survey responses

Conclusions on Financial Institution Fraud Matters

Overall, we determined that FBI field divisions reduced their efforts on FIF investigations, and it does not appear that any other law enforcement agency has fully replaced the FBI's contributions. Consequently, an investigative gap exists for low-dollar FIF matters. These results were supported by USAO representatives and state and local law enforcement officials, who believed that no other agency has filled the gap and that a portion of FIF crimes are not being investigated.

Telemarketing and Wire Fraud

According to the FBI, telemarketing fraud, which often transcends state and international boundaries, is an escalating crime problem. Nonetheless, in line with its financial crime priorities, since the FBI's reprioritization it has reduced its efforts in investigating telemarketing and wire fraud.

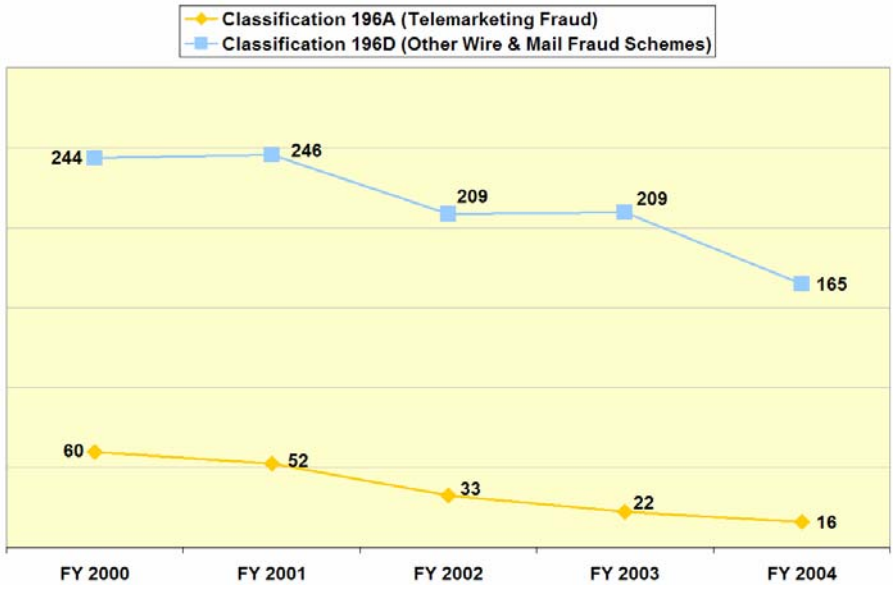
The operations of some state and local law enforcement agencies have been affected by the FBI's decreased efforts in telemarketing and wire fraud matters, although to a lesser extent than for FIF. Telemarketing and wire fraud crimes tend to cross multiple jurisdictions, which hinder state and local departments' investigations. Moreover, FBI officials commented that no other federal investigative agency has the resources available to devote significant time to these investigations. As a result, the FBI officials believed that some of these telemarketing and wire fraud crimes are not being investigated.

Statistical Analyses

The FBI uses two investigative classifications to track its involvement in telemarketing and wire fraud matters: Classifications 196A (Telemarketing Fraud) and 196D (Other Wire & Mail Fraud Schemes). We analyzed the changes in resource utilization and case openings for each of these classifications between FYs 2000 and 2004. The analyses were conducted for the FBI's overall efforts, as well as at the field office level. Further, we reviewed USAO case management data to determine the change in FBI referrals to USAO prosecutors.

Overall FBI Efforts – The FBI's agent utilization data indicates fewer resources were used on Classifications 196A and 196D matters in FY 2004 than in FY 2000. Exhibit 5-11 illustrates the AOB changes that occurred in these two areas during our review period. As shown, 60 agents addressed telemarketing fraud in FY 2000, while only 16 were used in FY 2004. This resulted in a reduction of 44 on-board agents, or 74 percent. Similarly, the FBI used almost 80 fewer agents on other wire and mail fraud schemes in FY 2004 than in FY 2000, decreasing from 244 agents in FY 2000 to 165 agents in FY 2004.

EXHIBIT 5-11
FBI FIELD AGENT UTILIZATION FOR CLASSIFICATIONS 196A (TELEMARKETING FRAUD) AND 196D (OTHER WIRE & MAIL FRAUD SCHEMES) FISCAL YEARS 2000 THROUGH 2004



Source: OIG analysis of FBI TURK data

Data from the FBI's ACS system further showed that the FBI reduced its efforts on these investigative matters. Specifically, the FBI opened 159 fewer telemarketing fraud cases during our review period –215 cases in FY 2000 to 56 in FY 2004. Likewise, the FBI initiated 1,727 other wire and mail fraud cases during FY 2000 and 1,062 during FY 2004 – a reduction of 665 cases, or almost 40 percent.

USAO case management data were consistent with the reported FBI reductions in telemarketing fraud investigations. The FBI submitted 18 fewer referrals on telemarketing fraud matters to USAOs during our review period, referring 31 such matters in FY 2000 compared to 13 in FY 2004.

FBI Field Efforts – Based upon FBI data, many of the FBI divisions we visited experienced reductions in terms of agent utilization and casework for both telemarketing and wire fraud classifications during our review period. FBI officials at some of these offices also remarked that they had lessened their efforts in these fraud areas. For example, an FBI official in Phoenix stated that, in response to the FBI's reprioritization efforts, the office had stopped handling telemarketing fraud cases and disbanded its telemarketing fraud task force. This official said that telemarketing fraud is a significant problem in Arizona, and the U.S. Postal Inspection Service has attempted to increase the number of telemarketing fraud investigations, but there was only so much it could do with its available resources.

Impact on Law Enforcement Community

None of the other federal investigative agencies we interviewed during our site visits were involved in addressing telemarketing fraud or wire fraud. However, we surveyed state and local law enforcement agencies about telemarketing and wire fraud matters. The majority of the respondents (about 60 percent) reported that their operations had not experienced any consequences, good or bad, from the FBI's reduced efforts in the telemarketing and wire fraud arenas. Our survey revealed that 7 percent of respondents (81 out of 1,224 responses) said they had been negatively affected in these criminal areas, the same percentage who indicated a positive impact on their operations resulting from the FBI's changes.

Analyses of the survey responses by FBI field office jurisdiction showed that some jurisdictions indicated a greater impact than others. From this analysis, agencies within the Denver, Miami, and Phoenix FBI Field Office jurisdictions experienced the greatest adverse effect related to telemarketing and wire fraud matters, with 12 percent of respondents in each city indicating a negative impact. The following exhibit illustrates the results by field office.

EXHIBIT 5-12
SURVEY RESULTS OF THE IMPACT ON STATE AND LOCAL LAW ENFORCEMENT AGENCIES' TELEMARKETING AND WIRE FRAUD INVESTIGATIONS ACCORDING TO FBI FIELD OFFICE JURISDICTION

Field Office	Negative Impact	No Impact	Positive Impact	Not Applicable
Atlanta	4%	56%	9%	31%
Chicago	4%	63%	5%	28%
Dallas	3%	59%	4%	34%
Denver	12%	52%	7%	29%
Detroit	9%	54%	10%	27%
Los Angeles	7%	70%	3%	20%
Miami	12%	64%	3%	21%
New Orleans	3%	56%	14%	27%
New York City	6%	64%	5%	25%
Phoenix	12%	64%	5%	19%
San Francisco	11%	69%	3%	17%

Source: OIG analysis of survey responses

Conclusions on Telemarketing and Wire Fraud

Our analyses of FBI data showed that the FBI reduced its investigative efforts on telemarketing and wire fraud matters, using fewer agents to address these matters and opening fewer cases since FY 2000. In addition, some FBI field officials commented that their offices had placed less emphasis on handling these matters than in the past. Based on the data we analyzed and the interviews we conducted, it appears that the FBI's reduced presence has created an investigative gap in the area of telemarketing and wire fraud because no other section of the federal law enforcement community has significantly increased its efforts in this area.

Health Care Fraud

According to USAO representatives, health care fraud is a significant criminal problem that is expected to increase during the coming years. According to the FBI, several FBI field offices rank health care fraud as their number one white-collar crime problem. In its investigative efforts in this area, the FBI focuses its health care fraud resources on multi-district cases of large health care corporations suspected of committing fraud against government programs and private entities, such as insurance companies, businesses, or individuals. In addition to the FBI, the Department of Health and Human Services (HHS) OIG conducts many health care fraud investigations, either by itself or jointly with the FBI.

FBI Investigative Efforts

Health care fraud is the FBI's second highest national priority for financial crime matters. However, our analysis of FBI data showed that fewer agents were addressing these matters in FY 2004 than in FY 2000, and that the FBI opened fewer health care fraud cases during this time period. Additionally, the FBI utilized fewer agents than allocated for health care fraud investigations.

Allocated Agent Positions – Beginning in FY 2003, the FBI allocated field agent positions specifically for health care fraud. Since 1997, the FBI has received funding for its health care fraud efforts through reimbursement from a specialized expenditure account created by the Health Insurance Portability and Accountability Act of 1996 (hereafter referred to as the HIPAA account).[40]

In FY 2003, the FBI allocated 449 funded agent positions to health care fraud matters. In FY 2004, the total funded staffing level (FSL) had decreased to 420. According to FBI officials, the number of positions allocated to health care fraud is calculated by determining how many agents can be funded by the reimbursement agreement. They said that the number of allocated agents has decreased since FY 2003 because rising salary costs resulted in reimbursement for fewer agents. Prior to FY 2003, the FBI did not specify how many of its white-collar crime FSLs were intended for health care fraud matters; thus, we were unable to compare the change in funded positions between FYs 2000 and 2004.

Actual Agent Utilization – The FBI utilized 418 agents in health care fraud matters during FY 2000. In FY 2004, this number decreased to 377 agents, a reduction of 41 agents.

Moreover, the FBI's utilization of 377 agents on health care fraud matters in FY 2004 was less than the number of allocated agent positions for such matters. The FBI intended to use 420 field agents in the area of health care fraud, a difference of more than 40 agent positions. As noted previously, we were informed by the FBI that the number of positions allocated to health care fraud is calculated by determining how many agents can be funded by the reimbursement agreement. Therefore, this is a concern because the FBI is utilizing fewer agents on health care fraud matters than allocated to this area and the FBI is being reimbursed by the HIPAA Account for its efforts. The GAO recently issued a report on the FBI's health care fraud reimbursements and found that the FBI was utilizing fewer

[40] This account is co-administered by the HHS OIG and the Department of Justice. The appropriations are in specified amounts for each fiscal year. Since FY 2003, the FBI's funding has amounted to $114 million per year. Pub. L. No. 104-191 (1996).

agents than budgeted.[41] In response, the FBI initiated an extensive manual review to identify other, non-agent salary costs attributable to its health care fraud efforts.[42] Further, at our exit conference the FBI provided evidence that it increased its efforts related to health care fraud in FY 2005 compared to FY 2004.

Case Openings – Our analysis of FBI ACS data revealed that the FBI initiated 163 fewer health care fraud cases in FY 2004 than in FY 2000, equating to a 13 percent reduction. During FY 2000, the FBI opened 1,244 health care fraud investigations compared to 1,081 cases during FY 2004.

Field Office Perspectives – Four of the 7 FBI field offices we visited (Chicago, Los Angeles, Miami, and New York City) accounted for almost 30 percent of the FBI's total FY 2004 agent utilization on health care fraud investigations. Each of these offices also had more agents addressing these matters in FY 2004 than in FY 2000 (as did the San Francisco Field Office). In contrast, the New Orleans and Phoenix Divisions used fewer agents for health care fraud in FY 2004 compared to FY 2000.

According to FBI managers in Miami, South Florida is the epicenter for health care fraud violations. To help combat this problem, the Miami Division has dedicated two squads entirely to health care fraud investigations. However, this FBI official noted that this type of fraud is so problematic in the division's jurisdiction that the FBI could easily use a third squad to investigate these matters.

To assist in the coordination of health care fraud investigative efforts in Miami, the FBI constructed an off-site facility dedicated solely to health care fraud investigations. The purpose of this facility is to allow FBI agents to work side-by-side on these investigations with personnel from other agencies, such as HHS OIG investigators and federal prosecutors. The facility also serves as a central location for storing health care fraud case files. FBI officials in Miami believed that this facility has enhanced relationships among various agencies and suggested that other large FBI

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[41] Government Accountability Office. *Federal Bureau of Investigation: Accountability over the HIPAA Funding of Health Care Fraud Investigations Is Inadequate*, Report Number GAO-05-388, April 2005.

[42] The GAO recommended that the FBI establish policies and procedures to report and adequately support the costs of its health care fraud investigations. The FBI agreed with the recommendation and acknowledged the need to establish control mechanisms to monitor both personnel and non-personnel costs.

offices, such as New York City, Chicago, and Los Angeles, would benefit from establishing similar facilities.

Impact on Law Enforcement Community

As mentioned previously, the HHS OIG is the other federal agency primarily involved in health care fraud investigations.[43] Because most health care fraud lies outside the jurisdictional purview of state and local law enforcement agencies, the state and local officials we interviewed did not raise this issue.

We obtained the USAO's perspective on the FBI's health care fraud efforts through review of USAO case management data and our interviews with USAO officials. The USAO data reflected reduced FBI efforts related to health care fraud over the past 5 years. However, comments from prosecutors at various USAOs were mixed. While representatives at some USAOs stated that the FBI was not as active in its health care fraud efforts as it was prior to 9/11, prosecutors from other USAOs we visited said the FBI continued its aggressive efforts in combating such violations.

USAO Case Management Data – Analysis of USAO case management data demonstrated that the FBI and the HHS OIG, combined, accounted for approximately 90 percent of health care fraud referrals to the USAOs during FYs 2000 and 2004. In FY 2000, the FBI made 82 percent of such referrals. However, as Exhibit 5-14 shows, the FBI decreased its referrals by 231 between FYs 2000 and 2004. Although the HHS OIG provided 77 more health care fraud matters to the USAOs during this period, the FBI's 444 referrals accounted for 70 percent of the total health care fraud matters received by USAOs in FY 2004 while HHS OIG referrals accounted for 22 percent of the referred matters. Moreover, total health care fraud referrals declined by 193 matters from FY 2000 to FY 2004, evidencing that despite the HHS OIG's increased efforts other law enforcement agencies have not fully compensated for the FBI's reduced investigative efforts in this area.

[43] The HHS OIG was not one of the federal agencies visited during our audit. Therefore we cannot comment on the impact of the FBI's reprioritization on the HHS OIG's operations.

EXHIBIT 5-14
HEALTH CARE FRAUD MATTERS RECEIVED BY THE USAOs
FISCAL YEARS 2000 AND 2004

	FY 2000	FY 2004	Number Change	Percent Change
Total Referrals	824	631	-193	-23%
FBI	675	444	-231	-34%
HHS OIG	60	137	77	128%

Source: OIG analysis of USA central case management system data

USAO Officials' Perspective – Prosecutors at some USAO districts mentioned that the FBI's involvement on health care fraud matters has lessened since 9/11, corroborating USAO case referral decreases shown in Exhibit 5-14. For example, USAO officials in the District of Arizona commented that the FBI's health care fraud task force was more active prior to 9/11 than it is currently. In addition, USAO representatives from the Southern District of New York stated that they received significantly fewer cases from the FBI in recent months compared to pre-9/11.

Conclusions on Health Care Fraud

Our analyses revealed that the FBI has experienced reductions in both its overall agent utilization and case openings between FYs 2000 and 2004 on health care fraud investigations. Similarly, data from the USAO also showed that the FBI referred fewer health care fraud matters to the USAOs in FY 2004 than in FY 2000.

In addition, fewer FBI agents worked health care fraud matters in FY 2004 than the FBI had intended (underburn). Since the FBI receives congressional funding for its agent positions involved in health care fraud matters, we believe that the FBI must accurately convey the number of agents that will actually be investigating this crime area.

Corporate (Securities) Fraud

Corporate or securities fraud is the FBI's top priority within the financial crimes arena. The FBI has placed increased emphasis on this investigative area, primarily a result of the events surrounding the Enron bankruptcy.

Statistical Analyses

Our analysis of the FBI's agent utilization data confirms the prominence the FBI puts on this crime area. The FBI had 159 agents involved in corporate fraud investigations during FY 2000. In FY 2004, this number rose

to 258 agents, an increase of 62 percent.[44] In contrast to the increase in resources, the FBI opened 67 fewer corporate fraud cases in FY 2004 than in FY 2000 (524 cases in FY 2000 to 457 cases in FY 2004).

According to USAO data, the FBI submitted the majority of criminal referrals on corporate fraud matters during FYs 2000 and 2004. Specifically, the FBI's referrals encompassed 74 percent of all submitted corporate fraud matters in FY 2000 and 70 percent in FY 2004. The FBI referred 72 more corporate fraud matters to USAOs during the time period under review, increasing from 303 referrals in FY 2000 to 375 in FY 2004.

Impact on Law Enforcement Community

The nature of corporate fraud does not lend itself to state and local law enforcement involvement. Instead, these violations are generally addressed by federal agencies, most notably the FBI. An official at the Securities and Exchange Commission (SEC) stated that the SEC's efforts differ from the FBI's in this area because the SEC primarily focuses on civil matters, while the FBI investigates criminal violations. This SEC official stated that the FBI has become more selective in the investigations it conducts, focusing on the higher dollar, higher profile cases.

Conclusions on Corporate Fraud

The FBI designated corporate fraud as its top national priority for financial crimes and has increased the number of agents handling those matters between FYs 2000 and 2004. Case management data from the USAO also demonstrated the FBI's increased emphasis on corporate fraud matters, showing that the FBI had referred more matters to the USAOs during FY 2004 than it had during FY 2000. Further, the other law enforcement entity officials that we interviewed did not indicate that their agencies had been negatively affected by the FBI's reprioritization in the area of corporate fraud.

Chapter Summary

The FBI reduced its overall investigative efforts on financial crime matters between FYs 2000 and 2004, resulting in fewer agents handling these investigations and fewer FBI financial crime case openings. Of the specific crime areas discussed in this chapter, we noted reduced FBI efforts

[44] In FY 2000, the FBI used Classification 196C (Securities/Commodities Fraud) to track its corporate fraud efforts. In FY 2004, it eliminated Classification 196C; instead it used five classifications: (1) 318A (Corporate Fraud), (2) 318B (Prime Bank and High Yield Investment Fraud), (3) 318C (Market Manipulation), (4) 318D (Insider Trading), and (5) 318E (Other Security/Commodities Fraud Matters).

(in both agent utilization and case openings) in FIF, telemarketing fraud, wire fraud, and health care fraud. Corporate fraud was the only area in which the FBI used additional agents between FYs 2000 and 2004. Similarly, USAO case management data revealed that the FBI referred fewer criminal matters to USAOs on FIF, telemarketing fraud, and health care fraud matters between FYs 2000 and 2004, while submitting more referrals on corporate fraud matters during this period.

The FBI's reduced resources on FIF matters had the most noticeable impact on the law enforcement community. In particular, the FBI's reduced investigative efforts in this area created a gap that other law enforcement agencies have not filled. The FBI generally focused its resources on FIF cases involving large dollar losses, while the low-dollar FIF investigations were seldom initiated. Based upon USAO data, other federal agencies did not replace the FBI's reduced effort in FIF matters.

To a lesser extent, we determined that a gap exists in telemarketing and wire fraud investigations. These violations often exceed the technical capability and jurisdictional authority of state and local law enforcement agencies.

The FBI's investigative efforts in health care fraud have also diminished since FY 2000, even though health care fraud is the FBI's second highest national priority for financial crimes. According to USAO data, the FBI continues to refer the majority of health care fraud matters handled by USAOs. Although USAO case management data indicated the HHS OIG increased the number of its health care referrals to USAOs between FYs 2000 and 2004, the increase only compensated for 33 percent of the FBI's reduction in such referrals. Thus, it appears that health care fraud is not being addressed as aggressively as in the past.

Finally, corporate fraud is the FBI's highest investigative priority for financial crime matters. In line with this priority status, the FBI utilized more agents on these investigations and referred more corporate fraud matters to the USAOs in FY 2004 than in FY 2000.

CHAPTER 6: CRIMINAL ENTERPRISES

According to the FBI, a criminal enterprise is a structured organization engaging in acts of criminal conspiracy and/or criminal activity. Among the common criminal enterprises are drug-trafficking organizations, street gangs, and organized crime syndicates. These organizations are the focus of the FBI's efforts in combating criminal enterprises.

Overall, the FBI utilized fewer agents on criminal enterprise matters in FY 2004 compared to FY 2000, and it opened fewer criminal enterprise cases during this timeframe. While the FBI used fewer agents on narcotics trafficking and organized crime investigations, the FBI did not alter its agent utilization on overall gang-related investigative efforts between FYs 2000 and 2004. The following sections discuss the results of our review of the FBI's criminal enterprise investigative efforts, as well as the specific areas of narcotics trafficking, street gangs, and organized crime.

Overall FBI Criminal Enterprise Investigative Efforts

Allocation and Utilization of Agent Resources

As discussed in Chapter 2, the FBI's Criminal Enterprise Plan, which was created in FY 2004, pooled drug, gang, organized crime, and major theft resource allocations into criminal enterprise allocations. However, FY 2004 field agent resources were allocated according to the CID's old structure, before the implementation of the Criminal Enterprise Plan. These allotments were not altered with the implementation of the Criminal Enterprise Plan in mid-FY 2004. For FY 2005, the FBI allocated criminal agent positions according to its new organizational structure.[45]

While we were unable to determine the change in the FBI's allocation of criminal enterprise agent positions from FYs 2000 to 2004 because of the reasons stated above, we were able to identify changes in the actual utilization of agents on criminal enterprise matters. We also analyzed agent utilization data at the subprogram level to obtain a more specific perspective on these changes. As evidenced in Exhibit 6-1, all criminal enterprise subprograms, except Violent Gangs, experienced on-board agent reductions between FYs 2000 and 2004, amounting to an overall decrease of 1,285 positions, or 45 percent.

[45] The new CID organization chart is located on page 9.

EXHIBIT 6-1
FBI FIELD AGENT UTILIZATION BY CRIMINAL ENTERPRISE SUBPROGRAM FISCAL YEARS 2000 AND 2004[46]

Subprograms	FY 2000	FY 2004	Number Change	Percent Change
OCDETF[47]	1,062	540	-522	-49%
Mexican/Criminal Syndicates	353	75	-278	-79%
La Costa Nostra/Italian/ Labor Racketeering	437	261	-176	-40%
Major Theft	251	90	-161	-64%
Colombian/Caribbean	146	35	-111	-76%
Asian	137	95	-42	-31%
Other Matters[48]	93	67	-26	-28%
Russian/Eurasian	108	90	-18	-17%
Violent Gangs	266	315	49	18%
TOTALS	**2,853**	**1,568**	**-1,285**	**-45%**

Source: OIG analysis of FBI TURK data

Case Openings

The reduction in resources noted above corresponds with a significant decrease in case openings for criminal enterprise matters. As detailed in Exhibit 6-2, the number of criminal enterprise cases opened decreased by 3,994, or 52 percent, between FYs 2000 and 2004. Additionally, most of the criminal enterprise subprograms experienced substantial decreases in case openings during this period, with 6 of the 9 subprograms showing a reduction of at least 50 percent. In contrast, violent gangs, which experienced an increase in agent utilization of 49 agents or 18 percent, had more case initiations in FY 2004 than in FY 2000, increasing by 58 percent.

[46] These subprograms comprise the current Americas Criminal Enterprise Section and the Transnational Criminal Enterprise Section, which constitute the investigative components of the CID's Criminal Enterprise Branch.

[47] This OCDETF figure represents combined totals for the OCDETF subprogram and the OCDETF – Gangs subprogram. The FBI received 488 reimbursable OCDETF positions in FY 2004.

[48] Subprograms Other Matters – Drugs and Other Matters – Organized Crime are combined within this table.

EXHIBIT 6-2
FBI CASE OPENINGS OF CRIMINAL ENTERPRISE MATTERS
FISCAL YEARS 2000 AND 2004

Subprograms	FY 2000	FY 2004	Number Change	Percent Change
OCDETF[47]	499	202	-297	-60%
Mexican/Criminal Syndicates	671	152	-519	-77%
La Costa Nostra/Italian/ Labor Racketeering	233	90	-143	-61%
Major Theft	1,556	649	-907	-58%
Colombian/Caribbean	143	60	-83	-58%
Asian	120	102	-18	-15%
Other Matters[48]	3,882	1,575	-2,307	-59%
Russian/Eurasian	80	71	-9	-11%
Violent Gangs	495	784	289	58%
TOTALS	**7,679**	**3,685**	**-3,994**	**-52%**

Source: OIG analysis of FBI ACS data

Narcotic/Illegal Drug Trafficking Organizations

The FBI targets various criminal enterprises involved in illegal drug trafficking. For some criminal enterprises, drug trafficking is the organization's primary mission; for others, it is a means to financially support its other criminal operations. According to the DEA, the United States is one of the most profitable illegal drug markets in the world, attracting ruthless, sophisticated, and aggressive drug traffickers.

Overall Allocation of FBI Drug-Related Resources

As part of its reprioritization efforts, the FBI assessed the areas in which it had concurrent jurisdiction with other law enforcement agencies, particularly with the DEA. As a result, the FBI significantly shifted resources away from investigating drug-related crime more than any other criminal area over the last 4 years.

Specifically, the FBI reduced drug-related field agent allocations from 890 agents in FY 2001 to 339 in FY 2004.[49] This 551-agent reduction accounts for almost half of the reduction in the FBI's total criminal agent FSL allocation of 1,143 positions. The FBI also staffs its drug-related investigations with reimbursed OCDETF agent positions. Between FYs 2000 and 2004, the number of FBI OCDETF positions decreased by 45 positions from 533 to 488, a reduction of 8 percent. As noted in Exhibit 6-1, the FBI

[49] In FY 2000, the FBI allocated drug and organized crime resources together; it separately apportioned agent positions to these sections in FYs 2001 through 2004.

actually used 540 agents on OCDETF matters during FY 2004. While this number is above the reimbursed number of 488 positions, it is significantly less than the 1,062 agents that actually worked OCDETF matters in FY 2000.

Overall FBI Agent Utilization on Drug-Related Matters

FBI Headquarters managers stated that most Mexican and Colombian criminal enterprise investigations involved drug-related matters, so we focused our analyses of the FBI's narcotics trafficking efforts on three subprogram areas: (1) Mexican/Criminal Syndicates, (2) Colombian/Caribbean, and (3) OCDETF. Exhibit 6-3 provides data on the resource reductions in FBI drug-related investigations. As the exhibit demonstrates, the FBI operated its drug-related efforts in FY 2004 at less than half the staffing level it utilized in FY 2000. Specifically, the Mexican/Criminal Syndicates subprogram utilized 278 fewer agents in FY 2004 as compared to FY 2000, a decline of 79 percent in investigative resources. The Colombian/Caribbean subprogram experienced a decline of 111 agents, down from 146 agents in FY 2000 to only 35 in FY 2004. In addition, the FBI used over 50 percent fewer agents on OCDETF matters in FY 2004 than in FY 2000.

EXHIBIT 6-3
FBI FIELD AGENT UTILIZATION WITHIN DRUG-RELATED SUBPROGRAMS FISCAL YEARS 2000 AND 2004

FBI Subprogram	FY 2000	FY 2004	Number Change	Percent Change
OCDETF	891	420	-471	-53%
Mexican Criminal Syndicates	353	75	-278	-79%
Colombian/Caribbean	146	35	-111	-76%
TOTALS	**1,390**	**530**	**-860**	**-62%**

Source: OIG Analysis of FBI TURK data

Overall FBI Drug-Related Casework

The significant decline in the number of FBI agents investigating drug-related crime has affected the number of drug-related cases opened by the FBI. Comparing case openings in the OCDETF, Mexican/Criminal Syndicates, and Colombian/Caribbean subprograms, the FBI opened 874 fewer cases in FY 2004 than in FY 2000, a decrease of 70 percent. Exhibit 6-4 displays the FBI case openings in these subprograms.

EXHIBIT 6-4
FBI CASE OPENINGS OF DRUG-RELATED MATTERS
FISCAL YEARS 2000 AND 2004

FBI Subprogram	FY 2000	FY 2004	Number Change	Percent Change
OCDETF	432	160	-272	-63%
Mexican/Criminal Syndicates	671	152	-519	-77%
Columbian/Caribbean	143	60	-83	-58%
TOTALS	1,246	372	-874	-70%

Source: OIG Analysis of FBI ACS data

Aside from the decrease in the number of case openings, we also observed a reduction in the number of case serials associated with FBI drug-related investigations. FBI agents show evidence of their work on a case by submitting documents to the appropriate case file. Each document entry receives a serial, or tracking, number. Therefore, in evaluating the level of effort the FBI afforded drug investigations, the difference in the number of serials opened within each FY for a specific crime category provides additional perspective on the level of effort within active cases. In FY 2004, the FBI filed 50 percent fewer case serials on OCDETF matters than it had in FY 2000, declining from 391,275 serials to 195,954.

FBI officials acknowledged that its shift in resources away from narcotics has resulted in fewer drug-related cases. [SENSITIVE INFORMATION REDACTED]

Overall FBI Referrals of Drug-Related Matters to the USAOs

In addition to FBI casework statistics, we assessed the FBI's investigative efforts in drug-related matters by analyzing information from USAOs. Specifically, we computed the change in the number of criminal matters reported to USAOs by federal investigative agencies for all drug-related violations, which is presented in Exhibit 6-5. Our analysis showed that the federal agencies submitted almost 2,000 fewer drug-related matters to the USAOs in FY 2004 than in FY 2000, a 10-percent reduction. In line with the FBI's resource and casework reductions, overall FBI drug-related matters referred to federal prosecutors decreased by about 50 percent between FYs 2000 and 2004, from 3,292 referrals in FY 2000 to 1,699 in FY 2004.

EXHIBIT 6-5
OVERALL DRUG-RELATED MATTERS RECEIVED BY THE USAOs
FISCAL YEARS 2000 AND 2004

	FY 2000	FY 2004	Number Change	Percent Change
All Agencies	**20,331**	**18,368**	**-1,963**	**-10%**
FBI	3,292	1,699	-1,593	-48%
DEA	10,053	10,296	243	2%
ICE	5,683	4,834	-849	-15%
ATF	464	779	315	68%

Source: OIG analysis of USA central case management system data

The USAO tracks drug-related matters in three specific categories: (1) drug trafficking, (2) OCDETF, and (3) simple drug possession. During FY 2004, drug-trafficking violations comprised 85 percent of the overall drug-related matters referred to USAOs, while OCDETF matters accounted for an additional 14 percent of all drug matters received by the USAOs. The remaining one percent consisted of simple drug possession referrals. We performed additional analyses of drug trafficking and OCDETF referrals to USAOs.

Drug-Trafficking Matters – The FBI, DEA, ATF, and ICE accounted for 96 percent of the total 15,543 drug trafficking matters received by the USAOs during FY 2004. As Exhibit 6-6 shows, between FYs 2000 and 2004, total drug-trafficking matters received by the USAOs remained at nearly the same level, decreasing by only one percent. However, there were significant changes among federal agencies submitting the drug trafficking matters. For instance, the FBI decreased its drug trafficking referrals by 905, or 44 percent, between FYs 2000 and 2004, while the DEA increased its drug referrals by 811 during this period, covering a majority of the FBI's reduction. Also noteworthy is that the ATF more than doubled its drug-trafficking referrals to the USAOs between FYs 2000 and 2004.

EXHIBIT 6-6
DRUG TRAFFICKING MATTERS RECEIVED BY THE USAOs
FISCAL YEARS 2000 AND 2004

	FY 2000	FY 2004	Number Change	Percent Change
All Agencies	**15,665**	**15,543**	**-122**	**-1%**
FBI	2,072	1,167	-905	-44%
DEA	7,621	8,432	811	11%
ICE	5,036	4,622	-414	-8%
ATF	316	677	361	114%

Source: OIG analysis of USA central case management system data

As shown in the preceding table, other federal law enforcement agencies, particularly the DEA and the ATF, appeared to compensate for the FBI's decrease in drug trafficking matters, as total referrals to USAOs did not significantly change between FYs 2000 and 2004.

OCDETF Matters – Similar to drug-trafficking referrals, the FBI, the DEA, the ATF, and ICE comprised 96 percent of the total OCDETF matters received by the USAOs during FY 2004.[50] However, unlike drug trafficking referrals, overall OCDETF matters received by the USAOs decreased by 34 percent between FYs 2000 and 2004, as evidenced in Exhibit 6-7.[51] Moreover, each of these agencies referred significantly fewer OCDETF matters between FYs 2000 and 2004. As in the drug-related matter referrals, the FBI accounted for the greatest reduction in the number of OCDETF referrals, dropping from 1,127 OCDETF matters in FY 2000 to 485 in FY 2004.

EXHIBIT 6-7
OCDETF MATTERS RECEIVED BY THE USAOs
FISCAL YEARS 2000 AND 2004

	FY 2000	FY 2004	Number Change	Percent Change
All Agencies	**4,008**	**2,628**	**-1,380**	**-34%**
FBI	1,127	485	-642	-57%
DEA	2,192	1,760	-432	-20%
ICE	365	193	-172	-47%
ATF	128	91	-37	-29%

Source: OIG analysis of USA central case management system data

The FBI's reduction in these OCDETF referrals correlates to its resource reductions in OCDETF and general drug-related investigations and the resulting decreases in cases.

Drug-Related Resource Changes within FBI Field Divisions

At the FBI field office level, we reviewed the FBI's agent utilization data in the three drug-related subprogram areas: (1) Mexican/Criminal

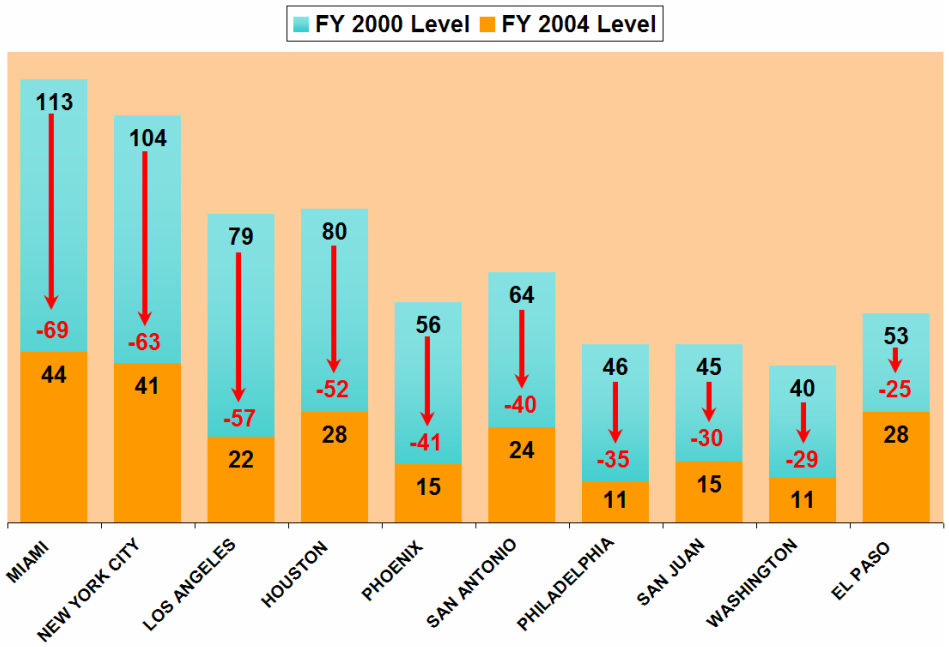
[50] Many law enforcement agencies participate in the OCDETF program, which provides reimbursable funding for drug trafficking investigations meeting certain criteria. OCDETF cases involve multiple agencies and target well-established and complex organizations that direct, finance, or engage in illegal narcotics trafficking and related crimes.

[51] According to the Associate Director of the Executive Office for OCDETF, in FY 2002 the OCDETF Program Guidelines were revised to instruct participants to focus OCDETF resources on coordinated, nationwide investigations of major drug trafficking and money laundering organizations. As a result of these revised guidelines, EOUSA officials told us that they expected the number of OCDETF matters referred to the USAOs to decrease.

Syndicates, (2) Colombian/Caribbean, and (3) OCDETF. This analysis afforded insight into changes within those investigative areas.

Exhibit 6-8 illustrates the 10 FBI field divisions with the greatest agent utilization reductions for these 3 drug-related subprogram areas combined. The Miami Division experienced the greatest decrease in agent utilization, declining by 69 agents between FYs 2000 and 2004. Five of the other 10 field divisions are located on or near the U.S. southwest border: El Paso, Houston, Los Angeles, Phoenix, and San Antonio.

EXHIBIT 6-8
FBI FIELD DIVISIONS EXPERIENCING THE GREATEST AGENT UTILIZATION REDUCTIONS IN DRUG-RELATED MATTERS BETWEEN FISCAL YEARS 2000 AND 2004



Source: OIG analysis of FBI TURK data

Impact of FBI Drug-Related Resource Changes within the Field

Effect on FBI Drug Squads and Related Casework – One of the major effects from the FBI's reduction in agents assigned drug cases was the impact on squads focusing on drug crime. In FY 2000, the Miami Division had at least nine drug squads; however, at the time of our review in April 2005, it operated with only three such squads. Similarly, the Phoenix Division used at least four separate drug squads in its pre-9/11 narcotics trafficking investigative efforts. During our visit to Phoenix in March 2005, FBI managers informed us that they scaled back to two drug squads. These FBI officials in Phoenix further commented that they believe that operating with fewer drug squads

and resources caused drug crime in their jurisdiction to be significantly under-addressed by the FBI. The New York City Division did not reduce the number of its drug squads but operated each squad at significantly reduced staffing levels.

With fewer resources and fewer squads addressing drug-related crime, FBI field divisions, as a whole, opened fewer drug cases in FY 2004 than they did in FY 2000, as evidenced in Exhibit 6-4. Of the seven field offices where we conducted fieldwork, Exhibit 6-9 shows that six experienced substantial reductions in case openings. The FBI Los Angeles and Chicago Divisions were among the top five divisions experiencing the greatest decreases in case openings. Compared to FY 2000, the Los Angeles Division opened 93 percent fewer drug cases in FY 2004, declining from 72 case openings in FY 2000 to only 5 in FY 2004. In contrast, the New Orleans Division initiated two more cases during FY 2004 than it opened in FY 2000.

EXHIBIT 6-9
FBI COMBINED CASE OPENINGS FOR SUBPROGRAMS OCDETF, MEXICAN AND COLOMBIAN ORGANIZATIONS FISCAL YEARS 2000 AND 2004

Field Division	FY 2000	FY 2004	Number Change	Percent Change
Chicago	57	21	-36	-63%
Los Angeles	72	5	-67	-93%
Miami	46	31	-15	-33%
New Orleans	8	10	2	25%
New York City	33	19	-14	-42%
Phoenix	24	11	-13	-54%
San Francisco	24	9	-15	-63%
TOTALS	**264**	**106**	**-158**	**-60%**

Source: OIG analysis of FBI ACS data

In addition to field offices initiating fewer drug cases, FBI field managers reported that the timeliness and quality of such investigations has been impaired. FBI representatives in the New York City and San Francisco Divisions stated that it takes their offices longer to close drug cases than it had prior to the shift in resources because fewer agents work on each drug case; however, both divisions asserted that the quality of work had not suffered. [SENSITIVE INFORMATION REDACTED]

Nearly all of the FBI field divisions we visited submitted fewer drug-related matters to federal prosecutors. Five of the seven FBI divisions referred fewer drug-related matters to their respective USAOs between FYs 2000 and 2004. As the following exhibit reflects, the Los Angeles, Miami, and New Orleans Divisions submitted significantly fewer drug matters

to the USAOs in FY 2004 than in FY 2000. In contrast, there were nominal increases in the Phoenix and Chicago Divisions.

EXHIBIT 6-10
FBI REFERRALS OF DRUG-RELATED MATTERS TO THE USAOs
FISCAL YEARS 2000 AND 2004

FBI Field Office Jurisdictions[38]:	FY 2000	FY 2004	Number Change	Percent Change
Chicago	68	70	2	3%
Los Angeles	76	41	-35	-46%
Miami	91	57	-34	-37%
New Orleans	73	38	-35	-48%
New York City	113	96	-17	-15%
Phoenix	38	39	1	3%
San Francisco	27	22	-5	-19%
TOTALS	**486**	**363**	**-123**	**-25%**

Source: OIG analysis of USA central case management system data

During our fieldwork, comments from representatives at various USAOs on the FBI's drug-related efforts supported our data analyses. For example, [SENSITIVE INFORMATION REDACTED]. Exhibit 6-10 shows that the FBI Los Angeles Division did, in fact, refer fewer drug-related matters to the USAO between FYs 2000 and 2004. Additionally, officials at the Eastern District of Louisiana USAO observed that the FBI reduced its drug-related work, which is reflected in the fewer number of such FBI referrals in the preceding table.

DEA Resource Adjustments – Other law enforcement officials we interviewed commented on the reduction of FBI drug resources and the resultant diminished FBI effort in narcotics-related matters. In particular, DEA Headquarters officials stated that the DEA recognized the FBI's resource reductions and incorporated that factor into its decisions related to allocation of DEA agents to its field divisions. According to DEA and FBI managers, the DEA attempted to place additional resources in those locations where the FBI greatly decreased its drug-related investigative effort. The locations with the largest actual DEA agent increases are displayed in Exhibit 6-11. All of these field divisions, except Chicago, were among the 10 locations in which the FBI reduced its drug resources the most, as indicated in Exhibit 6-8. However, resources in the DEA's New York, Miami, and Los Angeles offices still fell significantly short of the FBI's drug-related reductions. In contrast, the DEA El Paso Division compensated fully for the FBI's shift in priorities, while the DEA Chicago Division increased its on-board agents by more than double the FBI's agent reduction.

EXHIBIT 6-11
ON-BOARD AGENTS IN SELECT DEA FIELD DIVISIONS
FISCAL YEARS 2000 AND 2004

Field Division[52]	FY 2000	FY 2004	DEA Agent Increase	FBI Agent Decrease
Chicago	182	213	31	-15
El Paso	102	127	25	-25
Los Angeles	280	299	19	-57
Miami	404	428	24	-69
New York	346	374	28	-63

Source: OIG analysis of DEA on-board agent data

A DEA Headquarters executive who oversees the agency's domestic and international operations told us that he believed the DEA would be able to handle a greater number of drug cases than in the past, filling at least some of the gap left by the FBI's reduction of investigative resources in this crime area. DEA field division managers echoed this sentiment, generally agreeing that their offices have been and will continue to be able to address the drug trafficking crime in their respective jurisdictions in light of the FBI's reduced drug investigation efforts.

For example, officials at the Chicago DEA Division stated that because the FBI is investigating fewer drug-specific cases the DEA has experienced an increased number of requests from local law enforcement agencies regarding drug-trafficking matters in the Chicago metropolitan area, and they believe the DEA has been able to address these requests. Similarly, officials at the DEA in New Orleans said they have compensated for the FBI's reduction in drug investigations by adding more agents to their office's investigative operations.

[SENSITIVE INFORMATION REDACTED]

Local Law Enforcement Perspective – Generally, local law enforcement agencies reported to us that they consider the DEA its primary federal contact for drug-related crime issues. For example, in California both the Los Angeles Police Department and the Los Angeles County Sheriff's Department consider the DEA its principal partner in drug-related operations. Additionally, the San Jose, California, Police Department also considers the DEA its primary partner in drug-related matters. Local police departments in the Phoenix, Miami, and New Orleans metropolitan areas expressed similar viewpoints. Even though officials at many local law enforcement agencies viewed the DEA as their primary federal contact for narcotics-related matters, representatives at some of the local police departments we visited commented that the FBI

[52] There are 21 DEA field divisions compared to 56 for the FBI. Therefore, DEA field divisions generally encompass larger geographic jurisdictions than FBI field divisions.

was more involved in their departments' drug-related investigations prior to the FBI's shift in resources than the FBI had been recently. Overall, the state and local law enforcement officials we interviewed indicated that their agencies were not negatively affected by the FBI's reprioritization in the area of drug-related crime.

Drug Task Force Operations

In our discussions with law enforcement representatives, we were told by numerous officials that a multi-agency task force is an essential tool in investigating certain crime matters such as narcotics trafficking. Task force operations bring together law enforcement personnel, and at times industry representatives, to cooperatively address a pervasive crime issue. Several officials stated that task forces provide "the biggest bang for the buck" by multiplying each agency's efforts through utilizing each others' resources and expertise. During our audit fieldwork, we learned of two particularly effective drug task forces that assisted in coordinating agencies' efforts in addressing narcotics trafficking.

OCDETF Strike Force – The OCDETF Strike Force (Strike Force) in New York City is an example of a task force operation. The Strike Force, which began operation in May 2004, is a co-located, co-managed, multi-agency task force with over 20 investigative squads. The Strike Force is comprised of over 200 participants from various agencies, including the ATF, DEA, FBI, ICE, Internal Revenue Service, New York City Police Department (NYPD), New York State Police, and USAOs of the Eastern and Southern Districts of New York. Participants are detailed to one of the investigative squads so that each squad consists of personnel from multiple agencies. Management is shared throughout agencies on the Strike Force, from executive management to squad supervisors. The Strike Force's top-level management consists of a Chief (a DEA Associate SAC) and two Deputy Chiefs (an FBI Assistant SAC and an NYPD official).

During the development of this Strike Force, the FBI stated it would allocate 40 agents to this effort. However, at the time of our review, only 25 FBI agents participated on the Strike Force and FBI officials in the New York City Division expressed concern that the FBI may be required to reduce its resource contribution even further. A DEA Headquarters official commented that an FBI withdrawal from the Strike Force would be a significant blow to the task force's capabilities and effectiveness.

Officials from the FBI, DEA, ATF, and ICE New York City Divisions, as well as the Southern District of New York USAO and the NYPD, endorsed the

value of the Strike Force, considering it successful even in its infancy and calling it a model for large-scale, multi-agency task force ventures.

High Intensity Drug Trafficking Area (HIDTA) Initiative – On a smaller scale as compared to the OCDETF Strike Force in New York City, the Chicago FBI and DEA divisions have developed a co-located, commingled narcotics squad. This squad was formed as part of the HIDTA initiative to attack drug trafficking organizations listed on the Department of Justice's Consolidated Priority Organization Target (CPOT) list. FBI and DEA division managers we interviewed considered this squad a success and cited the cooperation of the agents as the primary factor contributing to its achievements.

Conclusions on Narcotics Trafficking

Since 9/11, the FBI has significantly reduced the number of resources it devotes to drug-related investigations. FBI field divisions have decreased the number of drug squads, the number of agents on the remaining squads, the number of drug cases opened, and the number of drug-related criminal matters referred to the USAOs. Moreover, our analyses showed that the USAOs received 10 percent fewer drug-related matters from federal investigative agencies in FY 2004 than in FY 2000 and that the majority of this reduction occurred in OCDETF matters.

DEA officials commented that the FBI's work in drug cases is important to the national effort to address drug crime; however, these officials did not believe the FBI's reduced drug investigative efforts have negatively affected the DEA's efforts in combating drug crime. Similarly, representatives at the state and local law enforcement agencies we visited indicated that their drug-related efforts had not been negatively affected by the FBI's reprioritization.

Street Gangs

In many communities across the country, particularly urban settings, gang-related crime is a grave threat to public safety. Gangs are involved in many crimes that threaten the security and well-being of many communities. Traditionally, gang activity has encompassed the drug trade and violent crime. However, according to some local law enforcement agency officials, gangs are becoming more sophisticated and are becoming involved in other criminal activity, including identity theft.

Overall FBI Gang-Related Agent Utilization

The FBI did not allocate field agent resources specifically to gangs in FYs 2000 through 2004. Therefore, we were unable to compare the overall

change in funded positions dedicated to this area during this period. Instead, we relied on more specific FBI agent utilization data to assess changes in the FBI's gang-related effort. As Exhibit 6-1 demonstrates, the Violent Gangs subprogram was the only FBI criminal enterprise subprogram area to experience a personnel increase between FYs 2000 and 2004. However, OCDETF matters focusing on gangs experienced a decrease during this period. When added together, the FBI did not alter its overall gang-related investigative effort between FYs 2000 and 2004, committing about 435 agents in each FY, as shown in Exhibit 6-12.

EXHIBIT 6-12
FBI FIELD AGENT UTILIZATION ON GANG-RELATED MATTERS
FISCAL YEARS 2000 AND 2004

Subprogram	FY 2000	FY 2004	Number Change	Percent Change
Violent Gangs	266	315	49	18%
OCDETF - Gangs[53]	171	120	-51	-30%
TOTALS	**437**	**435**	**-2**	**0%**

Source: OIG analysis of FBI TURK data

Overall FBI Gang-Related Case Openings

Although the FBI committed approximately the same amount of resources toward investigating gang-related matters in FY 2004 as it did in FY 2000, it increased the number of gang-related case openings between FYs 2000 and 2004 by 264 cases. As Exhibit 6-13 shows, the FBI initiated 826 cases in FY 2004 and 562 cases in FY 2000, a 47-percent increase.

EXHIBIT 6-13
FBI GANG-RELATED CASE OPENINGS
FISCAL YEARS 2000 AND 2004

Subprogram	FY 2000	FY 2004	Number Change	Percent Change
Violent Gangs	495	784	289	58%
OCDETF - Gangs[53]	67	42	-25	-37%
TOTALS	**562**	**826**	**264**	**47%**

Source: OIG analysis of FBI ACS data

[53] The FBI tracks agent utilization and case openings for OCDETF investigations with connections to gang-related crime, which are not captured in the FBI's Violent Gangs subprogram. We were able to separately identify these OCDETF gang-related matters and include these figures in this section of the report.

FBI Field Divisions' Gang-Related Resource Changes

As evidenced in Exhibit 6-14, some FBI field divisions focused fewer resources on gang-related matters from FY 2000 to FY 2004 while others increased their efforts. The Los Angeles and Baltimore Divisions decreased their agent utilization the most, with nine fewer agents working gang-related investigations in FY 2004 compared to FY 2000, amounting to 17-percent and 50-percent reductions in these respective divisions. Conversely, the New York City and Chicago Divisions increased the number of agents working gang-related investigations, utilizing 19 (or 146 percent) and 17 (or 68 percent) more agents, respectively.

EXHIBIT 6-14
FBI FIELD DIVISIONS EXPERIENCING THE GREATEST INCREASES AND DECREASES IN AGENT UTILIZATION ON GANG-RELATED MATTERS BETWEEN FISCAL YEARS 2000 AND 2004

Field Division	FY 2000	FY 2004	Number Change	Percent Change
Los Angeles	52	43	-9	-17%
Baltimore	18	9	-9	-50%
Washington, D.C.	32	24	-8	-25%
Atlanta	12	8	-4	-33%
Miami	12	8	-4	-33%
New York City	13	32	19	146%
Chicago	25	42	17	68%
Philadelphia	7	16	9	129%
Newark	9	15	6	67%

Source: OIG analysis of FBI TURK data

FBI Field Divisions' Gang-Related Casework Changes

The resource utilization changes represented in Exhibit 6-14 do not entirely correspond to the change in gang-related case openings between FYs 2000 and 2004. For instance, while the Atlanta, Miami, and Washington, D.C. Divisions experienced agent utilization reductions of at least 25 percent between FYs 2000 and 2004, each nonetheless opened more gang-related cases in FY 2004 than in FY 2000, as evidenced in Exhibit 6-15.

EXHIBIT 6-15
FBI GANG-RELATED CASE OPENINGS AT THE FIELD DIVISION LEVEL FISCAL YEARS 2000 AND 2004

Field Division	FY 2000	FY 2004	Number Change	Percent Change
Los Angeles	15	21	6	40%
Baltimore	15	13	-2	-13%
Washington, D.C.	18	28	10	56%
Atlanta	8	21	13	163%
Miami	8	16	8	100%
New York City	24	50	26	108%
Chicago	15	64	49	327%
Philadelphia	10	44	34	340%
Newark	22	62	40	182%

Source: OIG analysis of FBI ACS data

Of those divisions shown in Exhibit 6-14 as experiencing the greatest increase or decrease of agents involved in gang investigations, Exhibit 6-15 shows that only the Baltimore Division opened fewer cases in FY 2004. The Philadelphia Division increased its gang-related case openings threefold, rising from 10 cases in FY 2000 to 44 in FY 2004. This increase of 34 cases occurred concurrently with the 9-agent increase it experienced in actual agent utilization. The Chicago Division, with 17 additional agents working gang-related investigations, also significantly increased its gang-related case initiations during this period, opening 49 additional cases in FY 2004 than in FY 2000.

FBI Safe Streets Task Forces

In January 1992, the FBI announced its Safe Streets Violent Crime Initiative, which was designed to allow field offices the ability to address street gang and drug-related violence through the establishment of FBI-sponsored task forces. These task forces are referred to as the FBI's Safe Streets Task Forces (SSTF). An SSTF is a multi-agency task force comprised of FBI agents, local police, and other federal law enforcement agents that traditionally focused its efforts on violent crime matters, such as fugitives, gangs, and major theft. In October 2004, the FBI CID Assistant Director stated that the FBI would be expanding its efforts in combating gangs, particularly through its SSTFs.

In FY 2000, the FBI committed over 820 agents to 180 SSTFs nationwide. In December 2004, about 550 FBI agents participated in 143 SSTFs, a decrease of approximately 270 agents and 37 task forces. Recently, the FBI announced that it will add 25 new SSTFs to specifically target violent gangs.

ATF's Perspective on Gang-Related Matters

In addition to the FBI, many other law enforcement agencies combat gang crime issues, especially local police and sheriff's departments. At the federal level, the ATF, DEA, and ICE also perform gang-related investigations.[54] As an ATF Headquarters official stated, with so many law enforcement agencies investigating gangs the possibility of investigative duplication is significant.

Management at ATF Headquarters stated that there is a duplication of effort in the anti-gang arena among the FBI, ATF, and other DOJ components. FBI and ATF officials in New York City and San Francisco also commented that there was a duplication of effort in gang investigations between the FBI and the ATF, as well as with other agencies.

We found during our fieldwork in March 2005 that sufficient communication and coordination of gang-related investigations did not occur at several locations we visited. For example, FBI New York City Division officials acknowledged that communication with the ATF on gang activity within the city of New York could improve.[55] Additionally, representatives from the ATF San Francisco Division stated that while gang issues constituted its number one investigative focus, there was no coordination with the FBI's on-going gang efforts.

Overall Impact on Law Enforcement Community's Gang-Related Efforts

In most cases, representatives from local law enforcement agencies did not indicate a significant change in the FBI's investigative presence in gang matters. However, a few local officials indicated the FBI's involvement in this investigative area has diminished in the past 4 years. For instance, representatives at the Oakland, California, Police Department remarked that FBI assistance in the police department's violent crime matters decreased by approximately 60 percent since 9/11.

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[54] ICE recently announced a national plan to become involved in attacking the nation's prevailing gang problem, focusing particular attention on the Mara Salvatrucha (MS-13) gang.

[55] The ATF New York Division SAC believed that the ATF's communication with the FBI New York City Division on gang-related issues was good in the jurisdictional areas outside of New York City. He further stated that his Division was not heavily involved in gang-related investigations within New York City but was handling such matters in the Division's other jurisdictional areas.

Top Gangs Meetings

In discussions with law enforcement personnel in Chicago, which has significant gang problems, we were informed about monthly meetings among the federal and local law enforcement community. All law enforcement agencies that investigate gangs in the Chicago area meet once a month to discuss their gang-related operations. These meetings were established by the Chicago Police Department and attended by law enforcement agencies including the ATF, FBI, DEA, ICE, the Northern District of Illinois USAO, and the Cook County Sheriff's Department. ATF, DEA, and FBI officials in Chicago believe the meetings aided gang investigations throughout the city.

In our discussions with law enforcement agencies at other locations that do not have these types of monthly coordination meetings, many managers stated that it would be useful to incorporate such a practice with regard to gang-related issues in their cities. We believe the FBI and other federal agencies in locations with significant gang problems should consider developing such working groups with each other and their state and local counterparts.

DOJ Anti-Gang Initiative

At our exit conference, the FBI informed us of a new DOJ anti-gang initiative. Under this initiative, the Department intends to examine the possibility of creating an integrated gang database and co-locating the various anti-gang intelligence and information systems maintained within the Department. In addition, the USAOs are to establish an "Anti-Gang Coordinator" position responsible for preparing a comprehensive, district-wide anti-gang strategy and coordinating such investigations at the federal, state, and local levels. Further, the DOJ established the policy that all jurisdictions with multiple anti-gang task forces or initiatives should co-locate such activities if feasible. In July 2005, the FBI promulgated guidance on this anti-gang initiative to its field offices and directed them to work with the local USAOs in implementing the new strategy.

Conclusions on Street Gangs

Overall, the FBI's reprioritization efforts have not affected the number of agents working on gang-related matters. FBI agent utilization data illustrated that the FBI essentially maintained the same level of agents investigating gang-related matters in FY 2004 that it had in FY 2000. Additionally, the FBI opened almost 50 percent more gang-related cases in FY 2004 than in FY 2000.

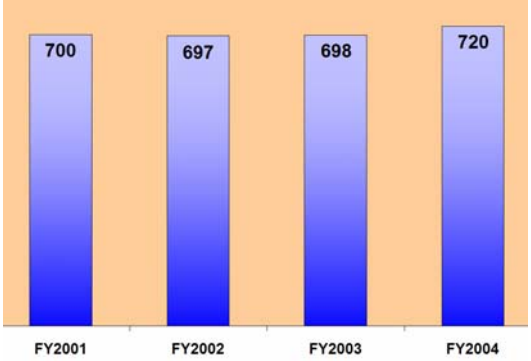
Organized Crime

In addition to drug trafficking enterprises and street gangs, the other main type of criminal enterprise that the FBI investigates is organized crime. Contemporary organized crime within the United States has expanded beyond historical La Cosa Nostra and Italian syndicates to include, for example, Asian and African organizations, as well as those of Russian and Albanian descent.

Overall FBI Organized Crime Resources

As illustrated in Exhibit 6-16, the FBI specifically allocated 700 field agent resources for organized crime matters in FY 2001.[56] During FY 2004, the FBI assigned 720 organized crime resources to the field, an increase of 20 agents. The FBI's allocations of agents for organized crime matters showed little change in each of the last four FYs, as shown in the following exhibit.

EXHIBIT 6-16
FBI ALLOCATION OF FIELD AGENTS FOR ORGANIZED CRIME MATTERS FISCAL YEARS 2001 THROUGH 2004



Source: OIG analysis of FBI RMA Office data

In our discussions with FBI Headquarters personnel, we found that the following FBI subprograms predominantly comprise the FBI's investigative efforts in organized crime matters: (1) La Cosa Nostra and Italian organizations, (2) Asian organizations, and (3) Russian and Eurasian organizations. We analyzed actual agent utilization data for these three subprograms and found that although the FBI's allocation of agents remained relatively static over the past 4 years, the FBI actually decreased its agent utilization rate in organized crime matters since FY 2000. Specifically, the FBI decreased its overall organized crime agent utilization

[56] In FY 2000, the FBI allocated drug and organized crime resources as a total; it began separately apportioning agents to these sections in FYs 2001 through 2004. Therefore, we were only able to compare the change in allocated organized crime resources between FYs 2001 and 2004.

by 236 agents between FYs 2000 and 2004, as shown in Exhibit 6-17. Thus, while the FBI did not plan for the organized crime resource levels to be affected by its reprioritization, it appears that a significant reduction has occurred over the last few years.

EXHIBIT 6-17
FBI FIELD AGENT UTILIZATION ON ORGANIZED CRIME MATTERS
FISCAL YEARS 2000 AND 2004

FBI Subprogram	FY 2000	FY 2004	Number Change	Percent Change
La Cosa Nostra and Italian	437	261	-176	-40%
Asian	137	95	-42	-31%
Russian and Eurasian	108	90	-18	-17%
TOTALS	**682**	**446**	**-236**	**-35%**

Source: OIG Analysis of FBI TURK data

Overall FBI Organized Crime Casework

Analysis of FBI organized crime case openings for the three subprogram areas noted in the previous section shows fewer cases opened in FY 2004 than in FY 2000. In total, the FBI initiated 170 fewer cases in these subprograms, with 143 fewer case openings in La Cosa Nostra and Italian organized crime matters alone during this time period. This overall decline corresponds to a 39-percent reduction, as illustrated in Exhibit 6-18.

EXHIBIT 6-18
FBI ORGANIZED CRIME CASE OPENINGS
FISCAL YEARS 2000 AND 2004

FBI Subprogram	FY 2000	FY 2004	Number Change	Percent Change
La Cosa Nostra and Italian	233	90	-143	-61%
Asian	120	102	-18	-15%
Russian and Eurasian	80	71	-9	-11%
TOTALS	**433**	**263**	**-170**	**-39%**

Source: OIG analysis of FBI ACS data

An FBI Headquarters official confirmed that the FBI was underutilizing organized crime resources and opening fewer such cases. He attributed this to the FBI field divisions' commitment to fulfilling the FBI's mandate of addressing all counterterrorism leads. In complying with this requirement, field divisions took resources from their traditional criminal squads, which generally resulted in reductions in both agent utilization and case openings

in traditional crime areas. At the field offices we visited, FBI managers confirmed this occurrence.

Overall Organized Crime Matters Referred by the FBI to the USAOs

Exhibit 6-19 shows the six federal agencies referring the most organized crime matters to the USAOs in FYs 2000 and 2004. These agencies comprised at least 97 percent of all organized crime matters received by the USAOs during this timeframe. The FBI accounted for 83 percent of all organized crime matters submitted to the USAOs in FY 2000, but this percentage dropped to 75 percent in FY 2004.

EXHIBIT 6-19
ORGANIZED CRIME MATTERS RECEIVED BY THE USAOs
FISCAL YEARS 2000 AND 2004

	FY 2000	FY 2004	Number Change	Percent Change
All Agencies	545	378	-167	-31%
FBI	451	283	-168	-37%
ICE	37	21	-16	-43%
Internal Revenue Service	26	12	-14	-54%
U.S. Secret Service	11	10	-1	-9%
DEA	5	15	10	200%
ATF	6	26	20	333%

Source: OIG analysis of USA central case management system data

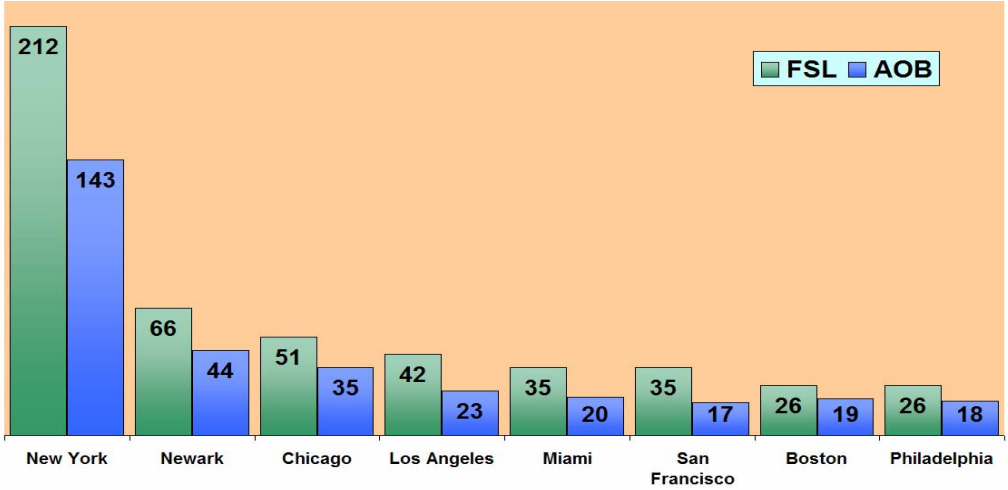
In total, comparing FYs 2000 and 2004, the FBI referred 168 fewer organized crime matters to the USAOs, with 451 matters received in FY 2000 and 283 in FY 2004. As evidenced in Exhibit 6-19, the FBI's referral reduction matches the total decrease of organized crime matters received by the USAOs during our review period. Although the ATF and DEA increased their referrals by a combined total of 30, this increase did not compensate for the FBI's reduction in organized crime-related referrals.

FBI Organized Crime Resources within Field Divisions

We found that FBI agent allocations among field divisions for organized crime matters varied considerably. Exhibit 6-20 illustrates the eight FBI field divisions receiving the greatest organized crime allocations in FY 2004. The New York City Division's 212 funded agent positions for organized crime matters were considerably more than any other field division. Additionally, the chart shows the actual number of on-board agents used to investigate

organized crime matters in the field divisions' jurisdictions.[57] In each of these field divisions, organized crime resources were utilized below the planned level. For example, the New York City Division used only 143 of its 212 positions allocated to investigate organized crime.

EXHIBIT 6-20
FBI FIELD OFFICES WITH THE GREATEST NUMBER OF ALLOCATED ORGANIZED CRIME AGENTS AND CORRESPONDING AGENT UTILIZATION FISCAL YEAR 2004



Source: OIG analysis of FBI Resource Management and TURK data

Looking specifically at agent utilization reductions in organized crime matters between FYs 2000 and 2004, we found that the New York City Division's reduction of 64 on-board agents accounted for the greatest decrease, as shown below in Exhibit 6-21.

[57] The organized crime agent utilization figures were derived in summing the agent on-board data for the following three FBI subprograms: (1) La Cosa Nostra and Italian Criminal Enterprises, (2) Asian Criminal Enterprises, and (3) Russian and Eurasian Criminal Enterprises. We recognize the fact that other organized crime investigations may occur in other FBI Criminal Enterprise Branch subprograms. However, we relied on information provided by an FBI Headquarters official, stating these three subprograms predominantly comprise the FBI's organized crime investigative efforts.

EXHIBIT 6-21
FBI FIELD DIVISIONS EXPERIENCING THE GREATEST AGENT UTILIZATION INCREASES OR DECREASES IN ORGANIZED CRIME MATTERS FISCAL YEARS 2000 AND 2004

Field Division	FY 2000	FY 2004	Number Change	Percent Change
New York City	207	143	-64	-31%
Newark	68	44	-24	-35%
Los Angeles	43	23	-20	-47%
Chicago	51	35	-16	-31%
San Francisco	32	17	-15	-47%
Philadelphia	28	18	-10	-36%
Las Vegas	19	10	-9	-47%
Washington, D.C.	13	5	-8	-62%
San Antonio	1	8	7	700%
Miami	16	20	4	25%
Detroit	15	19	4	27%

Source: OIG analysis of FBI TURK data

Although most of the FBI's field divisions experienced reductions in organized crime agent utilization, there were a few divisions that had an increase. The San Antonio, Miami, and Detroit Divisions increased by at least one on-board agent in organized crime matters between FYs 2000 and 2004. The San Antonio Division increased from one to eight agents during this time period, equaling its intended FY 2004 resource level.

FBI Miami Division personnel stated that their office's efforts to investigate organized crime were not affected by the FBI's shifting of resources. However, although the Miami Division experienced an increase in agent utilization between FYs 2000 and 2004, it utilized only about 20 of the planned 35 organized crime agents it was allocated for FY 2004.

FBI Organized Crime Casework among Field Divisions

Exhibit 6-22 shows the FBI's organized crime case openings for those field divisions that we visited. The Los Angeles Division opened 19 fewer organized crime cases in FY 2004 than in FY 2000, declining from 32 case initiations to 13. The San Francisco Division experienced a reduction of 18 case openings, opening 9 investigations in FY 2004 compared to 27 in FY 2000. Further, the New Orleans Division did not open any organized crime cases in FY 2004. The table also shows that the New York City Division, which we previously reported utilized 64 fewer agents in FY 2004 than it did in FY 2000, actually increased its organized crime case openings by 6 during this period.

EXHIBIT 6-22 FBI ORGANIZED CRIME CASE OPENINGS BY FIELD DIVISION FISCAL YEARS 2000 AND 2004				
Field Division	**FY 2000**	**FY 2004**	**Number Change**	**Percent Change**
Los Angeles	32	13	-19	-59%
San Francisco	27	9	-18	-67%
Chicago	22	17	-5	-23%
Miami	14	12	-2	-14%
New Orleans	7	0	-7	-100%
Phoenix	1	3	2	67%
New York City	34	40	6	18%
TOTALS	**137**	**94**	**-43**	**-31%**

Source: OIG analysis of FBI ACS data

Organized Crime Matters Referred to the USAOs by FBI Field Divisions

For the FBI field divisions we visited, the number of organized crime matters received by the USAOs from the FBI for FYs 2000 and 2004 correlated with each office's change in case openings. The San Francisco, Miami, Los Angeles, and Chicago Divisions' case opening reductions displayed in Exhibit 6-22 corresponded with decreases in the number of organized crime matters referred to their respective USAOs, as reflected in Exhibit 6-23.

EXHIBIT 6-23 ORGANIZED CRIME MATTERS RECEIVED BY THE USAOS FISCAL YEARS 2000 AND 2004				
FBI Field Office Jurisdictions[38]:	**FY 2000**	**FY 2004**	**Number Change**	**Percent Change**
San Francisco	31	10	-21	-68%
Miami	15	6	-9	-60%
Los Angeles	13	8	-5	-38%
Chicago	10	8	-2	-20%
New Orleans	3	1	-2	-67%
Phoenix	0	0	0	0%
New York City	77	79	2	3%
TOTALS	**149**	**112**	**-37**	**-25%**

Source: OIG analysis of USA central case management system data

Impact on Law Enforcement Community

In those FBI offices in which we conducted fieldwork, most of the divisions experienced reductions in agent utilization, reductions in organized crime case openings, and reductions in referrals to USAOs. The one anomaly was the FBI's New York City Division. While experiencing resource reductions in its organized crime investigative efforts, the New York City Division continued to refer similar numbers of organized crime matters to the USAOs.

The Southern District of New York USAO in Manhattan confirmed that the FBI has maintained its efforts in pursuing organized crime. Further, federal prosecutors and local police department officials communicated their desire that the FBI continue its assistance in organized crime matters. USAO representatives stressed the need to continue prosecuting organized-crime matters in New York. They also stated that the growing networks of Russian and Asian organized crime require intervention by federal law enforcement. These USAO officials consider the FBI's role in these efforts to be critical.

In the other FBI field divisions reviewed, officials commented on the negative effect of the FBI's reduced effort in organized crime investigations. For instance, officials from the Central District of California USAO in Los Angeles, noting the reduction in organized crime matters received from the FBI, stated that the FBI Los Angeles Division needed more agents to address such issues. Additionally, officials at the Southern District of Florida USAO in Miami remarked that the FBI Miami Division's four squads dedicated to criminal enterprise investigations had been reduced to two, which decreased investigative outcomes.

Conclusions on Organized Crime Matters

Overall, the FBI's reprioritization has not affected the number of agents allocated to work organized crime matters. However, agent utilization data illustrated that the FBI decreased the actual number of agents investigating organized crime matters, resulting in fewer organized crime case openings and referrals to the USAOs since FY 2000.

Chapter Summary

The FBI decreased the number of agents assigned to criminal enterprise matters by 45 percent between FYs 2000 and 2004, most notably in drug-trafficking and organized crime matters. During this same period, the FBI's agent utilization in gang-related matters changed little. FBI criminal enterprise case openings generally reflected the FBI's resource utilization changes, declining in drug-trafficking and organized crime. However, the FBI initiated 47 percent more gang-related investigations in FY 2004 than in FY 2000.

Overall, the FBI's drug-related matters were affected the greatest, which correlates with the FBI's policy decision to most significantly reduce its resources targeting drug cases. However, neither the DEA nor the state and local law enforcement agencies contacted indicated that they had been negatively affected in this area by the FBI's reprioritization.

Conversely, the FBI intended to slightly increase its organized crime agents, but actually reduced its agent utilization in this area by 35 percent between FYs 2000 and 2004 and several USAO officials indicated that this had a negative effect in their jurisdictions.

CHAPTER 7: FUGITIVES

FBI officials at the headquarters and field office level commented that they were not pursuing fugitive investigations as aggressively as they had in the past in light of the FBI's reprioritization and reallocation of resources. While officials at USMS Headquarters indicated that they had not observed a reduced effort by the FBI in this area, USMS officials at several of the district offices we visited remarked that they had noticed a lessened effort by the FBI in fugitive-related matters although they said this change had not affected their ability to address an increased caseload. The majority of state and local law enforcement agency representatives we interviewed did not indicate that their work had been negatively affected by any changes in the FBI's efforts with respect to fugitive-related matters.

We analyzed FBI agent utilization and casework data to determine the changes occurring in the FBI's overall fugitive-related efforts, as well as within specific field offices.

The FBI's Overall Fugitive-Related Efforts

The FBI uses several investigative classifications that are categorized as fugitive-related matters. According to an FBI official, the majority of fugitive investigations fall within one of three investigative classifications: (1) Classification 088A (Unlawful Flight to Avoid Prosecution (UFAP) – Crime of Violence); (2) Classification 088B (UFAP – Property +$25,000 etc.); or (3) Classification 088C (UFAP – All Others). We focused our data analyses on these three areas and found that the FBI has reduced its efforts in fugitive-related matters since FY 2000. Specifically, we found that the FBI's combined utilization of agents on these three investigative classifications decreased from 181 to 55 on-board agents between FYs 2000 and 2004, an almost 70 percent reduction. Exhibit 7-1 provides details on the changes for each of the FBI's primary fugitive classifications during our review period.

EXHIBIT 7-1
FBI FIELD AGENT UTILIZATION IN FUGITIVE-RELATED MATTERS
FISCALS YEARS 2000 AND 2004

Investigative Classification	FY 2000	FY 2004	Difference
088A – UFAP – Crime of Violence	170	53	-117
088B – UFAP – Property +$25,000 etc.	4	1	-3
088C – UFAP – All Others	7	1	-6
Totals	181	55	-126

Source: OIG analysis of FBI TURK data

Additionally, our analyses show that the FBI opened nearly 13,000 fewer fugitive cases during FY 2004 than it had in FY 2000 in these classifications.

In FY 2000, the FBI initiated 14,800 fugitive investigations, while in FY 2004 that number decreased to 1,808 – an 88 percent reduction. When looking specifically at individual classifications, we identified the majority of the FBI's fugitive cases in FYs 2000 and 2004 were categorized as Classification 088A matters. This particular area also experienced the greatest reduction in case openings during the 5-year review period. Specifically, the FBI opened 13,387 Classification 088A cases during FY 2000 and only 1,721 during FY 2004, a reduction of 11,666 cases that accounts for 90 percent of the overall decrease in fugitive case openings. Our review of the number of case serials inputted for fugitive cases further show the FBI's decreased fugitive effort. In FY 2004, the FBI filed 119,643 fewer case serials on fugitive-related matters than it had in FY 2000, declining from 168,715 serials to 49,072.

FBI Field Division Fugitive-Related Efforts

The information gathered during our site visits supports the changes reflected in our analyses of FBI data. FBI officials at each field office we visited said they had reduced their emphasis on fugitive cases. In some field offices, this has meant elimination of separate fugitive-related squads. For example, the Chicago Field Office used to have a separate squad focusing solely on fugitive matters. After 9/11, this squad was merged with two other violent crime squads. Thus, the office currently has one squad addressing three separate crime areas, while previously it had a distinct squad handling each matter on its own. Prior to the reorganization, the fugitive squad was comprised of eight FBI agents, as well as task force officers from other law enforcement agencies. The current violent crime squad, in which fugitive investigations are handled along with other criminal investigations, consists of 12 FBI agents and other task force members.

We analyzed the FBI's agent utilization and casework data related to each location's fugitive efforts. Exhibit 7-2, which details the changes experienced by the field offices between FYs 2000 and 2004, shows that each office we visited has undergone considerable reductions in both categories.

EXHIBIT 7-2
CHANGES IN AGENT UTILIZATION & CASEWORK RELATED TO FUGITIVE MATTERS BETWEEN FISCAL YEARS 2000 AND 2004[58]

Field Office	FY 2000 AOB	FY 2004 AOB	Change in AOB	FY 2000 Cases Opened	FY 2004 Cases Opened	Change in Cases Opened
Chicago	7.26	3.33	-3.93	441	51	-390
Los Angeles	9.11	3.88	-5.23	315	59	-256
Miami	6.32	1.81	-4.51	867	22	-845
New Orleans	1.20	0.26	-0.94	36	4	-32
New York City	10.35	1.34	-9.01	382	0	-382
Phoenix	3.47	1.77	-1.70	334	35	-299
San Francisco	5.84	2.10	-3.74	358	34	-324

Source: OIG analysis of FBI TURK and ACS data

Officials at nearly every USMS district office visited remarked about the decline in the FBI's investigative efforts in pursuing fugitives, commenting that the number of cases the FBI is now handling in this area has dropped considerably. Additionally, some USMS officials said that it seems to take the FBI a longer period of time to address the fugitive cases it works.

Impact of Investigative Changes

The FBI's shift in priorities away from fugitive matters had various effects on other law enforcement agencies. For example, USMS officials at the sites we visited commented that their fugitive caseloads had increased since FY 2000, which they perceived as a result of the FBI's reduced efforts in this area. Additionally, during our interviews some state and local law enforcement representatives expressed concerns regarding the FBI's work on fugitive investigations. The following sections present the different concerns articulated by non-FBI agency officials.

Increased Fugitive Caseload

Some USMS officials at the district offices we visited indicated that their fugitive caseloads have increased since FY 2000. Besides the increase in their caseloads, these officials remarked that state and local law enforcement agencies have been contacting the USMS more often for assistance on fugitive matters.

The USMS district officials said their offices have been able to handle the additional fugitive-related matters. However, many discussed the limited

[58] The table provides the combined totals for the FBI's these three primary fugitive investigative classifications: Classifications 088A, 088B, and 088C.

resources with which the USMS has to conduct its duties. In particular, they expressed concerns regarding their ability to maintain their increased caseloads with current personnel and funding levels.

State and Local Fugitive Assistance

When a local department contacts the FBI for assistance on a fugitive matter, the FBI will often obtain a federal warrant, charging the subject with "Unlawful Flight to Avoid Prosecution" (UFAP). Once a UFAP is obtained, no other federal law enforcement agency can take on the matter unless the FBI first annuls the UFAP. Although the majority of state and local officials we interviewed did not comment on the FBI's fugitive efforts, officials at one department raised concerns about the FBI's work on UFAP investigations. Specifically, they explained that they have over 30 UFAPs with the FBI that have been outstanding for prolonged periods of time. They stated that if the FBI does not intend to address these cases, it should inform the department so that it can pursue other avenues to apprehend the felons, such as requesting assistance from other agencies.

According to USMS representatives, state and local agencies have requested USMS assistance on the apprehension of fugitives more frequently now than in the past. They further noted that this increase is partly a result of the FBI taking a longer period of time to address fugitive investigations.

USMS and FBI Coordination of Fugitive Efforts

Both the FBI and USMS have task forces involved in the apprehension of fugitives, and each solicits participation from state and local law enforcement agencies.[59] According to USMS Headquarters officials, state and local law enforcement agencies do not have adequate resources to participate in both FBI and USMS task forces; thus, they must choose one or the other. The USMS officials further stated that more times than not, these agencies opt for the FBI's fugitive task forces because the FBI-led task force is able to offer them overtime funding and vehicles. As a result, the USMS officials believed that their agency's fugitive task force operations had been negatively affected by the FBI's fugitive efforts.

For example, USMS Headquarters solicited feedback from various USMS districts as to the occurrence of duplicate fugitive task forces and any resulting impact. Of the 20 districts that responded, 19 indicated that the FBI had an existing fugitive-related task force in place or was creating such a task

[59] The OIG recently conducted a detailed evaluation of the USMS's fugitive apprehension efforts. See Department of Justice, Office of the Inspector General. *Review of the United States Marshals Service's Apprehension of Violent Fugitives*, Report Number I-2005-008, July 2005.

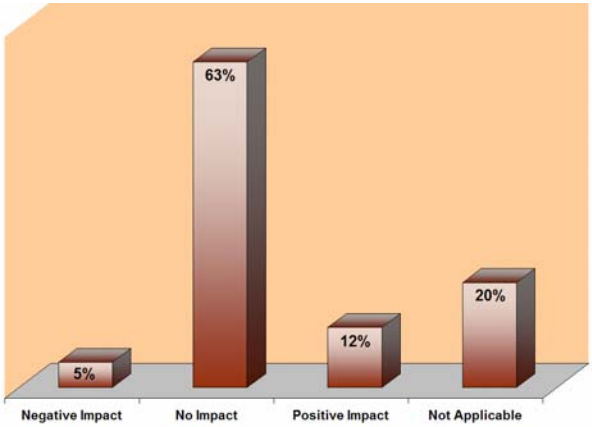
force. We reviewed the USMS district submissions and found that in at least two locations the USMS reported that it had been negatively affected by the FBI's fugitive task forces because members had left the USMS task force and joined the FBI.

It is clear from our discussions with USMS and FBI Headquarters officials that the two agencies are not effectively communicating or coordinating their efforts in the area of fugitive apprehension. FBI Headquarters officials stated that the FBI and the USMS have met to discuss the coordination of fugitive apprehension efforts but no concrete resolution has resulted from these discussions. Moreover, officials responsible for overseeing fugitive operations at both agencies acknowledged the lack of a coordinated approach, and we believe that the relationship between these two agencies could be improved.

Survey Results on Impact

Our survey results indicated that the majority of responding state and local law enforcement agencies had been minimally affected in the area of fugitives as a result of the FBI's reprioritization. Specifically, only 5 percent of the respondents noted a negative impact from the FBI's reduction in fugitive-related investigations. Exhibit 7-3 is a graphical representation of the survey results.

EXHIBIT 7-3
SURVEY RESULTS OF THE IMPACT ON STATE AND LOCAL LAW ENFORCEMENT AGENCIES' FUGITIVE-RELATED INVESTIGATIONS



Source: OIG analysis of survey responses

Chapter Summary

FBI data indicates a decline in the number of agents used for fugitive investigations. In addition, FBI data shows almost 90 percent fewer fugitive cases being opened in FY 2004 than in FY 2000. Comments by both FBI and USMS field officials concur with the results of our data analyses. In addition, our review indicated that the coordination and communication between the FBI and the USMS on fugitive matters needs improvement.

CHAPTER 8: BANK ROBBERIES

Another area in which the FBI has reduced its efforts is the investigation of bank robberies. Both FBI and non-FBI officials agreed that the FBI is no longer addressing bank robberies at the same level as in the past. Many of the state and local law enforcement representatives we interviewed also cited the FBI's reduced involvement in this area.

FBI Bank Robbery Measured Response Initiative

The FBI has sole jurisdiction among federal law enforcement agencies to investigate bank robberies.[60] In addition, the offense can be investigated by local law enforcement agencies. In March 2001, FBI Headquarters implemented a "measured response" initiative designed to scale back the number of FBI bank robbery investigations. The initiative stated that a "measured response in no way means no response." It is also important to note that the FBI's initial decision to reduce its efforts related to bank robberies was announced prior to 9/11 and the FBI's reprioritization. The initiative described the circumstances in which the FBI would continue to aggressively respond, which were: (1) violent bank robberies (e.g., a weapon was displayed or a gang-related robbery); (2) robberies in which a significant financial loss occurred; or (3) situations involving serial robbers and/or criminal organizations that cross jurisdictional boundaries.

After 9/11 and the FBI's resulting reprioritization, the "measured response" initiative continues to exist and has been reiterated in memoranda disseminated to FBI field offices on several occasions. During our site visits, many FBI officials remarked that the FBI currently investigates only violent or takeover-style bank robberies. For "note jobs" (a non-violent bank robbery in which a note is used), the FBI opens a case, inputs information obtained from local law enforcement regarding the incident into its analytical database, and closes the case immediately thereafter. According to these FBI officials, the FBI does not conduct an actual investigation in these types of bank robberies.

In contrast, FBI officials at some offices stated that they continue to respond and investigate all bank robberies, although fewer agents are sent to investigate each incident than in the past. FBI officials in these districts said it was important to work these cases because it helped strengthen relationships with state and local partners.

[60] If a bank robbery involves a weapon, the ATF has jurisdiction over the weapons-related issues and can therefore perform a criminal investigation.

FBI Investigative Effort

According to the FBI's TURK system, the actual number of agents handling bank robberies decreased by nearly 30 percent between FYs 2000 and 2004. Specifically, an average of 316 agents handled these cases in FY 2000 compared to 225 agents in FY 2004. Exhibit 8-1 illustrates the changes that occurred within the field offices we visited. Each office, except New York City, experienced an agent utilization reduction in bank robbery matters.

EXHIBIT 8-1
FBI AGENT UTILIZATION ON BANK ROBBERIES
FISCAL YEARS 2000 AND 2004

Field Office	FY 2000 AOB	FY 2004 AOB	Number Change	Percent Change
Chicago	14.2	9.0	-5.2	-37%
Los Angeles	21.1	14.8	-6.3	-30%
Miami	7.7	7.1	-0.6	-8%
New Orleans	4.5	3.7	-0.8	-18%
New York City	7.3	8.7	1.4	19%
Phoenix	5.8	2.5	-3.3	-57%
San Francisco	13.1	9.0	-4.1	-31%
Totals of Field Offices Visited	**73.7**	**54.8**	**-18.9**	**-26%**
Overall Totals for Entire FBI	**315.5**	**225.0**	**-90.5**	**-29%**

Source: OIG analysis of FBI TURK data

According to FBI casework data, the FBI opened 1,067 more bank robbery cases during FY 2004 than in FY 2000. This increase is primarily a result of the FBI opening a case file for each bank robbery committed for the purpose of inputting all incidents into its analytical database. In reviewing the number of case serials inputted for bank robbery cases, the FBI actually decreased its bank robbery effort by 19 percent between FYs 2000 and 2004. We consider the casework serial figures and the FBI agent utilization data more reflective of the FBI's actual investigative efforts in this area, since case openings for bank robbery matters does not necessarily reflect any actual investigation on the FBI's part.

The FBI's decreased involvement in bank robbery investigations resulted in it referring fewer such matters to the USAOs. In total, the FBI forwarded 10 percent fewer bank robbery matters to the USAOs since FY 2000, decreasing referrals from 2,019 in FY 2000 to 1,809 in FY 2004. In both FYs 2000 and 2004, the FBI contributed 98 percent of the bank robbery matters received by the USAOs.

External Observations and Impact

The majority of the officials we interviewed at state and local law enforcement agencies commented about the FBI's reduced involvement in bank robbery investigations since 9/11. For example, officials at the Scottsdale, Arizona, Police Department and Tucson, Arizona, Police Department stated that the FBI's response to bank robberies is probably the most noticeable reduction that has occurred and that this reduction has created a marked void. The officials at these two local agencies said that the FBI's reprioritization has placed an extra burden on many of the local agencies who now must handle an increased bank robbery caseload.

Officials at other state and local departments commented that the FBI continues to assist on bank robbery cases. Many of these cases involved armed or serial perpetrators and therefore the FBI's participation was in line with the FBI Headquarters "measured response" guidelines issued in March 2001. For example, officials at the West Palm Beach, Florida, Police Department remarked that the FBI was very much involved in the investigation of a recent string of bank robberies that occurred in the city.

Officials from the Ventura County, California, District Attorney's Office and the Ventura County, California, Sheriff's Department told us that each local law enforcement agency in the county had noticed an almost complete withdrawal of FBI involvement in traditional crime matters, especially bank robberies. Ventura County officials cited several specific bank robberies that the FBI failed to assist local law enforcement agencies with the investigations. For example, the Ventura County officials cited a string of liquor store robberies in Ventura County in December 2004. Subsequent to the liquor store robberies, the same suspects robbed banks located in five different grocery stores, taking over the entire building each time. In each incident the assailants were armed with automatic weapons. In March 2005, the suspects were apprehended by local law enforcement officers while attempting to rob one of the grocery store banks a second time. The investigation revealed that the suspects were conducting their criminal activities in at least three counties, using money laundering to purchase real estate in and out of the state.

Ventura County officials stressed to us that the FBI was not involved in the investigation of any of these incidents, even though these bank robbery cases involved at least two of the criteria specifically articulated in the FBI's "measured response" initiative for bank robbery investigations. We discussed this matter with FBI officials in the Los Angeles Division who reported that they were unaware of the situation and agreed to look into the issue.

The results of our web-based survey shed additional light on the impact that the FBI's shift in investigative priorities has had on state and local law enforcement agencies' efforts to investigate bank robberies. Overall, approximately 10 percent of respondents (128 out of 1,232 responses) responded that their agency's operations were negatively affected to some degree by the FBI's reduced involvement in bank robbery investigations. Approximately 9 percent of participants (107 out of 1,232 responses) indicated a positive effect of the FBI's reprioritization on their investigative efforts, while the remaining responses noted either no impact or were inapplicable.

Several USAO representatives commented that the FBI has not investigated bank robbery cases as much as it had in the past. For example, USAO officials from the Southern District of Florida noted fewer bank robbery cases were brought to the USAO by the FBI. As a result, these officials reported that they are considering a new initiative under which certain cases investigated by local law enforcement could be referred for federal prosecution. USAO representatives in the Southern District of New York also observed a decrease in the number of bank robbery cases the FBI investigated over the past 4 years. The Assistant U.S. Attorneys we interviewed in New York also noted that there has not been a decrease in the number of bank robberies in their jurisdiction, and they said they would like to see more FBI resources allocated to investigate these cases because federal courts have more severe sentences than state courts.

Some FBI Headquarters and field officials commented that state and local law enforcement agencies are fully capable of handling most bank robbery investigations, especially the larger police and sheriff's departments.

Chapter Summary

Both FBI and non-FBI officials agreed that the FBI was no longer addressing bank robberies as aggressively as it had prior to 9/11. These statements were corroborated by our analyses of FBI data, which revealed that the FBI used fewer agents on such matters in FY 2004 than in FY 2000. According to state and local officials, the primary effect of the FBI's reduced role in bank robberies was an increase in their caseloads. In a few instances, we were informed of bank robbery caseloads that were exceeding state and local law enforcement capabilities.

CHAPTER 9: IDENTITY THEFT

The crime nearly all local law enforcement agencies cited as the most critical for federal involvement was identity theft. The nature of this crime often places the victim and offender in separate geographical jurisdictions – different cities, different states, or even different countries. Additionally, many identity theft offenses are technically complex and exceed the abilities of local law enforcement to successfully investigate. Taken together, these jurisdictional and technical impediments generally affect local law enforcement agencies' ability to address identity theft offenses.

In testimony before the U.S. Senate Judiciary Committee on April 13, 2005, the FBI's Assistant Director for the Criminal Investigative Division stated that "Identity theft has emerged as one of the dominant white-collar crime problems of the 21st Century." In this same hearing, he commented that identity theft usually is not a singular crime; normally it is associated with other thefts or frauds, such as mortgage fraud and health care fraud. Moreover, he stated that identity theft crimes are normally perpetrated via the Internet. These factors make identity theft a complex crime to investigate.

Many law enforcement officials we interviewed said that identity theft has become a major crime problem affecting their constituents. For example, representatives from several local police departments in Arizona, including the Mesa Police Department and Tucson Police Department, listed identity theft as one of their predominant crime problems and the officials expected continued increase in such incidents. Officials from the Miami-Dade County, Florida, Police Department remarked that identity theft is "out of control" in South Florida. Los Angeles County, California, Sheriff's Department officials stated identity theft has become a significant, high-profile crime problem over the past 4 years.

Several local police agency representatives noted the need for a national plan to combat identity theft; a plan they said must come from the federal government. In particular, Miami-Dade County, Florida, Police Department officials stated that a void exists in law enforcement's response to this crime and that a federal agency needs to assume a larger role in combating this problem.

FBI Involvement

Identity theft has only recently become recognized as a major crime matter. Therefore we cannot assess the impact on identity theft investigations resulting from the FBI's shifting of priorities and resources. According to FBI data, the FBI opened 36 cases that were strictly identity theft matters in FY 2004 and utilized 2.5 on-board agents to specifically

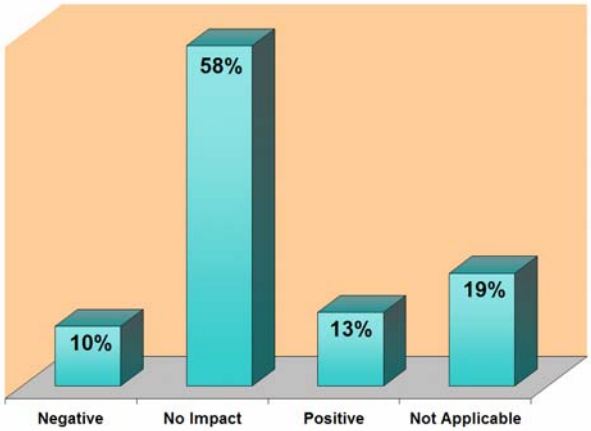
address identity theft issues in FY 2004; statistics are not available for FY 2000 because the FBI had not yet created a specific subprogram for identity theft. However, as previously stated, identity theft is often part of larger fraud schemes and the FBI may have been involved in many more identity theft investigations through cases tracked under different investigative classifications, like health care fraud or bank fraud. FBI officials provided the OIG with a report that presented the number of pending FBI investigative cases with an identity theft link. During FY 2004, the total number of such pending cases was nearly 900 for the entire FBI, including its legal attaché offices.

Some FBI offices participate in identity theft task forces, such as the Chicago Metropolitan Identity Fraud Task Force. This task force includes local, state, and federal law enforcement agencies, as well as representatives from the private sector, such as the banking industry. In addition, the FBI participates on the Southern California High Technology Task Force led by the Los Angeles County, California, Sheriff's Department, which focuses on identity theft.

Need for Federal Strategy on Identity Theft

The survey results indicated that the majority of responding state and local law enforcement agencies had been minimally affected in the area of identity theft as a result of the FBI's reprioritization. Specifically, only 10 percent of the respondents noted a negative impact on their agencies investigative efforts in identity theft matters resulting from the FBI's reprioritization. Exhibit 9-1 is a graphical representation of the survey results.

EXHIBIT 9-1
SURVEY RESULTS OF THE IMPACT ON STATE AND LOCAL LAW ENFORCEMENT AGENCIES' IDENTITY THEFT INVESTIGATIONS



Source: OIG analysis of survey responses

Many law enforcement agencies are involved in identity theft investigations, such as the U.S. Postal Inspection Service (USPIS), U.S. Secret Service, ICE, and local police and sheriff departments. However, few local police departments consider themselves capable of investigating many identity theft cases. For example, officials at several local agencies in the Miami area explained that these crimes often surpass their agencies' expertise. Some of these officials remarked that their departments can address a few of these incidents but not the massive number of such violations that occur. They believed that the involvement of the federal government is crucial to fighting this growing crime problem.

Moreover, with several different federal agencies investigating identity theft cases, local law enforcement officials said they are, at times, confused about which agency to turn to for assistance. Overwhelmingly, local law enforcement agencies conveyed the need for the development of a federal strategy to combat identity theft at all levels of law enforcement.

CHAPTER 10: PUBLIC CORRUPTION

Public corruption is the FBI's highest criminal investigative priority, and its fourth highest priority overall. The FBI has the authority to investigate corruption across all levels of government – local, state, and federal – and across all branches – legislative, executive, and judicial. Consequently, the FBI is the primary investigative agency for public corruption matters. Local law enforcement agencies and federal Offices of Inspectors General also investigate corruption matters involving employees of their respective agencies.

According to FBI field managers, public corruption investigations often require difficult, time-consuming source development. USAO officials agreed with these statements and noted that public corruption cases take longer to develop than other public integrity cases, such as government fraud, due to the complex and sensitive nature of the investigations.

Statistical Evaluation of FBI Public Corruption Efforts

The FBI's public corruption resource allocations are included within its white-collar crime allotments and are not specifically identified as public corruption allocations. Therefore, we could not determine specific funded staffing levels (FSL) for public corruption matters. However, we were able to evaluate the actual FBI agent utilization in the public corruption area. Overall, between FYs 2000 and 2004, the FBI utilized 36 (or 8 percent) fewer agents on public corruption matters, decreasing from 465 agents in FY 2000 to 429 agents in FY 2004. The FBI initiated 849 public corruption cases during FY 2000 and 834 such cases during FY 2004. Viewing the FBI's activity through a different lens, we found that the number of serials inputted in public corruption cases declined 23 percent between FYs 2000 and 2004.

Using fewer resources and opening fewer public corruption cases, the FBI forwarded 63 fewer public corruption matters to the USAOs comparing FYs 2000 and 2004 – 673 referrals in FY 2000 compared to 610 in FY 2004. This 9-percent decline correlated with the USAOs' overall 7-percent decline in public corruption matters received from all agencies. The FBI accounted for about 75 percent of public corruption matters received by the USAOs in both FYs 2000 and 2004.

FBI Field Divisions

We also conducted agent utilization analyses at the field level and looked specifically at the seven field divisions that we visited. As Exhibit 10-1

demonstrates, FBI field divisions experienced disparate changes between FYs 2000 and 2004 in their level of public corruption effort. While the Chicago Division increased the number of agents investigating public corruption by seven agents, the Los Angeles and New York City Divisions each decreased by six and eight agents, respectively.

EXHIBIT 10-1
FBI FIELD AGENT UTILIZATION AND CASE OPENINGS ON PUBLIC CORRUPTION MATTERS AT DIVISIONS VISITED FISCAL YEARS 2000 AND 2004

	Agent Utilization			Case Openings		
Field Division	**FY 2000**	**FY 2004**	**Change**	**FY 2000**	**FY 2004**	**Change**
Chicago	23	30	7	34	40	6
Los Angeles	20	14	-6	29	40	11
Miami	13	17	4	47	18	-29
New Orleans	20	23	3	22	20	-2
New York City	25	17	-8	18	19	1
Phoenix	9	12	3	18	17	-1
San Francisco	8	9	1	12	14	2

Source: OIG analysis of FBI TURK and ACS data

Additional analyses of FBI ACS data for these field offices reflected differing results – some offices opened more cases during FY 2004 than during FY 2000, while others initiated fewer investigations. One of the most noticeable changes occurred within the Miami Field Office. In FY 2000, Miami opened 47 public corruption cases compared to 18 in FY 2004, a 62 percent reduction. In contrast, the Los Angeles Field Office opened 35 percent more public corruption cases in FY 2004 than it had in FY 2000, moving from 29 investigations in FY 2000 to 40 in FY 2004, even though it utilized fewer agents on public corruption matters during this time period.

Public Corruption's Priority Status

Our fieldwork indicated that some FBI offices assessed their public corruption efforts and decided that changes were necessary to adequately combat this high priority crime area. For instance, although the Phoenix Field Office had reduced the number of its white-collar crime squads from five to two, the two remaining squads primarily focused on addressing public corruption matters. Similarly, the Miami Field Office devoted two squads to combat the significant corruption problems in South Florida.

At the New Orleans Field Office, public corruption was placed ahead of cyber crime in its prioritization of investigations because of the problem public corruption posed in the New Orleans area. In fact, according to FBI officials, the New Orleans Field Office has the third largest public corruption problem in

the country. To address these issues, the office established a separate public corruption squad at its Baton Rouge Resident Agency.

However, it appeared that some field offices were not giving these matters sufficient priority. For example, FBI officials in the New York City Division stated to us that since New York City is a premier financial center, corporate fraud and high-profile bank fraud matters must be considered a higher priority than public corruption. As a result, the New York City Division experienced a reduction in agent utilization on public corruption matters during FY 2004 as compared to FY 2000, while case openings remained relatively static over the same period of time.

In January 2005, the FBI initiated an effort to review the public corruption efforts within its field offices. As a result, the New York City Division was developing a second public corruption squad to provide additional resources to investigate public corruption within the Division's jurisdiction. Further, at our exit conference the FBI provided evidence that it had significantly increased its public corruption efforts in FY 2005 compared to FY 2004.

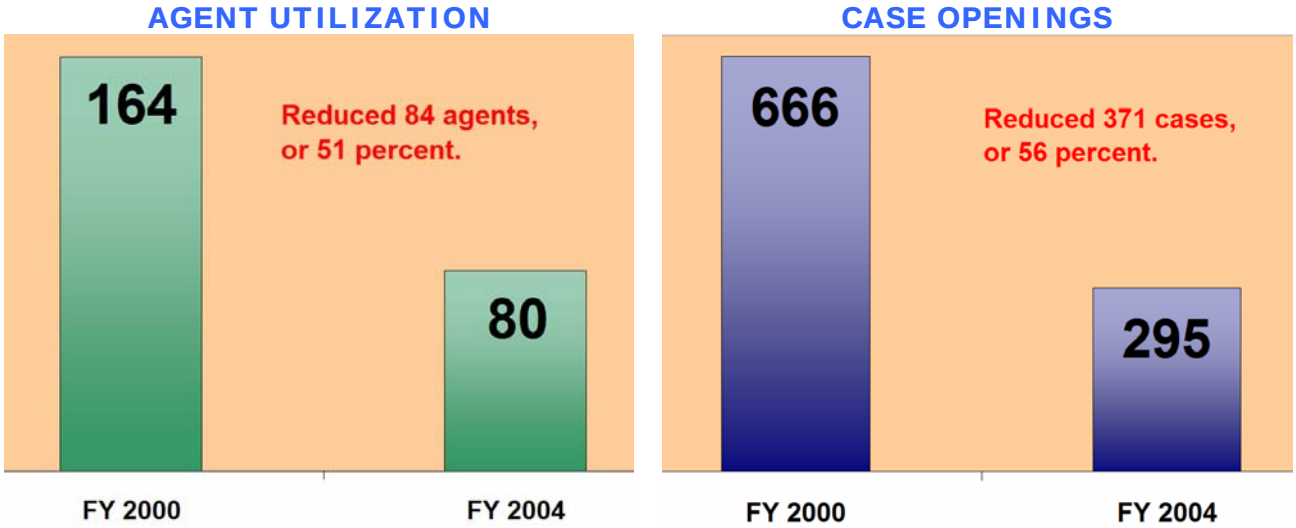
Impact of Public Corruption Emphasis

FBI field division managers stated that any additional public corruption resources they received were often agents transferred from government contract fraud investigations. Therefore, according to FBI field managers, many government contract squads within FBI field divisions were reduced, rolled into general white-collar crime squads, or completely eliminated.

For instance, the Chicago Division previously had a public corruption squad and a government contract squad. Currently, the office operates two public corruption squads and no government contract squad. Similarly, the FBI's New York City Division indicated that it intends to follow Chicago's lead and convert its only government contract fraud squad into its second public corruption squad.

Exhibit 10-2 shows the changes in agent utilization and case openings in government fraud matters for FYs 2000 and 2004. The data shows that agent resources investigating these matters were reduced by 51 percent, while case openings declined by 56 percent.

EXHIBIT 10-2
OVERALL FBI EFFORTS ON GOVERNMENT FRAUD MATTERS
FISCAL YEARS 2000 AND 2004



Source: OIG analysis of FBI TURK and ACS data

We also reviewed agent utilization and casework data at the field office level. As evidenced in Exhibit 10-3, all the field offices that we visited experienced decreases in agent utilization for government fraud matters from FY 2000 to FY 2004. The data shows that the San Francisco Division did not have a single agent investigating government contract fraud during FY 2004. By contrast, the Los Angeles Division utilized 12 agents on government fraud matters in FY 2004. Compared to FY 2000, each office opened fewer government fraud cases during FY 2004. In fact, all offices except New Orleans experienced case opening reductions in excess of 50 percent compared to FY 2000 figures.

EXHIBIT 10-3
FBI FIELD AGENT UTILIZATION AND CASE OPENINGS ON GOVERNMENT FRAUD MATTERS AT DIVISIONS VISITED
FISCAL YEARS 2000 AND 2004

	Agent Utilization			Case Openings		
Field Division	**FY 2000**	**FY 2004**	**Change**	**FY 2000**	**FY 2004**	**Change**
Chicago	8	4	-4	25	2	-23
Los Angeles	17	12	-5	47	16	-31
Miami	3	1	-2	4	0	-4
New Orleans	3	2	-1	15	8	-7
New York City	9	4	-5	21	8	-13
Phoenix	4	1	-3	9	3	-6
San Francisco	7	0	-7	7	3	-4

Source: OIG analysis of FBI TURK and ACS data

Chapter Summary

Although public corruption is the FBI's fourth highest national priority, the FBI utilized fewer resources in this area in FY 2004 than it did in FY 2000. This decline resulted in fewer case openings during FY 2004 and less activity in public corruption cases, as evidenced by the 23-percent decline in case serials. Additionally, the FBI's reduced investigative efforts corresponded with fewer public corruption matters referred to the USAOs.

CHAPTER 11: OTHER CRIME MATTERS

In addition to the traditional crime areas discussed in Chapters 5 through 10, law enforcement officials raised concerns related to other crime areas during our fieldwork. For example, FBI and non-FBI officials discussed problems in their investigative efforts to combat child pornography, human trafficking, and alien smuggling. The primary problem for federal agencies, according to these officials, including the FBI, was a lack of resources to adequately address these crimes. Moreover, state and local law enforcement agencies often lacked sufficient resources and the technical capability or jurisdictional authority that may be required for these investigations. In addition, we heard concerns about coordination issues arising between the FBI and ICE in each of these criminal areas.

Child Pornography

According to FBI, ICE, and local law enforcement officials, online child pornography (or child sexual exploitation) is an escalating crime problem. Groups involved in child pornography are not necessarily located in the same geographic area, or even the same country. The FBI and ICE are the two primary federal law enforcement agencies that investigate child pornography matters. However, in pursuing these cases, each of these agencies has established its own approach: the FBI developed the Innocent Images National Initiative (Innocent Images) and ICE created the Operation Predator program.

FBI Investigative Efforts

The FBI implemented the Innocent Images initiative in 1995 to: (1) identify, investigate, and prosecute sexual predators who use the Internet and online services to exploit children sexually; (2) establish a law enforcement presence on the Internet as a deterrent to subjects that use it to exploit children; and (3) identify and rescue child victims. Through this initiative, the FBI focuses on individuals who indicate a willingness to travel across state lines for the purposes of engaging in sexual activity with a minor, as well as those who produce and distribute child pornography. The FBI's Cyber Division oversees the FBI's investigative efforts in child pornography matters.

Our analysis of FBI agent utilization data indicates that the FBI has enhanced its efforts in child pornography matters between FYs 2000 and 2004. Overall, the FBI used 110 agents in this area during FY 2000, which increased by over 100 percent to 242 agents in FY 2004. Similarly, the FBI

significantly increased its child pornography investigations opened during the past 4 years, increasing from 60 cases in FY 2000 to 2,647 cases in FY 2004.

Despite the FBI's increased efforts, officials at several FBI field offices stated that the volume of child pornography far outweighs the FBI's available resources for investigating these matters, which officially fall under the FBI's Cyber Crime Program. As a result, some field divisions often focus only on the most significant cyber crime incidents, which often pertain to non-child pornography issues, such as computer intrusions.

Some FBI field offices, including New Orleans, Phoenix, and San Francisco, are involved in task force operations that combine FBI resources with other agencies in combating child pornography. For example, the FBI San Francisco Division participates on two such task forces, one of which includes ICE.

In contrast, other FBI offices we visited did not coordinate their child pornography efforts with any other federal agencies. FBI managers in Chicago, Miami, and New York City each acknowledged that although ICE was involved in child pornography investigations, there has not been coordinated efforts between the two federal agencies.

Perspective from Other Law Enforcement Agencies

ICE officials in the field expressed similar sentiments on coordination between the FBI and ICE. Some ICE offices, such as New Orleans and Phoenix (which are involved in child pornography task forces with the FBI), did not report any friction between the two agencies on child pornography matters. In contrast, ICE managers in the Chicago and New York City offices commented that no coordination existed between the FBI and ICE on child pornography matters. For example, ICE managers in Chicago stated that the FBI has not been receptive to working with ICE in this area, nor has the FBI shared any investigative information with ICE. Consequently, ICE officials expressed concerns regarding duplication of investigative effort in this criminal area. The Special Agent in Charge at the FBI Chicago Division told us that he would discuss this matter with ICE officials.

Representatives from several state and local law enforcement agencies commented that they needed assistance from federal law enforcement in combating child pornography. Certain local officials remarked that child pornography cases entail a level of technological expertise beyond that possessed by many local departments. Additionally, they indicated that many of these crimes are beyond their jurisdictional boundaries.

Alien Smuggling and Human Trafficking

Alien smuggling and human trafficking are two criminal activities that fall under U.S. immigration and naturalization laws. Alien smuggling involves the illegal transportation of foreign persons across U.S. borders, while human trafficking is, essentially, a modern-day slave trade where victims are forced against their will into prostitution or labor offering little or no pay.

Alien smuggling and human trafficking are often committed by criminal enterprises. Moreover, law enforcement officials have commented on the potential of terrorism-related persons or equipment being transported into the United States during these criminal operations.

Perspective from Other Law Enforcement Agencies

According to ICE managers in Los Angeles, the USAO wanted the FBI, ICE, and the Department of Labor to be jointly involved in each human trafficking investigation, which these officials stated was occurring at the time of our fieldwork in April 2005. These ICE officials also believed that this strategy worked well.

According to ICE managers in Phoenix, their office has experienced a significant increase in the number of immigration-related cases, while simultaneously undergoing reductions in resource levels. As a result, these officials noted that their office is unable to address every alien smuggling case.

FBI Perspective

During our site visits, FBI managers in Phoenix remarked that alien smuggling is a significant crime problem in Arizona due to its location on the Southwest Border. Despite the extent of the problem, these officials stated that the office was investigating only a handful of alien smuggling cases because they do not have available resources to devote to this criminal activity.

FBI managers in Los Angeles commented that a duplication of effort exists between the FBI and ICE in human trafficking and alien smuggling and indicated that a clarification of investigative responsibility is greatly needed. They said that, in Los Angeles, the FBI joined ICE's human trafficking task force to help reduce duplicative efforts.

According to FBI officials, they have drafted a memorandum of understanding and are actively seeking to coordinate with ICE on alien

smuggling and human trafficking matters. However, this document has not been finalized.

Chapter Summary

FBI and ICE officials we interviewed during our audit cited problems in investigating child pornography, human trafficking, and alien smuggling. These federal agencies were primarily concerned about the amount of resources available to adequately address these crimes. State and local law enforcement agency officials commented that they also lacked sufficient resources. In addition, these officials stated that their agencies lacked the technical ability and jurisdictional authority often required to handle these investigations. Moreover, in certain locations we identified a lack of coordination between the FBI and ICE on these types of cases.

CHAPTER 12: FBI RELATIONSHIPS WITH OTHER LAW ENFORCEMENT AGENCIES

Good communication and positive working relationships between law enforcement agencies are critical for effective and efficient law enforcement. Given its broad investigative jurisdiction, the FBI has significant contact with other law enforcement personnel on the federal, state, and local levels. The FBI's relationships with its law enforcement partners are crucial in combating crime, both reactively and proactively.

According to FBI managers and other law enforcement officials, the overall relationships between the FBI and other agencies have improved over the last few years. At the field level, other federal, state, and local law enforcement agencies generally reported in our interviews that they considered their relationships with the FBI to be good.

FBI Relationships with Law Enforcement Community

As part of the FBI's reprioritization, the FBI Director emphasized the necessity of establishing partnerships with other federal, state, and local law enforcement agencies. For example, he cited the formation of these partnerships as one of the FBI's new priorities. Additionally, the FBI Director established the FBI Office of Law Enforcement Coordination (OLEC) in March 2002 to enhance the FBI's relationships with state and local law enforcement agencies. The OLEC's mission is to establish and maintain partnerships between the FBI, state and local law enforcement entities, and national organizations such as the International Association of Chiefs of Police, for the purpose of mutual assistance and cooperation.

Management personnel at FBI Headquarters told us they recognized the increasing importance of building better relationships among law enforcement agencies and the communities they serve. Statements by officials at many of the FBI field offices reflected the Director's emphasis on establishing cooperative efforts with members of the law enforcement community. In general, they believed they had positive working relationships with other law enforcement agencies. Several FBI field division managers emphasized that professional relationships are dependent on the personalities of those involved. They noted that the discovery of communication gaps between agencies regarding the events leading up to the 9/11 terrorist attacks on the United States highlighted the need for improving relationships within the law enforcement community.

Other Federal Agencies

Within the field, non-FBI officials remarked that problems would arise at times among federal divisional offices, but most of these were addressed and corrected at the field level. Additionally, we spoke with almost 90 non-FBI federal law enforcement officials and nearly all remarked that their relationships with the FBI were good to outstanding. In addition, the majority commented that their interactions with the FBI had improved over the past few years.

State and Local Agencies

Almost every state and local law enforcement representative that we interviewed acknowledged a good relationship with the local FBI field office, and reported that this relationship appeared to become stronger over the past few years. Additionally, many local law enforcement agencies indicated that the FBI's sharing of information with local departments has improved since 9/11. One example cited was the dissemination of intelligence bulletins. However, much of this information is terrorism-related, and several local officials indicated that they would like the FBI to share more of its intelligence and research regarding traditional crime areas, such as gangs and organized crime.

However, local law enforcement officials were concerned about maintaining working relationships when FBI agents are frequently transferred, either through the FBI's reprioritization from criminal to terrorism-related squads or through normal career transfers. These movements required new agents to rebuild relationships and re-establish trust with local departments, all of which requires time and commitment.

Best Practice

In several areas we visited, monthly meetings of law enforcement agency managers within a jurisdiction were highly regarded. According to many officials, these meetings fostered and maintained good working relationships among the law enforcement community. Additionally, these meetings provided an opportunity for agencies to share ideas and information surrounding current investigative efforts. For example, these meetings were being held in both Chicago and Phoenix, and all parties involved agreed that these meetings were beneficial. Further, FBI managers at other field divisions stated that such meetings were not occurring in their jurisdictions and might be worthwhile to replicate.

CHAPTER 13: OIG CONCLUSIONS AND RECOMMENDATIONS

After 9/11, the FBI reoriented its investigative efforts away from many traditional criminal areas to focus on counterterrorism. Comparing FY 2004 to FY 2000, the FBI planned to use 1,143 (17 percent) fewer resources in its criminal programs during FY 2004. However, according to FBI agent utilization data, the FBI actually reduced its criminal resources more than twice as much as it had intended. In turn, the FBI opened fewer criminal cases and referred fewer criminal matters to the USAOs in FY 2004 than in FY 2000.

To examine the effect the FBI's reprioritization has had on other law enforcement agencies, we interviewed representatives at numerous federal, state, and local law enforcement agencies. Additionally, we disseminated a web-based survey to 3,514 state and local law enforcement agencies to obtain a large-scale perspective on the impact that the FBI's reprioritization has had on their operations. Overall, the results of the survey indicated that most state and local law enforcement agencies did not believe that criminal investigations in their jurisdictions were greatly affected by the FBI's reprioritization. However, according to our follow-up discussions with representatives of the law enforcement community in seven FBI field jurisdictions, the effect was more pronounced in some jurisdictions and in some criminal areas.

As a result of our review, we provide the following conclusions and recommendations for the FBI to consider in allocating its agent resources and for improving specific areas of its operations.

FBI Resource Projection

In FY 2004, the FBI allocated 5,753 field agents for criminal matters, but only utilized 4,474 of these agents on such issues – a difference of 1,279 agents. A similar underutilization of FBI agents on criminal matters also existed in FY 2003. According to FBI Headquarters and field-level managers, FBI field offices were directed to ensure that the FBI's national priority areas were adequately staffed and that no terrorism-related matter went unaddressed. These officials further stated that this explains the significant gap in the utilization and allocation figures. However, the FBI needs to make sure that its allocations of field agents to both terrorism and non-terrorism programs are practical, effective, and based upon sound evaluations of need.

1. We recommend the FBI ensure that it has accurately evaluated its investigative needs and necessary resource levels within each

area of the FBI's operations – including both terrorism and non-terrorism related programs – and translate this information into realistic field agent allocations.

Financial Institution Fraud

The FBI significantly reduced its investigative efforts for fraudulent activity involving financial institutions (such as banks). Principally, the FBI scaled back its handling of lower dollar cases [SENSITIVE INFORMATION REDACTED]. We agree that the FBI must prioritize its investigations and first address the most egregious criminal activities. However, discussions with USAOs and analysis of USAO data revealed that no other federal agency has replaced the reduced FBI effort in this crime area. Therefore, an investigative gap exists for financial institution fraud (FIF), [SENSITIVE INFORMATION REDACTED].

Telemarketing/Wire Fraud

According to FBI officials, FBI field offices are only nominally involved in the investigation of telemarketing and wire fraud. Additionally, no other law enforcement agency has assumed a significantly larger investigative role in these areas. Therefore, an investigative gap also exists for telemarketing and wire fraud.

Health Care Fraud

The FBI was provided funding on a reimbursable basis to address health care fraud issues. Through this funding, the FBI allocates agents to specifically address health care fraud issues. In FY 2004, the FBI allocated 420 reimbursable agent positions towards this endeavor. However, our review of FBI agent utilization data showed that the FBI used approximately 380 agents for health care fraud matters.

In its April 2005 report, the GAO noted the FBI's failure to utilize agents at the level at which it was being reimbursed. In its response to this finding, the FBI stated that its health care fraud investigative effort included other costs besides agent salaries. Nonetheless, the FBI overestimated the number of agents it would dedicate to health care fraud matters by over 40 positions. At our exit conference, the FBI provided evidence that it increased its efforts related to health care fraud in FY 2005 compared to FY 2004.

2. We recommend the FBI ensure that it accurately conveys to Congress the number of agents it will dedicate to health care fraud using reimbursable funds.

Drugs

Since 9/11, the FBI significantly reduced the number of agents working on drug-related matters. Consequently, the FBI has opened fewer drug-related cases and has submitted fewer drug-related criminal matters to the USAOs in FY 2004 than it had in FY 2000. Specifically, our analysis of USAO data revealed that the FBI had submitted almost 1,600 fewer drug-related criminal matters to the USAOs in FY 2004 than it had in FY 2000. Other federal law enforcement agencies, particularly the DEA and ATF, increased the number of drug trafficking matters that they referred to the USAOs between FYs 2000 and 2004. However, these increases did not fully compensate for the overall decrease in drug-related matters referred to the USAOs. The DEA field managers we interviewed stated that their drug-related efforts had not been negatively affected by the FBI's reprioritization in the large metropolitan areas, but some of these officials were concerned that an investigative gap existed in smaller population centers surrounded by rural areas. Many of the state and local law enforcement officials we interviewed noted that their operations had not been adversely affected by the FBI's change in priorities.

Gangs

Gang-related crime is a serious problem in many jurisdictions. Numerous federal agencies, in addition to many local law enforcement departments, investigate gang-related criminal activity. With multiple agencies involved, communication and coordination are essential to effectively investigating gang crime. The Chicago law enforcement community has established a working group that meets monthly to discuss each agency's gang investigations, to share gang-related intelligence, and to formulate a comprehensive gang strategy. All federal and local agencies in the Chicago area that address gang crime participate in these meetings. In other cities, however, we discovered an uncoordinated approach in gang matters among the FBI and other law enforcement agencies. FBI field division managers in other cities indicated that coordination meetings would benefit the fight against gangs in their jurisdictions.

At our exit conference, the FBI informed us of a new DOJ initiative, led by the USAOs, aimed at improving coordination, increasing information sharing, and reducing duplication of efforts in combating gangs. In July 2005, the FBI promulgated guidance on this anti-gang initiative to its field offices and directed them to work with the local USAOs in implementing the new strategy.

3. We recommend the FBI ensure that field offices are coordinating their anti-gang investigative efforts and executing the DOJ anti-gang initiative.

Fugitive Apprehension

The FBI's reprioritization process involved assessing the criminal areas in which the FBI has concurrent jurisdiction with other federal law enforcement agencies and deciding which of these areas were appropriate for reduction of FBI involvement. One of these areas is the apprehension of fugitives, where responsibility is shared with the USMS. FBI agent utilization data demonstrates that the FBI significantly reduced its involvement in fugitive-related matters over the past four years, partly because of the work of the USMS in this area. However, a notable lack of coordination between the FBI and the USMS exists in the fugitive apprehension arena.

4. We recommend the FBI seek to better coordinate fugitive apprehension efforts with the USMS.

Public Corruption

Despite the priority status of public corruption cases, our review disclosed that public corruption was addressed by the FBI at a slightly reduced level in FY 2004 compared to FY 2000. Additionally, we found that the FBI's largest field office, the New York City Division, only recently evaluated its public corruption needs in light of the offense's priority status within the FBI. According to the FBI, it has established an initiative to ensure that all field offices are appropriately prioritizing public corruption matters. Further, at our exit conference the FBI provided evidence that it had significantly increased its public corruption efforts in FY 2005 compared to FY 2004.

Bank Robberies

Both FBI and non-FBI officials we interviewed agreed that the FBI is no longer addressing bank robberies at the same level as in the past. In a few instances, we were informed of bank robbery caseloads that were exceeding state and local law enforcement capabilities. The FBI's diminished involvement in this crime area is consistent with the FBI's bank robbery "measured response" policy established in March 2001, which was designed to scale back the FBI's involvement in bank robbery investigations and focus its involvement on violent, serial, or take-over style acts. In most field offices, we found that the FBI adhered to the measured response policy, which continues to be in existence.

Identity Theft

The crime of identity theft is an increasing problem in the United States. Several local law enforcement officials reported that their agencies do not have the ability or jurisdictional authority to effectively address this crime. Several federal agencies, including the FBI, are involved in combating identity theft. However, our review revealed that the federal investigative response to these matters is often uncoordinated and local law enforcement officials said they are, at times, confused about which agency to turn to for assistance. Overwhelmingly, local law enforcement agencies conveyed the need for the development of a federal strategy to combat identity theft at all levels of law enforcement.

5. We recommend the FBI pursue the formation of a multi-agency working group to develop and implement a national strategy to combat identity theft. This group should include, at a minimum, representatives from within the DOJ, including the FBI, as well as the U.S. Postal Inspection Service, the U.S. Secret Service, ICE, and local law enforcement.

Operational Coordination with ICE

Because the FBI and ICE share responsibility for investigating several crimes, coordination of operations involving such shared authority is important to the effective use of both agencies' resources. In our discussions with FBI and ICE field managers, we identified three criminal areas in which these agencies need to improve their coordination and communication: (1) child pornography, (2) alien smuggling, and (3) human trafficking. At the exit conference, FBI officials informed us that they are working with ICE on a memorandum of understanding related to alien smuggling and human trafficking matters. This agreement has not been finalized.

6. We recommend the FBI continue to work with ICE to develop agreements for coordinating FBI and ICE investigations of human trafficking and alien smuggling, as well as child pornography.

Best Practice

During our discussions with FBI field managers, we identified a practice that the FBI should consider in other FBI field divisions. Law enforcement officials in Phoenix and Chicago hold monthly meetings of operations management personnel from various agencies. All participants with whom we met believed these meetings were useful in fostering communication and the sharing of information. Additionally, FBI managers at other field divisions

stated that such meetings were not taking place in their jurisdictions but believed that the meetings would be beneficial.

7. We recommend the FBI pursue regular meetings among law enforcement officials, similar to the meetings held in Phoenix and Chicago, in more jurisdictions.

APPENDIX I: OBJECTIVE, SCOPE, AND METHODOLOGY

Audit Objective

The objective of this audit was to assess the change in FBI investigative resources devoted to criminal areas and assess the impact of these changes on other federal, state, and local law enforcement entities.

Scope and Methodology

We performed our audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States and included such tests of the records and procedures that we considered necessary to accomplish the audit objective. The informational nature of our audit objective did not require that we perform testing of the FBI's compliance with laws and regulations or overall internal control structure. To accomplish our objective, we interviewed officials at various law enforcement agencies, conducted a web-based survey of state and local law enforcement agencies, and analyzed computer-processed data from the FBI and Executive Office for United States Attorneys (EOUSA).

Interviews

Much of our work centered on interviews with officials at various federal, state, and local law enforcement agencies, which were conducted at the headquarters and field office levels. These interviews, as well as documentation obtained during interviews, provided perspective on the effects that the FBI's shifting priorities and resources had on it and the law enforcement community as a whole. In total, we interviewed 328 law enforcement representatives.

Of these interviews, 65 were conducted with executive personnel at federal agencies and programs in the Washington, D.C., area. Specifically, we spoke with 23 officials at FBI Headquarters, including the Executive Assistant Director for Law Enforcement Services and the Assistant Directors for the Criminal Investigative Division and the Office of Law Enforcement Coordination. We also spoke with FBI officials at the FBI Academy in Quantico, Virginia, and the National Joint Terrorism Task Force in McLean, Virginia. Additionally, we interviewed 42 headquarters representatives at the following federal law enforcement agencies and programs:

- ATF
- DEA
- Executive Office for U.S. Attorneys (EOUSA)
- Executive Office of the President's High Intensity Drug Trafficking Area (HIDTA) Program
- Financial Crimes Enforcement Network (FinCEN)
- ICE
- Organized Crime and Drug Enforcement Task Force (OCDETF) Program
- Securities and Exchange Commission
- U.S. Secret Service[61]
- U.S. Marshals Service
- U.S. Postal Inspection Service

Further, we spoke with four officials at the following international and national law enforcement agency associations: International Association of Chiefs of Police (IACP), Major Cities Chiefs Association, and Major County Sheriff's Association. We also spoke with 259 law enforcement representatives of federal, state, and local law enforcement agencies and departments during our visits to seven FBI field office jurisdictional areas. At each site, we interviewed officials at the FBI, ATF, DEA, ICE, U.S. Attorneys Office (USAO), and USMS. Further, we interviewed state and local law enforcement representatives at a minimum of five departments per site. For these state and local interviews, we judgmentally selected police departments based upon responses to our web-based survey, choosing agencies that indicated they had been either negatively or positively affected by the FBI's reprioritization. Additionally, we spoke with the primary police department located in each city visited. For example, while in Chicago, we met with officials from the Chicago Police Department. The table in Appendix VII lists the agencies contacted at each location.

Survey and Computer-Processed Data

In an attempt to obtain more thorough insight on the effects the FBI's reprioritization had on local law enforcement agencies, we developed and deployed a web-based survey to 3,514 state and local law enforcement agencies located in 12 FBI field office jurisdictions. Details regarding the survey are discussed later in this appendix.

To further understand the results of the FBI's reprioritization, we analyzed data provided by the FBI and the EOUSA. Specifically, we conducted analyses of FBI statistical data on its resource allocation, resource utilization, and casework. Additionally, we requested and analyzed U.S. Attorney Office

[61] The U.S. Secret Service provided feedback in written form instead of a face-to-face interview.

(USAO) data on the number of criminal matters the USAOs received from federal law enforcement agencies, particularly the FBI.

To examine the FBI's human resource utilization, we examined data from the FBI's Time Utilization Recordkeeping (TURK) system – a module of the FBI's payroll system – for the period of September 26, 1999, through September 18, 2004.[62] The TURK system contains work-hour and Average On-Board (AOB) data for most FBI agents and support involved with investigative matters. To examine the types and quantity of cases the FBI investigated for the same period, we analyzed data from the Automated Case Support (ACS) system.

In September 2003, we issued an audit report on FBI Casework and Human Resource Utilization.[63] During that audit, we performed tests to establish the reliability of the computer-processed data from the TURK and ACS systems. For both systems, we reviewed management controls and we performed data validity tests at the FBI Chicago Division. Based on these test results and the FBI's confirmation of data, we concluded the data was sufficiently reliable to achieve our audit objective.[64] Therefore, we did not repeat this process for our current audit.

Data Analysis

We performed analyses of FBI resource allocation, resource utilization, and casework data to identify trends and note significant changes in the FBI's operations from September 26, 1999, through September 18, 2004. We also reviewed U.S. Attorney criminal matters data for FYs 2000 through 2004, as well as the responses to our web-based survey. In total, this data amounted to 2,752,582 records.

FBI Human Resources

We conducted analyses of FBI Funded Staffing Levels (FSL) and Agent On-Board data.

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[62] This time period represents FYs 2000 through 2004, the five latest years for which full FY data was available.

[63] Department of Justice, Office of the Inspector General. *Federal Bureau of Investigation Casework and Human Resource Allocation*, Audit Report Number 03-37, September 2003.

[64] FBI field agents are responsible for reporting the proportion of their time worked in FBI investigative classifications. Therefore, the data derived from the FBI TURK system are only as valid as the information reported by FBI agents.

Funded Staffing Level – We used the FBI's FSL figures established by the Resource Management and Allocation Office to analyze agent resource allocations. We obtained field division FSLs for each program and each fiscal year, for both agents and support personnel for FYs 2000 through 2004. We also received FSLs for FBI Headquarters, organized by Division level, for the same period. These FSLs represented the final allocations set for each fiscal year, reflecting any mid-year adjustments. We reviewed the FBI's agent allocations, focusing on changes in FSLs between FYs 2000 and 2004. The total FSL data amounted to 9,834 records.

Average On-Board (AOB) – TURK generally records percentages of time worked for both agents and support personnel in the FBI's 56 field offices (Headquarters personnel do not record their time in TURK). TURK data collection is divided into 13 TURK periods per fiscal year; each TURK period is 4 weeks. Each agent records the percentage of time worked each day according to FBI investigative classifications (the percentages are based on a 10-hour day for agents and an 8-hour day for support personnel).[65] These percentages are recorded and the result is averaged to show time worked in a specific classification equivalent to a full-time employee, which the FBI calls Average On-Board (AOB).

For example, if three agents within a particular field office each spent one-third of their time (33 percent) on *Bank Robbery* – FBI Investigative Classification 091A – within a given TURK period, the AOB for that field office (in Classification 091A, within the TURK period) would be equal to 1 agent AOB (100 percent of 1 agent-equivalent). The FBI considers the TURK system's AOB data to be the best way to assess the actual time worked by FBI employees in specific FBI investigative programs, subprograms, and classifications. In this report, we use the term AOB and on-board agent interchangeably.

The FBI retroactively adds employee leave and miscellaneous time into the TURK record of each employee at the program/subprogram level. The FBI does this through use of an automated Investigative Program Allocator, which prorates the data back into each record based on that employee's activity in the previous six pay periods. Therefore, to most accurately represent the FBI's AOB actualities, we requested separate data runs for AOB at the FBI's investigative classification level and at the FBI's program/subprogram level. Hence, only when presenting data at the classification level do we use data from the classification runs.

[65] The FBI assigns each of its cases to an investigative classification based on the nature of the case. The investigative classification is the greatest level of detail for which the FBI tracks resource utilization. Each classification is assigned to a program and, if appropriate, a subprogram.

The classification level data run was provided in a text file, which we imported into a database file. The data run contained 611,333 records, each containing the following fields:

Field Name	Field Description
• *Field Office*:	City of FBI Field Office
• *Employee Indicator*:	Agent or Support
• *Fiscal Year*:	2000 through 2004
• *Turk Period*:	1 through 13
• *Program*:	Numeric Indicator
• *Subprogram*:	Alpha Indicator
• *Classification*:	Alpha-Numeric Indicator
• *Average On-Board*:	AOB for the program/subprogram/ classification designated

The program level data run possessed the same fields noted above except for the *Classification* field. This data run, provided in a text file and imported into a database file, contained 410,902 records. We compared FYs 2000 and 2003 AOB figures at the program and classification level to the figures verified by the FBI in our *Federal Bureau of Investigation Reprioritization* report issued in September 2004 to confirm that our current data and analysis methodology were correct.

Based on analyses of the AOB data at both the program and classification levels, we judgmentally selected 12 FBI field divisions for possible locations to conduct additional work: Atlanta; Chicago; Dallas; Denver; Detroit; Los Angeles; Miami; New Orleans; New York City; Phoenix; San Francisco; and Washington, D.C. We requested unclassified AOB data runs at the classification and program levels according to these offices' resident agencies. A resident agency is a satellite office to one of the FBI's 56 field divisions. The unclassified classification level data run, provided in a text file, was imported into a database file containing 302,293 records, each including the following fields:

Field Name	Field Description
• *Field Office:*	City of FBI Field Office
• *Resident Agency:*	Name of FBI Resident Agency Office
• *Employee Indicator:*	Agent or Support
• *Fiscal Year:*	2000 through 2004
• *Turk Period:*	1 through 13
• *Program:*	Numeric Indicator
• *Subprogram:*	Alpha Indicator
• *Classification:*	Alpha-Numeric Indicator
• *Average On-Board:*	*AOB* for the program/subprogram/ classification designated

The unclassified program level Resident Agency data run for the 12 field divisions contained the same fields noted above except for the *Classification* field. This data run was supplied in a text file and imported into a database file containing 503,147 records.

Agent Utilization – We elected to analyze AOB data by fiscal year. To do this, we totaled the AOB for all TURK periods within each fiscal year for each investigative program, subprogram, or classification. Next, we divided this total by the number of TURK periods (13) to obtain the average agents working a particular program, subprogram, or classification in a given fiscal year.

Analysis at the Program/Subprogram Level – We evaluated AOB data to identify internal operational changes in FBI investigative efforts occurring as a result of the FBI's reprioritization and internal reorganization. Therefore, to assess the change in agent utilization, we focused our analysis on comparing AOB totals between FYs 2000 and 2004, while looking for conspicuous differences in AOB for FYs 2003 and 2004. This approach afforded a view of AOB both before and well into the FBI's reprioritization efforts, revealing the areas of greatest change in actual agent-time worked.

In order to accurately compare the change in agent utilization at the program level, we adjusted AOB data to reflect the FBI's program composition during FY 2004. During FY 2004, the FBI initiated the Criminal Enterprise Plan, subsequently resulting in the restructuring of the FBI's Criminal Investigative Division (CID). The implementation of this plan resulted in new program names and the transferring of particular subprograms and units. The FBI Program Crosswalk in Appendix III displays the current FBI program and subprogram architecture.[66] Generally, we analyzed FBI program change according to its current structure.[67]

Analysis at the Investigative Classification Level – Besides conducting analyses of resource utilization at the program/subprogram levels, we also performed analyses down to the classification level. We computed the change in agent AOB for each classification between FYs 2000 and 2004, noting those classifications experiencing significant changes. Appendix IV shows the classifications experiencing the greatest AOB reductions and increases between FYs 2000 and 2004.

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[66] The latest transformation of CID was initiated in May 2004 following the announcement of the Criminal Enterprise Plan. The TURK system continued to track data according to CID's former structure for the remainder of FY 2004. It began recording data according its current organization for FY 2005.

[67] A current CID Organization Chart is located on page 9 of this report. Appendix III shows the FY 2005 program and subprogram composition.

APPENDIX I

FBI Casework

For our analyses of the FBI's casework, we received a data run from the ACS system, and focused on cases opened from September 26, 1999, through September 18, 2004. The data run was provided in a text file and imported into a database file containing 762,350 records, separated into the following fields:

Field Name	Field Description
• *File Type:*	"u" for unclassified
• *Office Code:*	Two digit alpha designation for office of origin
• *Case ID:*	Universal Case File Number (UCFN)
• *Class*	Classification of case
• *Previous Class:*	Previous classification of case if reclassified
• *Subclass:*	Subclassification of case
• *Program:*	Name of Program
• *Subprogram:*	Name of Subprogram
• *Open Date:*	yyyymmdd format
• *Close Date:*	yyyymmdd format
• *Days Pending:*	Numeric identification of days the case is open
• *Delete Code:*	"D" designation when case is destroyed

In reviewing the data, we discovered 7,183 cases in the database that were designated as having been destroyed. Of these 7,183 cases, we found 2,756 that contained opening and closing dates. We determined that we could include these 2,756 cases in any analyses involving case opening and closing dates, while we needed to eliminate those that contained no open and close dates. We therefore retained the 2,756 destroyed cases that contained open and close dates and eliminated the remaining 4,427 cases that did not. These 4,427 cases reflected one percent of the remaining database of 370,622 cases on which we performed our analyses.

We confined our casework analysis to the data we obtained from the ACS system, and did not review individual case files to determine the actual level of effort expended on any single case. Thus, if a case was open during a particular timeframe, we considered it to be worked during that period.

Case Openings – The number of cases opened in a given time period demonstrates the types of cases the FBI was investigating. In order to conduct such an evaluation, we first organized the cases according to the fiscal years in which they were opened. Then, we analyzed the difference in case openings between FYs 2000 and 2004 for FBI programs, subprograms, and investigative classifications. This analysis afforded perspective on the

changes in the FBI's level of investigative effort in different criminal areas, as well as the FBI's overall traditional crime operations.

Case Serials – The FBI's ACS system records each document entry into a case file as a serial. In discussion with an FBI Headquarters official, we were informed that the number of serials inputted into a case during a given time period would afford an indication of the amount of effort devoted to a case. We agreed that this analysis would provide such perspective and requested a copy of such reports of activity. We obtained a document detailing the number of serials opened for the FBI as a whole, according to particular investigative classification categories for FYs 1999 through 2004. We analyzed the number of serials opened in a given FY, specifically evaluating the difference in serial quantities for certain investigative categories between FYs 2000 and 2004.

U.S. Attorney Criminal Matters Received

We requested U.S. Attorney data for all felony categories in the 94 federal judicial districts for certain federal law enforcement components (and their task forces where appropriate).[68] The components used in our analyses of criminal matters received by the USAOs are listed in Appendix V. We believe these agencies encompass the majority of the federal investigative efforts in the types of crimes under review.

In analyzing the data files provided by the EOUSA, we concluded that data involving *criminal matters* received by the USAOs provided the best perspective on the level of effort an investigative agency afforded a particular criminal category. Criminal matters refer to those investigative cases referred to USAOs for review and possible prosecution. A matter becomes a prosecution case once defendants are charged. Thus, the number of USAO cases would not reflect investigative effort as well as the number of criminal matter referrals. Therefore, we analyzed the number of criminal matters received in particular federal crime violation categories. We assessed the change from FY 2000 to FY 2004 for all agencies combined and for specific agencies, chiefly the FBI. We converted the original text files into a database file containing 22,130 records. The following details the field categories for the U.S. Attorney data we evaluated:

[68] This data also includes matters handled by U.S. Magistrate Courts, which hear Class A & B misdemeanor cases. An EOUSA representative stated that many of these misdemeanor cases involved immigration issues or arrests in national parks. She did not believe, given the scope of our review, that the data we used was skewed to an invalid or unreliable status given this inclusion.

Field Name	Field Description
• *Fiscal Year*	2000 through 2004
• *District*	Name of U.S. judicial district
• *Agency*	Alpha indicator of federal agency
• *Program Category*	Name of federal crime violation category
• *Matter Receive Count*	Number of criminal matters received by USAOs

Web-Based Survey of State and Local Law Enforcement Agencies

In order to obtain a large-scale perspective on the impact that the FBI's shift in resources has had on state and local law enforcement agencies, we conducted a web-based survey. We set the parameters of the survey to focus on state and local law enforcement agencies located in the jurisdictional area of FBI field offices, and we judgmentally selected 12 jurisdictions: Atlanta; Chicago; Dallas; Denver; Detroit; Los Angeles; Miami; New Orleans; New York City; Phoenix; San Francisco; and Washington, D.C. During the selection process, we considered three primary factors: (1) FBI field agent utilization changes in traditional crime areas, (2) FBI field office size in terms of agent FSLs, and (3) geographic location to obtain a nationwide perspective.

After identifying the jurisdictional areas, we queried an electronic directory of law enforcement agencies for determining our survey population.[69] The law enforcement agencies we concentrated on were state, county, municipal, tribal, and others, such as airport and railroad police. In contrast, we excluded specialized local agencies like university campus police departments. In total, our survey population amounted to 3,514 state and local law enforcement agencies, which generally encompassed all such agencies in the 12 jurisdictional areas.

Since the electronic directory did not contain e-mail addresses, we notified our population about the survey through an initial letter and reminded them later with a postcard. Each was addressed to the chief law enforcement executive. We also followed up by calling larger departments, such as the Chicago Police Department and New York City Police Department, and encouraged their participation. State and local officials accessed the survey using a distinctive Internet address dedicated to the survey. In total, we obtained 1,265 responses from our population of 3,514 state and local law

[69] The FBI Office of Law Enforcement Coordination provided a listing of the jurisdictional areas of each FBI field office by county, which assisted in our query of the electronic directory.

enforcement agencies, a response rate of 36 percent.[70] The following table provides a breakdown of the survey respondents by location. A listing of all agencies that responded to the survey is located in Appendix X.

SUMMARY OF SURVEY RESPONDENTS BY LOCATION			
FBI Field Office Jurisdiction	**Number of Recipients**	**Number of Respondents**	**Survey Response Rate**
Atlanta	593	170	28.7%
Chicago	366	181	49.5%
Dallas	526	204	38.8%
Denver	361	105	29.1%
Detroit	556	220	39.6%
Los Angeles	159	71	44.7%
Miami	101	35	34.7%
New Orleans	362	75	20.7%
New York City	178	69	38.8%
Phoenix	129	45	34.9%
San Francisco	150	72	48.0%
Washington, D.C.	33	18	54.5%
Totals	**3,514**	**1,265**	**36.0%**

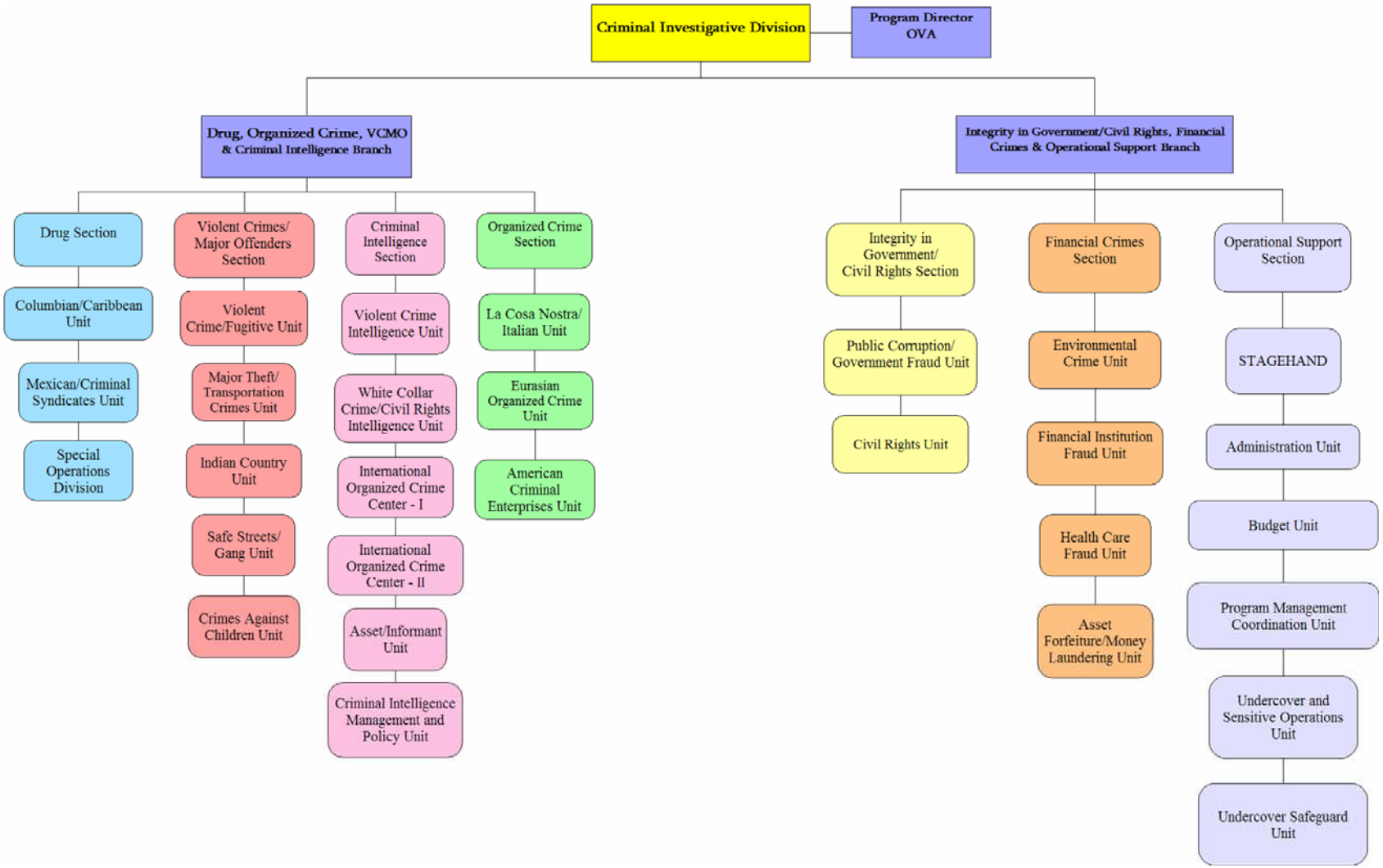
Source: Office of the Inspector General analysis

Conducting any survey lends itself to various types of errors related to survey responses. For example, questions might be interpreted differently by agency representatives, or agency officials might use a different basis for answering questions, such as readily available agency data or one's own experience. In addition, respondents might not be uniformly conscientious in expressing their views or they may be influenced by concerns about how their answers might be construed by the OIG, the FBI, or the public. We incorporated various steps to limit these errors. For instance, we performed a survey beta-test with local law enforcement agencies to address differences in how questions were interpreted. We also solicited comments from the FBI's Criminal Investigative Division and Office of Law Enforcement Coordination about the content and clarity of the survey. We modified our survey questions based upon the beta-test results and comments received from the FBI.

The survey responses were contained in a database format within the survey software program. For analysis purposes, we exported the survey database, which contained 130,593 records, to another software program to conduct our examination of the responses. Detailed results of our survey are contained in Appendix VIII.

[70] Each of the 1,265 respondents equates to a distinct state or local law enforcement agency. We did receive more than one response from some agencies. These multiple responses are not reflected in deriving our response rate but are included in our survey analyses.

APPENDIX II: PRIOR FBI CRIMINAL INVESTIGATIVE DIVISION ORGANIZATION CHART



Source: FBI Criminal Investigative Division Organization Chart as of September 11, 2003

APPENDIX III: CROSSWALK OF FBI INVESTIGATIVE PROGRAMS AND SUBPROGRAMS FYS 2000 THROUGH 2005

FY 2000	FY 2000 Subprograms	FY 2004 Programs	FY 2004 Subprograms	FY 2005 Programs	FY 2005 Subprograms
National Foreign Intelligence	• Foreign Counterintelligence • FBI Security • International Terrorism	National Foreign Intelligence	• Foreign Counterintelligence • FBI Security • International Terrorism	National Foreign Intelligence	• Foreign Counterintelligence • FBI Security • International Terrorism
National Infrastructure/ Computer Intrusion	*No Subprograms*	Computer Intrusion Program	• Computer Intrusion • Critical Assets[71]	Computer Intrusion Program	*No Subprograms*
Domestic Terrorism	*No Subprograms*	Domestic Terrorism	• Counterterrorism Preparedness • Domestic Terrorism Operations • Weapons of Mass Destruction	Domestic Terrorism	• Counterterrorism Preparedness • Domestic Terrorism Operations • Weapons of Mass Destruction Operations

[71] The Critical Assets subprogram was originally the Infrastructure Protection subprogram.

APPENDIX III

FY 2000	FY 2000 Subprograms	FY 2004 Programs	FY 2004 Subprograms	FY 2005 Programs	FY 2005 Subprograms
White-Collar Crime	• Antitrust • Bankruptcy Fraud • Environmental Crimes • Financial Institution Fraud • Fraud Against the Government • Health Care Fraud • Insurance Fraud • Intellectual Property Rights • Money Laundering • Public Corruption • Securities/ Commodities Fraud • Telemarketing Fraud • Other Matters	White-Collar Crime	• Antitrust • Bankruptcy Fraud • Environmental Crimes • Financial Institution Fraud • Fraud Against the Government • Health Care Fraud • Insurance Fraud • Money Laundering • Public Corruption • Securities/ Commodities Fraud • Telemarketing Fraud • Other Matters • Other Wire & Mail Fraud Schemes	White-Collar Crime	• Antitrust[72] • Bankruptcy Fraud • Environmental Crimes • Financial Institution Fraud • Fraud Against the Government • Health Care Fraud • Insurance Fraud • Money Laundering • Public Corruption • Other Matters – Public Corruption/ Government Fraud • Securities/ Commodities Fraud • Telemarketing Fraud • Other Matters • Other Wire & Mail Fraud Schemes

[72] The Antitrust, Bankruptcy Fraud, Environmental Crimes, Fraud Against Government, and Public Corruption subprograms were managed by the Integrity in Government/Governmental Fraud Unit at FBI Headquarters. This and the Civil Rights Unit comprise the Integrity in Government Civil Rights Section. Still, for data tracking purposes, the Public Corruption/Governmental Fraud Unit subprograms are recorded within White-Collar Crime.

APPENDIX III

FY 2000 Programs	FY 2000 Subprograms	FY 2004 Programs	FY 2004 Subprograms	FY 2005 Programs	FY 2005 Subprograms
Organized Crime/ Drugs	• Asian Criminal Enterprise • Columbian/ Caribbean • Community Outreach Program • OCDETF • La Cosa Nostra • Mexican Criminal Syndicates • Russian/Eastern European/Eurasian • Other Matters	Organized Crime/ Drugs	• Asian Criminal Enterprise • Columbian/ Caribbean • Community Outreach Program • OCDETF • La Cosa Nostra/Italian Organized Crime/Labor Racketeering • Mexican Criminal Syndicates • Russian/Eastern European/Eurasian • Other Matters-Drugs • Other Matters-Organized Crime	Transnational Criminal Enterprise	• Asian/African Criminal Enterprises • La Cosa Nostra/Italian Criminal Enterprises/ Labor Racketeering • Eurasian Criminal Enterprises • Other Matters
No Program	*No Subprograms*	*No Program*	*No Subprograms*	Americas Criminal Enterprise	• Central/South American Criminal Enterprises • Mexican Criminal Enterprises • Major Criminal Enterprises • Caribbean Criminal Enterprises • Major Theft • Violent Gangs • Other Matters • OCDETF • Community Outreach Program
No Program	*No Subprograms*	Criminal Enterprise Investigations	• OCDETF • Major Theft • Violent Gangs	*No Program*	• *No Subprograms*

APPENDIX III

FY 2000 Programs	FY 2000 Subprograms	FY 2004 Programs	FY 2004 Subprograms	FY 2005 Programs	FY 2005 Subprograms
Violent Crimes and Major Offenders	• Crimes Against Children • OCDETF-VCMO • Fugitives • Crimes in Indian Country • Innocent Images Initiative • Major Theft • Special Jurisdiction Matters • Transportation Crimes • Violent Incident Crimes • Victim Witness Assistance • Other Matters • Violent Gangs	Violent Crimes and Major Offenders	• Crimes Against Children • Fugitives • Crimes in Indian Country • Special Jurisdiction Matters • Transportation Crimes • Violent Incident Crimes • Victim Witness Assistance • Other Matters	Violent Crimes	• Crimes Against Children • Fugitives • Crimes in Indian Country • Special Jurisdiction Matters • Transportation Crimes • Violent Incident Crimes • Victim Witness Assistance • Other Matters
No Program	*No Subprograms*	Cyber Crime	• Internet Fraud • Identity Theft • Intellectual Property Rights • Innocent Images National Initiative • Other Matters	Cyber Crime	• Internet Fraud • Identity Theft • Intellectual Property Rights Infringement • Innocent Images National Initiative • Other Matters
Civil Rights	*No Subprograms*	Civil Rights	• Color of Law • Hate Crimes • Freedom of Access to Clinics • Involuntary Servitude & Slavery • Other Matters	Civil Rights	• Color of Law • Hate Crimes • Freedom of Access to Clinics • Involuntary Servitude & Slavery • Other Matters

APPENDIX IV: AGENT UTILIZATION IN FBI INVESTIGATIVE CLASSIFICATIONS

THE TOP 30 FBI INVESTIGATIVE CLASSIFICATIONS EXPERIENCING THE GREATEST *REDUCTIONS* IN AGENT UTILIZATION FISCAL YEARS 2000 THROUGH 2004[73]

Classification Number	Classification Name	AOB Change FYs 2000 - 2004 Number	Percent
281C	OC/DI – Mexican Organizations	-145	-78%
245C	OCDETF – Mexican Organizations	-126	-45%
088A	Unlawful Flight to Avoid Prosecution – Crime of Violence	-117	-69%
281A	OC/DI – LCN and Italian Organizations	-106	-35%
091A	Bank Robbery	-91	-29%
281F	OC/DI – Other Major Criminal Organizations	-90	-83%
196D	Other Wire & Mail Fraud Schemes	-79	-32%
245F	OCDETF – Other Major Criminal Organizations	-71	-62%
245B	OCDETF – Central/South American Organizations	-70	-61%
029C	FIF - $29K - $99,999 Fed-Insured Bank	-61	-82%
281E	OC/DI – Asian Organizations	-56	-47%
281B	OC/DI – Central/South American Organizations	-47	-76%
196A	Telemarketing Fraud	-44	-74%
245D	OCDETF – VCMO – Gangs	-44	-33%
281I	OC/DI – Caribbean Organizations	-43	-75%
209A	Health Care Fraud – Government Sponsored Program	-42	-17%
092C	REI – Mexican Organizations	-36	-85%
026B	ITSMV – Commercial Theft or Chop Shops	-36	-76%
196B	Insurance Fraud	-36	-66%
087B	Interstate Transportation of Stolen Property - $25,000 or more	-34	-64%
245I	OCDETF – Caribbean Organizations	-33	-49%
029B	FIF - $100,000+ Fed Ins. Bank	-33	-12%
015B	TFIS – Loss of $25K; Weapons, Explosives	-27	-77%
209B	Health Care Fraud – Private Ins. Program	-27	-29%
046B	Fraud Against the Government – HUD	-25	-56%
007A	Kidnapping	-23	-48%
282A	Civil Rights – Color of Law – force &/or Violence	-22	-27%
245A	OCDETF – LCN and Italian Organizations	-22	-77%
029K	FIF – (-)$25,000 Ins. Fin. Inst. Not Fast Track	-20	-88%
046H	Fraud Against the Government – Other	-20	-55%

ACRONYMS:
OCDETF = Organized Crime Drug Enforcement Task Force
OC/DI = Organized Crime/Drug Investigations
REI = Racketeering Enterprise Investigation
LCN = La Cosa Nostra
FIF = Financial Institution Fraud
ITSMV = Interstate Transportation of Stolen Motor Vehicles
TFIS = Theft From Interstate Shipment

Source: OIG analysis of FBI TURK data

[73] For this analysis, we excluded investigative classifications that pertained to administrative or miscellaneous matters, as well as those classifications that existed in FY 2000 but not in FY 2004. Additionally, we excluded all investigative classifications related to the FBI's National Foreign Intelligence Program.

APPENDIX IV

THE TOP 30 FBI INVESTIGATIVE CLASSIFICATIONS EXPERIENCING THE GREATEST *INCREASES* IN AGENT UTILIZATION FISCAL YEARS 2000 THROUGH 2004[74]

Classification Number	Classification Name	AOB Change FYs 2000 - 2004 Number	Percent
279A	Use, Possession, Transfer, Production, Transport of WMD	37	447%
300A	CT Preparedness – Special Events	35	57%
166E	ITAR – Violent Gangs	34	16%
305B	IINI – Travelers/Enticement	28	969%
266A	AOT-DT – Violent Crimes-Predicate Offense	26	21%
279B	Threaten or Attempt to Use, Possess, Produce, or Transport WMD	17	2,028%
288B	Computer Intrusions – CT/CI	17	2,967%
089B	Assaulting or Killing a Federal Officer	12	81%
174D	Bomb Technician Activities	11	61%
281J	Criminal Enterprise-OC/DI – Alien Smuggling Investigations	11	530%
031C	White Slave Traffic Act – Sexual Exploitation – Children	9	85%
300B	CT Preparedness – Aviation Security	9	582%
295B	IPR Infringement – Copyright Infringement-Computer Software Matters	9	85%
050	Involuntary Servitude and Slavery	8	180%
174A	Actual & Attempted Bombings & Explosives Violations	8	106%
164C	Crime Aboard Aircraft – All Other	8	272%
306	Serial Killings	7	311%
295C	IPR Infringement – Copyright Infringement – Other Matters	7	92%
305A	IINI – E-Groups/Organizations/Enterprises for Profit	5	5%
272F	Money Laundering – Drugs	4	45%
253C	FRAID – All Other	3	306%
198E	IC Controlled Substance Act	3	60%
198S	IC Rape	3	196%
253A	Fraud & Rel Activity – Passport/Visa/Identity Documents-DT	3	237%
194C	Corruption of State & Local Public Officials – Law Enforcement	2	5%
300C	CT Preparedness – Other	2	16%
194A	Corruption of State and Local Public Officials – State Level	1	2%
205	Foreign Corruption Practices Act of 1977	1	86%
272D	Money Laundering – Unknown SUA	1	19%
266B	AOT-DT – Organized Crime – Predicate Offense	1	71%

ACRONYMS:

WMD = Weapons of Mass Destruction
CT = Counterterrorism
ITAR = International Traffic in Arms Regulations
IINI = Innocent Images National Initiative
AOT = Acts of Terrorism
DT = Domestic Terrorism
CI = Counterintelligence
OC/DI = Organized Crime/Drug Investigations
IPR = Intellectual Property Rights
FRAID = Fraud & Related Activity Identification Documents
IC = Indian Country
SUA = Specified Unlawful Activity

Source: OIG analysis of FBI TURK data

[74] For this analysis, we excluded investigative classifications that pertained to administrative or miscellaneous matters, as well as those classifications that existed in FY 2004 but not in FY 2000. Additionally, we excluded all investigative classifications related to the FBI's National Foreign Intelligence Program.

APPENDIX V: AGENCIES USED IN OIG ANALYSIS OF UNITED STATES ATTORNEY CASE MANAGEMENT DATA

Federal Department and Relevant Components:[75]
Securities and Exchange Commission
U.S. Department of Health and Human Services
Office of Inspector General
U.S. Department of Homeland Security
Bureau of Immigration and Customs Enforcement[76] **U.S. Coast Guard** **U.S. Secret Service**
U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives **Drug Enforcement Administration** **Federal Bureau of Investigation** **U.S. Marshals Service**
U.S. Department of Treasury
Internal Revenue Service
U.S. Environmental Protection Agency
U.S. Postal Inspection Service

[75] The departments and components shown in bold were included in our analyses of United States Attorney Case Management data. We also received and analyzed task force data for each of the agencies shown in bold.

[76] The U.S. Attorneys' Offices continue to separately track data related to the Bureau of Immigration and Customs Enforcement (ICE) according to the former two entities that were combined to form ICE: (1) the Immigration and Naturalization Service and (2) the U.S. Customs Service. We combined the data for these two agencies to derive ICE totals.

APPENDIX VI: CHANGES IN REFERRALS FOR THE CRIMINAL CATEGORIES USED BY THE UNITED STATES ATTORNEYS' OFFICES FISCAL YEARS 2000 AND 2004

VIOLATION CATEGORY	ALL AGENCIES				FBI AND FBI TASK FORCES			
	2000	2004	Number Change	Percent Change	2000	2004	Number Change	Percent Change
Public Corruption								
Federal Corruption – Procurement	47	39	-8	-17%	33	24	-9	-27%
Federal Corruption – Program	73	64	-9	-12%	43	35	-8	-19%
Federal Corruption – Law Enforcement	87	60	-27	-31%	56	31	-25	-45%
Federal Corruption – Other	147	136	-11	-7%	59	48	-11	-19%
State Corruption	115	133	18	16%	98	123	25	26%
Local Corruption	346	293	-53	-15%	326	270	-56	-17%
Other Public Corruption	68	98	30	44%	58	79	21	36%
PUBLIC CORRUPTION TOTAL	**883**	**823**	**-60**	**-7%**	**673**	**610**	**-63**	**-9%**
Government Fraud								
Federal Procurement Fraud	93	50	-43	-46%	68	29	-39	-57%
Federal Program Fraud	407	523	116	29%	239	226	-13	-5%
GOVERNMENT FRAUD TOTAL	**500**	**573**	**73**	**15%**	**307**	**255**	**-52**	**-17%**
Organized Crime								
Organized Crime – Traditional	374	206	-168	-45%	312	168	-144	-46%
Organized Crime – Emerging	171	172	1	1%	139	115	-24	-17%
ORGANIZED CRIME TOTAL	**545**	**378**	**-167**	**-31%**	**451**	**283**	**-168**	**-37%**
Narcotics and Dangerous Drugs								
Drug Trafficking	15,665	15,543	-122	-1%	2,072	1,167	-905	-44%
Simple Drug Possession	658	197	-461	-70%	93	47	-46	-49%
Organized Crime Drug Enforcement Task Force (OCDETF)	4,008	2,628	-1,380	-34%	1,127	485	-642	-57%
NARCOTICS AND DANGEROUS DRUGS TOTAL	**20,331**	**18,368**	**-1,963**	**-10%**	**3,292**	**1,699**	**-1,593**	**-48%**

APPENDIX VI

VIOLATION CATEGORY	ALL AGENCIES				FBI AND FBI TASK FORCES			
	2000	2004	Number Change	Percent Change	2000	2004	Number Change	Percent Change
Triggerlock[77]								
Major Operation Triggerlock Prosecutions	7,329	12,280	4,951	68%	605	561	-44	-7%
Other Operation Triggerlock Prosecutions	3	0	-3	-100%	1	0	-1	-100%
TRIGGERLOCK TOTAL	**7,332**	**12,280**	**4,948**	**67%**	**606**	**561**	**-45**	**-7%**
White Collar Crime								
Tax Fraud	724	878	154	21%	29	29	0	0%
Financial Institution Fraud	4,000	2,299	-1,701	-43%	3,243	1,543	-1,700	-52%
Bankruptcy Fraud	516	260	-256	-50%	490	228	-262	-53%
Advance Fee Schemes	188	134	-54	-29%	140	98	-42	-30%
Other Fraud Against Business	1,005	842	-163	-16%	604	512	-92	-15%
Consumer Fraud	312	276	-36	-12%	215	136	-79	-37%
Securities Fraud	379	287	-92	-24%	291	181	-110	-38%
Commodities Fraud	28	21	-7	-25%	12	16	4	33%
Other Investment Fraud	191	151	-40	-21%	164	118	-46	-28%
Health Care Fraud	824	631	-193	-23%	675	444	-231	-34%
Fraud Against Insurance Providers	215	101	-114	-53%	145	55	-90	-62%
Insider Fraud Against Insurance Providers	24	24	0	0%	20	17	-3	-15%
Multiple Employer Welfare Arrangements (MEWA) Fraud	NA	4	4	-	NA	1	1	-
Telemarketing Fraud	42	26	-16	-38%	31	13	-18	-58%
Corporate Fraud	NA	229	229	-	NA	178	178	-
Other White-Collar Crime/Fraud	1,204	1,105	-99	-8%	720	617	-103	-14%
WHITE-COLLAR CRIME TOTAL	**9,652**	**7,268**	**-2,384**	**-25%**	**6,779**	**4,186**	**-2,593**	**-38%**
Antitrust Violations								
Antitrust – Other	14	6	-8	-57%	10	5	-5	-50%
Antitrust – Airlines	1	1	0	0%	1	0	-1	-100%
Antitrust – Banking	4	2	-2	-50%	4	2	-2	-50%
ANTITRUST TOTAL	**19**	**9**	**-10**	**-53%**	**15**	**7**	**-8**	**-53%**

[77] Triggerlock is a U.S. Department of Justice initiative.

APPENDIX VI

VIOLATION CATEGORY	ALL AGENCIES				FBI AND FBI TASK FORCES			
	2000	2004	Number Change	Percent Change	2000	2004	Number Change	Percent Change
Civil Rights								
Civil Rights – Other	260	154	-106	-41%	248	143	-105	-42%
Civil Rights – Law Enforcement	562	502	-60	-11%	560	495	-65	-12%
Civil Rights – Slavery/Involuntary Servitude	16	55	39	244%	15	36	21	140%
Civil Rights – Racial Violence	133	109	-24	-18%	127	106	-21	-17%
Civil Rights – Access to Clinic Entrances	8	1	-7	-88%	7	1	-6	-86%
Civil Rights – Hate Crimes Arising Out of Terrorist Attacks	NA	13	13	-	NA	12	12	-
CIVIL RIGHTS TOTAL	**979**	**834**	**-145**	**-15%**	**957**	**793**	**-164**	**-17%**
Indian Offenses								
Offenses by or against Indians	942	516	-426	-45%	924	493	-431	-47%
Violent Crime in Indian Country	NA	460	460	-	NA	454	454	-
INDIAN OFFENSES TOTAL	**942**	**976**	**34**	**4%**	**924**	**947**	**23**	**2%**
Labor Management Offense								
Union Official Corruption – Pension Benefit Funds	7	0	-7	-100%	7	0	-7	-100%
Union Official Corruption – Bribery Kickbacks	7	1	-6	-86%	7	1	-6	-86%
Labor Racketeering	4	5	1	25%	4	5	1	25%
Other Labor/Management Offense	15	10	-5	-33%	11	7	-4	-36%
LABOR MANAGEMENT OFFENSE TOTAL	**33**	**16**	**-17**	**-52%**	**29**	**13**	**-16**	**-55%**
Terrorism Related								
International Terrorism	30	288	258	860%	24	257	233	971%
Domestic Terrorism	126	334	208	165%	99	270	171	173%
Terrorism Related Hoaxes	NA	138	138	-	NA	128	128	-
Terrorist Financing	NA	155	155	-	NA	126	126	-
Anti-Terrorism/Environmental	NA	14	14	-	NA	10	10	-
Anti-Terrorism/Identity Theft	NA	42	42	-	NA	21	21	-
Anti-Terrorism/Immigration	NA	237	237	-	NA	49	49	-
Anti-Terrorism/OCDETF Drugs	NA	3	3	-	NA	1	1	-
Anti-Terrorism/Non-OCDETF Drugs	NA	15	15	-	NA	12	12	-
Anti-Terrorism/Violent Crime	NA	62	62	-	NA	54	54	-
Anti-Terrorism/All Others	NA	316	316	-	NA	235	235	-
TERRORISM RELATED TOTAL	**156**	**1,604**	**1,448**	**928%**	**123**	**1,163**	**1,040**	**846%**

APPENDIX VI

VIOLATION CATEGORY	ALL AGENCIES				FBI AND FBI TASK FORCES			
	2000	2004	Number Change	Percent Change	2000	2004	Number Change	Percent Change
Computer Fraud								
Computer Fraud	529	762	233	44%	452	607	155	34%
Computer Fraud TOTAL	**529**	**762**	**233**	**44%**	**452**	**607**	**155**	**34%**
Pornography / Obscenity								
Pornography – Child	1,124	2,521	1,397	124%	756	1,386	630	83%
Obscenity	24	50	26	108%	13	35	22	169%
PORNOGRAPHY / OBSCENITY TOTAL	**1,148**	**2,571**	**1,423**	**124%**	**769**	**1,421**	**652**	**85%**
Other Violations								
Fugitive Matters	1,282	1,082	-200	-16%	923	450	-473	-51%
Bank Robberies	2,058	1,844	-214	-10%	2,019	1,809	-210	-10%
Immigration	15,685	35,120	19,435	124%	54	118	64	119%
Crimes Against Government Property	37	61	24	65%	18	26	8	44%
Embezzlement and Theft of Government Property	194	181	-13	-7%	69	58	-11	-16%
Offenses Involving the Administration of Justice	152	268	116	76%	86	153	67	78%
Theft of Property in Interstate Transportation	445	196	-249	-56%	413	151	-262	-63%
Postal Service Crimes	1,627	1,532	-95	-6%	73	68	-5	-7%
Election Fraud	12	48	36	300%	10	48	38	380%
Motor Vehicle Theft	131	52	-79	-60%	119	40	-79	-66%
Domestic Violence	33	43	10	30%	25	35	10	40%
Internal Security Offenses	45	81	36	80%	27	35	8	30%
All Other Violent Crime	NA	285	285	-	NA	180	180	-
All Other	6,668	4,705	-1,963	-29%	3,812	2,207	-1,605	-42%

* NA signifies a violation category did not exist in FY 2000.

APPENDIX VII: LAW ENFORCEMENT AGENCIES CONTACTED DURING FIELDWORK

Location:	Law Enforcement Agency:	
Chicago, Illinois	FBI	Chicago Field Office
		West Resident Agency (Lisle, Illinois)
	Other Federal Law Enforcement Agencies	ATF Chicago Field Division
		DEA Chicago Field Division
		ICE Chicago Field Division
		USAO for the Northern District of Illinois
		USMS for the Northern District of Illinois
	State and Local Law Enforcement Agencies	Arlington Heights Police Department
		Aurora Police Department
		Chicago Police Department
		Cook County Sheriff's Office
		Elk Grove Village Police Department
		Kane County Sheriff's Office
		Palatine Police Department
		St. Charles Police Department
Los Angeles, California	FBI	Los Angeles Field Office Long Beach Resident Agency
	Other Federal Law Enforcement Agencies	ATF Los Angeles Field Division
		DEA Los Angeles Field Division
		ICE Los Angeles Field Division
		USAO for the Central District of California
		USMS for the Central District of California
	State and Local Law Enforcement Agencies	Buena Park Police Department
		Fullerton Police Department
		Los Angeles Police Department
		Los Angeles County Sheriff's Department
		Pasadena Police Department
		Ventura County District Attorney's Office
		Ventura County Sheriff's Department

APPENDIX VII

Location:	Law Enforcement Agency:	
Miami, Florida	FBI	Miami Field Office
		West Palm Beach Resident Agency
	Other Federal Law Enforcement Agencies	ATF Miami Field Division
		DEA Miami Field Division
		ICE Miami Field Division
		USAO for the Southern District of Florida
		USMS for the Southern District of Florida
	State and Local Law Enforcement Agencies	Boca Raton Police Department
		Fort Lauderdale Police Department
		Hallandale Beach Police Department
		Miami Police Department
		Miami-Dade County Police Department
		Palm Beach Gardens Police Department
		West Palm Beach Police Department
New Orleans, Louisiana	FBI	New Orleans Field Office
		Baton Rouge Resident Agency
	Other Federal Law Enforcement Agencies	ATF New Orleans Field Division
		DEA New Orleans Field Division
		ICE New Orleans Field Division
		USAO for the Eastern District of Louisiana
		USMS for the Eastern District of Louisiana
	State and Local Law Enforcement Agencies	Baton Rouge Police Department
		Bogalusa Police Department
		Jefferson Parish Sheriff's Office
		Louisiana State Police
		New Orleans Police Department
		Slidell Police Department
		West Baton Rouge Sheriff's Office

APPENDIX VII

Location:	Law Enforcement Agency:	
New York City, New York	FBI	New York City Field Office White Plains Resident Agency
	Other Federal Law Enforcement Agencies	ATF New York City Field Division DEA New York City Field Division ICE New York City Field Division OCDETF Strike Force USAO for the Southern District of New York USMS for the Eastern District of New York USMS for the Southern District of New York
	State and Local Law Enforcement Agencies	Amityville Police Department Nassau County Police Department New York City Police Department Old Brookville Police Department Port Chester Police Department Yonkers Police Department
Phoenix, Arizona	FBI	Phoenix Field Office Flagstaff Resident Agency Lake Havasu Resident Agency Sierra Vista Resident Agency Tucson Resident Agency Yuma Resident Agency
	Other Federal Law Enforcement Agencies	ATF Phoenix Field Division DEA Phoenix Field Division ICE Phoenix Field Division USAO for the District of Arizona USMS for the District of Arizona
	State and Local Law Enforcement Agencies[78]	Maricopa County Sheriff's Department Mesa Police Department Phoenix Police Department Scottsdale Police Department Tucson Police Department

[78] During fieldwork, we also conducted a telephonic interview with the Tempe Police Department.

APPENDIX VII

Location:	Law Enforcement Agency:	
San Francisco, California	FBI	San Francisco Field Office
		Oakland Resident Agency
		San Jose Resident Agency
	Other Federal Law Enforcement Agencies	ATF San Francisco Field Division
		DEA San Francisco Field Division
		ICE San Francisco Field Division
		USAO for the Northern District of California
		USMS for the Northern District of California
	State and Local Law Enforcement Agencies	Hayward Police Department
		Mountain View Police Department
		Oakland Police Department
		San Francisco Police Department
		San Jose Police Department
		Santa Clara County Sheriff's Department

APPENDIX VIII: WEB-BASED SURVEY RESULTS

Our web-based survey of state and local law enforcement agencies consisted of 37 questions, which were divided into separate sections. Specifically, some of the segments included questions related to the FBI's investigative assistance, the impact of the FBI's shift in priorities, the survey participants' joint investigations with the FBI, and the level of FBI investigations in each participant's jurisdiction. The remainder of this appendix provides the results of our survey, question-by-question.

FBI Investigative Assistance:

1. During calendar year 2000 (January through December 2000), how many times did your agency request criminal investigative assistance from the FBI?

Available Answer	Number of Responses
0 times	515
1 to 10 times	630
11 to 25 times	69
26 to 50 times	15
51 to 100 times	10
More than 100 times	13
Total Responses	**1,252**

2. During calendar year 2000, on what percentage of your agency's requests was the FBI able to provide criminal investigative assistance?

Available Answer	Number of Responses
0 times	500
1 to 10 times	200
11 to 25 times	41
26 to 50 times	65
51 to 100 times	148
More than 100 times	279
Total Responses	**1,233**

3. During calendar year 2004 (January 2004 to the present), how many times did your agency request criminal investigative assistance from the FBI?

Available Answer	Number of Responses
0 times	480
1 to 10 times	648
11 to 25 times	60
26 to 50 times	27
51 to 100 times	14
More than 100 times	17
Total Responses	**1,246**

4. During calendar year 2004, on what percentage of your agency's requests was the FBI able to provide criminal investigative assistance?

Available Answer	Number of Responses
0 times	481
1 to 10 times	178
11 to 25 times	45
26 to 50 times	72
51 to 100 times	148
More than 100 times	305
Total Responses	**1,229**

Impact of FBI's Shift in Priorities:

Questions 5 through 8 asked respondents to indicate the impact the FBI's shift in priorities had on their investigative operations for certain investigative areas. For each of these questions, respondents were provided with a scaled response ranging from -5 (Very Negative Impact) to +5 (Very Positive Impact). Specifically, an answer of "-5" indicated that an agency had been significantly impaired by the FBI's shift in priorities. For example, an agency experienced severe difficulty in handling the type of investigation listed. In contrast, a response of "+5" signified that an agency had benefited from the FBI's shift in priorities, such as an agency significantly enhancing its operations to successfully address the investigative area in question. An answer of "0" indicated that an agency had continued to operate as it had prior to the FBI's reprioritization and had experienced no change. Finally, a reply of "N/A" denoted that the agency had no involvement in a particular investigative area during the last three years.

5. What impact, if any, has the FBI's shift in priorities during the last three years had on your agency's law enforcement efforts in addressing each of the following types of investigations?

Available Answer	Number of Responses		
	Computer Crime Investigations	Drug Investigations	Organized Crime Investigations
-5 (Very Negative Impact)	12	9	11
-4	3	7	9
-3	10	10	14
-2	24	16	19
-1	31	25	20
0	747	831	738
1	38	31	22
2	27	22	19
3	36	31	23
4	16	14	8
5 (Very Positive Impact)	37	17	11
N/A	253	225	344
Total Responses	**1,234**	**1,238**	**1,238**

Available Answer	Number of Responses		
	Terrorism-Related Investigations	Violent Crime Investigations	White-Collar Crime Investigations
-5 (Very Negative Impact)	4	5	9
-4	3	5	10
-3	1	13	21
-2	4	18	32
-1	4	27	34
0	542	792	747
1	60	31	37
2	78	34	41
3	83	35	31
4	59	19	14
5 (Very Positive Impact)	117	23	18
N/A	279	234	237
Total Responses	**1,234**	**1,236**	**1,231**

6. What impact, if any, has the FBI's shift in priorities during the last three years had on your agency's law enforcement efforts in addressing each of the following violent crime areas?

Available Answer	Number of Responses		
	Bank Robberies	Crimes Against Children	Fugitives
-5 (Very Negative Impact)	11	3	3
-4	8	1	2
-3	28	4	6
-2	35	6	17
-1	46	19	32
0	692	850	774
1	20	26	43
2	13	9	31
3	21	21	28
4	16	13	18
5 (Very Positive Impact)	37	19	23
N/A	305	254	250
Total Responses	**1,232**	**1,225**	**1,227**

Available Answer	Number of Responses		
	Gangs	Hate Crime	Interstate Transportation of Stolen Motor Vehicles
-5 (Very Negative Impact)	1	1	5
-4	2	3	7
-3	5	3	5
-2	8	2	10
-1	23	14	18
0	764	809	763
1	29	21	21
2	27	18	11
3	15	12	11
4	7	4	7
5 (Very Positive Impact)	12	8	6
N/A	337	324	363
Total Responses	**1,230**	**1,219**	**1,227**

APPENDIX VIII

Available Answer	Number of Responses		
	Interstate Transportation of Stolen Property	Major Theft (>$10,000)	Motor Vehicle Theft
-5 (Very Negative Impact)	6	9	4
-4	5	11	5
-3	6	6	4
-2	9	14	6
-1	24	34	26
0	773	803	869
1	18	20	19
2	10	10	9
3	10	10	6
4	4	9	5
5 (Very Positive Impact)	9	8	5
N/A	353	292	267
Total Responses	**1,227**	**1,226**	**1,225**

Available Answer	Number of Responses	
	Theft From Interstate Shipment	Violent Crimes Against Persons
-5 (Very Negative Impact)	5	5
-4	4	5
-3	3	9
-2	4	6
-1	21	31
0	752	818
1	14	31
2	7	26
3	5	19
4	5	9
5 (Very Positive Impact)	2	23
N/A	404	242
Total Responses	**1,226**	**1,224**

7. What impact, if any, has the FBI's shift in priorities during the last three years had on your agency's law enforcement efforts in addressing each of the following white-collar crime areas?

Available Answer	Number of Responses		
	Environmental Crimes	Financial Institution Fraud (< than $100,000)	Financial Institution Fraud (> than $100,000)
-5 (Very Negative Impact)	3	7	3
-4	2	10	7
-3	1	16	8
-2	2	22	17
-1	10	46	23
0	747	744	730
1	12	31	17
2	8	21	13
3	2	13	7
4	1	3	1
5 (Very Positive Impact)	3	11	8
N/A	437	299	394
Total Responses	**1,228**	**1,223**	**1,228**

Available Answer	Number of Responses		
	Insurance Fraud	Identity Theft	Mortgage Fraud
-5 (Very Negative Impact)	3	12	5
-4	2	6	0
-3	7	21	2
-2	12	37	4
-1	21	49	18
0	800	711	755
1	18	63	11
2	7	40	1
3	1	27	2
4	3	7	2
5 (Very Positive Impact)	6	17	3
N/A	349	236	418
Total Responses	**1,229**	**1,226**	**1,221**

Available Answer	Number of Responses	
	Public Corruption	Telemarketing and Wire Fraud
-5 (Very Negative Impact)	3	12
-4	2	2
-3	5	11
-2	4	28
-1	12	28
0	750	729
1	16	36
2	6	17
3	5	11
4	4	6
5 (Very Positive Impact)	6	10
N/A	409	334
Total Responses	**1,222**	**1,224**

8. What impact, if any, has the FBI's shift in priorities during the last three years had on your agency's law enforcement efforts in addressing each of the following types of organized crime/drug organizations?

Available Answer	Number of Responses		
	African Organizations	Asian Organizations	Caribbean Organizations
-5 (Very Negative Impact)	3	2	2
-4	1	1	1
-3	2	5	2
-2	14	4	3
-1	14	14	6
0	676	685	683
1	13	22	15
2	6	4	4
3	7	9	4
4	2	5	2
5 (Very Positive Impact)	6	5	2
N/A	479	468	496
Total Responses	**1,223**	**1,224**	**1,220**

APPENDIX VIII

Available Answer	Number of Responses		
	Central/South American Organizations	Eurasian and Russian Organizations	La Cosa Nostra/ Italian Organizations
-5 (Very Negative Impact)	2	3	3
-4	1	0	0
-3	2	6	5
-2	7	8	5
-1	14	17	10
0	683	684	685
1	23	16	9
2	5	6	2
3	6	4	1
4	1	3	1
5 (Very Positive Impact)	10	5	1
N/A	468	473	501
Total Responses	**1,222**	**1,225**	**1,223**

Available Answer	Number of Responses	
	Mexican Organizations	Other Major Criminal Organizations
-5 (Very Negative Impact)	5	3
-4	4	3
-3	8	5
-2	16	8
-1	26	23
0	665	715
1	31	17
2	8	6
3	14	12
4	4	4
5 (Very Positive Impact)	14	10
N/A	429	415
Total Responses	**1,224**	**1,221**

Joint (Non-Task Force) Investigations with the FBI:

9. During calendar year 2000, approximately how many joint (non-task force) investigations did your agency work with the FBI?

Available Answer	Number of Responses
0 investigations	661
1 to 10 investigations	502
11 to 25 investigations	37
26 to 50 investigations	9
51 to 100 investigations	6
More than 100 investigations	4
Total Responses	**1,219**

10. Comparing calendar years 2000 to 2004, rate the change, if any, in the number of your agency's joint (non-task force investigations with the FBI.

Available Answer	Number of Responses
Significant decrease (greater than 25%)	51
Moderate decrease (10% to 25%)	34
Slight decrease (less than 10%)	50
No change	922
Slight increase (less than 10%)	88
Moderate increase (10% to 25%)	43
Significant increase (greater than 25%)	24
Total Responses	**1,212**

APPENDIX VIII

11. During calendar year 2000, approximately how many joint (non-task force) investigations did your agency work with the FBI in each of the following general investigative areas?

Available Answer	Number of Responses		
	Computer Crime Investigations	Drug Investigations	Organized Crime Investigations
0	894	889	1,030
1-10	276	267	141
11-25	11	17	4
26-50	3	10	2
50-100	1	1	1
More than 100	5	5	3
Total Responses	**1,190**	**1,189**	**1,181**

Available Answer	Number of Responses		
	Terrorism Related Investigations	Violent Crime Investigations	White-Collar Crime Investigations
0	1,006	895	896
1-10	149	255	265
11-25	10	19	11
26-50	2	8	3
50-100	3	3	0
More than 100	4	7	5
Total Responses	**1,174**	**1,187**	**1,180**

12. Comparing calendar years 2000 to 2004, rate the change, if any, in the number of your agency's joint (non-task force) investigations with the FBI in each of the following general investigative areas.

Available Answer	Number of Responses		
	Computer Crime	Drug Investigations	Organized Crime Investigations
Significant Decrease (> 25%)	14	30	14
Moderate Decrease (10%-25%)	17	18	11
Slight Decrease (< 10%)	42	33	27
No Change	1,004	1,041	1,087
Slight Increase (< 10%)	69	41	31
Moderate Increase (10%-25%)	32	23	11
Significant Increase (> 25%)	10	6	3
Total Responses	**1,188**	**1,192**	**1,184**

Available Answer	Number of Responses		
	Terrorism Related Investigations	Violent Crime Investigations	White-Collar Crime Investigations
Significant Decrease (> 25%)	7	12	16
Moderate Decrease (10%-25%)	0	15	13
Slight Decrease (< 10%)	8	40	41
No Change	948	1,035	1,048
Slight Increase (< 10%)	117	61	58
Moderate Increase (10%-25%)	57	15	9
Significant Increase (> 25%)	50	9	3
Total Responses	**1,187**	**1,187**	**1,188**

Level of FBI Investigations in Your Agency's Jurisdiction:

13. Comparing calendar years 2000 to 2004, rate the change, if any, you have observed in the level of investigations conducted by the FBI in your agency's jurisdiction in each of the following general investigative areas.

Available Answer	Number of Responses		
	Computer Crimes Investigations	Drug Investigations	Organized Crime Investigations
Decrease	58	82	37
No Change	887	896	947
Increase	113	76	46
Uncertain	148	150	171
Total Responses	**1,206**	**1,204**	**1,201**

Available Answer	Number of Responses		
	Terrorism Related Investigations	Violent Crime Investigations	White-Collar Crime Investigations
Decrease	3	58	63
No Change	769	934	914
Increase	307	70	61
Uncertain	124	138	158
Total Responses	**1,203**	**1,200**	**1,196**

Availability of FBI Training:

14. Comparing calendar years 2000 to 2004, what level of change, if any, has your agency experienced in the availability of FBI training in the following areas?

Available Answer	Number of Responses	
	Counterterrorism Related Training	Traditional Crime Related Training
Significant Decrease (> 25%)	7	27
Moderate Decrease (10%-25%)	10	49
Slight Decrease (< 10%)	16	58
No Change	487	708
Slight Increase (< 10%)	146	96
Moderate Increase (10%-25%)	186	60
Significant Increase (> 25%)	175	32
Not Applicable	182	183
Total Responses	**1,209**	**1,213**

Joint-Investigative Efforts with Other Federal Law Enforcement Agencies:

15. Comparing calendar years 2000 to 2004, rate the change, if any, in the number of joint (non-task force) investigations between your agency and the following federal law enforcement agencies.

Bureau of Alcohol, Tobacco, Firearms & Explosives (ATF)
Bureau of Immigration and Customs Enforcement (ICE)
Customs and Border Protection (CBP)
Department of Health & Human Services (HHS)
Drug Enforcement Administration (DEA)
Internal Revenue Service (IRS)
U.S. Marshals Service (USMS)
U.S. Postal Inspection Service (USPIS)
U.S. Secret Service (USSS)

	Number of Responses					
Available Answer	**ATF**	**ICE**	**CBP**	**HHS**	**DEA**	**IRS**
Significant Decrease (> 25%)	8	10	14	3	7	4
Moderate Decrease (10%-25%)	11	7	13	3	9	5
Slight Decrease (< 10%)	19	9	23	7	41	14
No Change	641	697	620	748	616	753
Slight Increase (< 10%)	224	92	174	39	173	73
Moderate Increase (10%-25%)	68	33	74	15	95	14
Significant Increase (> 25%)	38	25	38	2	43	1
N/A	198	328	254	380	219	334
Total Responses	**1,207**	**1,201**	**1,210**	**1,197**	**1,203**	**1,198**

	Number of Responses		
Available Answer	**USMS**	**USPIS**	**USSS**
Significant Decrease (> 25%)	1	3	3
Moderate Decrease (10%-25%)	4	4	12
Slight Decrease (< 10%)	14	22	19
No Change	686	650	659
Slight Increase (< 10%)	129	186	180
Moderate Increase (10%-25%)	53	72	73
Significant Increase (> 25%)	28	30	26
N/A	282	234	230
Total Responses	**1,197**	**1,201**	**1,202**

16. During calendar year 2000, if your agency participated in any of the following federal task forces, approximately how many of your agency's officers (Full-Time Equivalents) were assigned each task force and approximately how many investigations did the task force handle?

Text Response – No summary available

17. During calendar year 2004, if your agency participated in any of the following federal task forces, approximately how many of your agency's officers (Full-Time Equivalents) were assigned each task force and approximately how many investigations did the task force handle?

Text Response – No summary available

18. Besides those federal task forces noted in Question 17, are there any other federal task forces that your agency participated in during calendar year 2004 but not during calendar year 2000?

Text Response – No summary available

General Questions About Your Agency:

19. What type of agency do you represent?

Available Answer	Number of Responses
Police Department	942
Sheriff's Department	206
State Law Enforcement Agency	28
Tribal Law Enforcement Agency	9
Other (e.g., airport, railroad, harbor) (Please specify)	32
Total Responses	**1,217**

20. As of January 1, 2000, how many sworn (on-board) officers did your agency have?

Text Response – No summary available

21. As of November 1, 2004, how many sworn (on-board) officers did your agency have?

Text Response – No summary available

22. Per the 2000 Census, what was the size of the population your agency represented?

Available Answer	Number of Responses
Less than 20,000 residents	711
20,000 to 50,000 residents	221
50,001 to 100,000 residents	94
100,001 to 250,000 residents	80
Over 250,000 residents	91
Total Responses	**1,197**

23. Compared to the 2000 Census, rate the change, if any, in the size of the population that your agency currently represents.

Available Answer	Number of Responses
Significant decrease (> than 15%)	16
Moderate decrease (5%-15%)	46
Slight decrease (< than 5%)	113
No change	312
Slight increase (< than 5%)	379
Moderate increase (5%-15%)	230
Significant increase (> than 15%)	98
Total Responses	**1,194**

24. As of January 1, 2000, approximately how much was your agency's annual law enforcement budget, including federal financial assistance?

Text Response – No summary available

25. As of January 1, 2000, approximately how much federal financial assistance did your agency receive for law enforcement matters?

Text Response – No summary available

26. As of January 1, 2004, approximately how much was your agency's annual law enforcement budget, including federal financial assistance?

Text Response – No summary available

27. As of January 1, 2004, approximately how much federal financial assistance did your agency receive for law enforcement matters?

Text Response – No summary available

28. Comparing calendar years 2000 to 2004, how significant was the change in the overall crime rate that occurred within your agency's jurisdiction?

Available Answer	Number of Responses
Very significant decrease (more than 25%)	18
Moderately significant decrease (10%-25%)	99
Slightly significant decrease (0-10%)	228
No change	183
Slightly significant increase (0-10%)	383
Moderately significant increase (10%-25%)	159
Very significant increase (more than 25%)	39
Total Responses	**1,109**

29. Comparing calendar years 2000 to 2004, rate the change, if any, in the number of crimes experienced within your jurisdiction for each of the following categories.

Available Answer	Number of Responses			
	Bank Robberies	Computer Crimes	Drug Crimes	Gang Related Crimes
Significant Decrease (> 25%)	23	6	14	8
Moderate Decrease (10%-25%)	16	6	22	11
Slight Decrease (< 10%)	64	23	64	58
No Change	502	289	277	499
Slight Increase (< 10%)	132	343	326	164
Moderate Increase (10%-25%)	27	169	248	72
Significant Increase (> 25%)	22	75	97	20
N/A	295	165	35	243
Total Responses	**1,081**	**1,076**	**1,083**	**1,075**

APPENDIX VIII

Available Answer	Number of Responses			
	Hate Crimes	Major Thefts	Organized Crime	Public Corruption
Significant Decrease (> 25%)	12	7	2	1
Moderate Decrease (10%-25%)	7	30	3	3
Slight Decrease (< 10%)	26	96	14	19
No Change	657	408	596	581
Slight Increase (< 10%)	75	301	66	55
Moderate Increase (10%-25%)	16	126	14	12
Significant Increase (> 25%)	7	30	3	1
N/A	279	77	378	406
Total Responses	**1,079**	**1,075**	**1,076**	**1,078**

Available Answer	Number of Responses	
	Violent Crimes Against Persons	White-Collar Crime
Significant Decrease (> 25%)	21	2
Moderate Decrease (10%-25%)	41	7
Slight Decrease (< 10%)	134	37
No Change	382	506
Slight Increase (< 10%)	321	217
Moderate Increase (10%-25%)	98	80
Significant Increase (> 25%)	25	42
N/A	60	180
Total Responses	**1,082**	**1,071**

30. In what FBI field office jurisdiction is your agency located?

Available Answer	Number of Responses[79]
Atlanta	174
Chicago	205
Dallas	205
Denver	107
Detroit	218
Los Angeles	77
Miami	36
New Orleans	76
New York City	73
Phoenix	46
San Francisco	75
Washington, D.C.	20
Total Responses	**1,312**

31. With which FBI Resident Agency (RA) does your agency primarily work?

Text Response – No summary available

[79] As previously noted, we received multiple responses from the same agency on a few occasions. The figures in this table reflect the actual number of responses received, including the multiple responses.

Additional Comments:

32. Describe the specific areas (if any) in which the FBI during the past three years changed the level of its: (1) working relationship with your agency, (2) information sharing with your agency, or (3) investigative assistance or support provided to your agency. In particular, consider the following areas when addressing your response: Organized Crime, Drugs, Violent Gangs, White-Collar Crime, Violent Crime, and Bank Robberies.

Text Response – No summary available

33. If possible, please provide specific examples or data that your agency may have to support your response to Question 32.

Text Response – No summary available

34. Describe the impact that the changes described in Question 32 have had on your agency's ability to address criminal activity in your jurisdiction.

Text Response – No summary available

35. If applicable, please provide specific instances in which the FBI was unable to provide investigative assistance to your agency when it was requested over the past three years.

Text Response – No summary available

36. Describe the nature and extent of your law enforcement responsibilities, particularly in the following areas: Organized Crime, Drugs, Violent Gangs, White-Collar Crime, Violent Crime, and Bank Robberies.

Text Response – No summary available

37. What other comments would you like to provide that were not addressed in this survey?

Text Response – No summary available

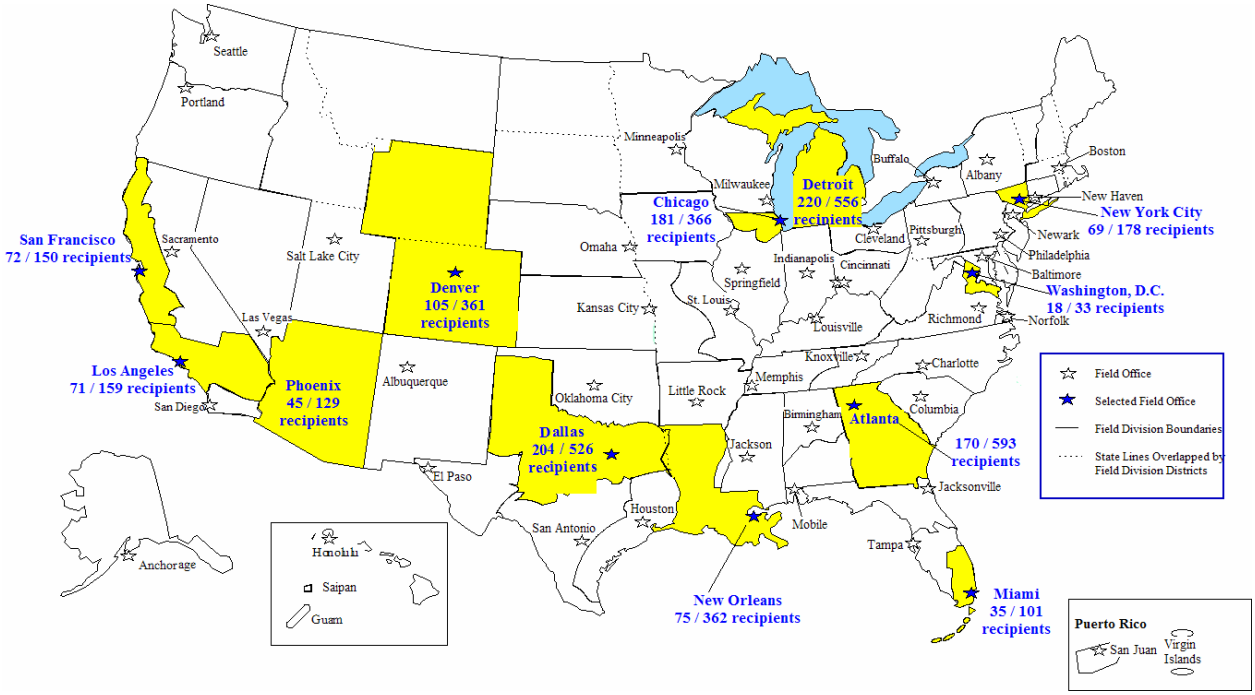
APPENDIX IX: ADDITIONAL SURVEY ANALYSES

In Chapter 4, we identified the overall results of our web-based survey. As noted, these analyses indicated that state and local law enforcement agencies were minimally affected by the FBI's change in investigative priorities. Although the overall results primarily showed no impact on these departments, we performed additional analyses according to distinct criteria. Specifically, we reviewed the responses based upon field office jurisdiction, department size, and population. Each of these analyses mirrored the overall survey results, in other words, there was no significant variation in the outcome due to differing criteria. The following sections provide the results of these further analyses.

Field Office Jurisdictions

As discussed in the report, we disseminated the survey to state and local law enforcement agencies located in the jurisdictional areas of 12 FBI field offices. The following exhibit illustrates these locations, as well as the number of survey participants and recipients within each jurisdiction.

MAP OF SURVEY RECIPIENTS



Source: Office of the Inspector General

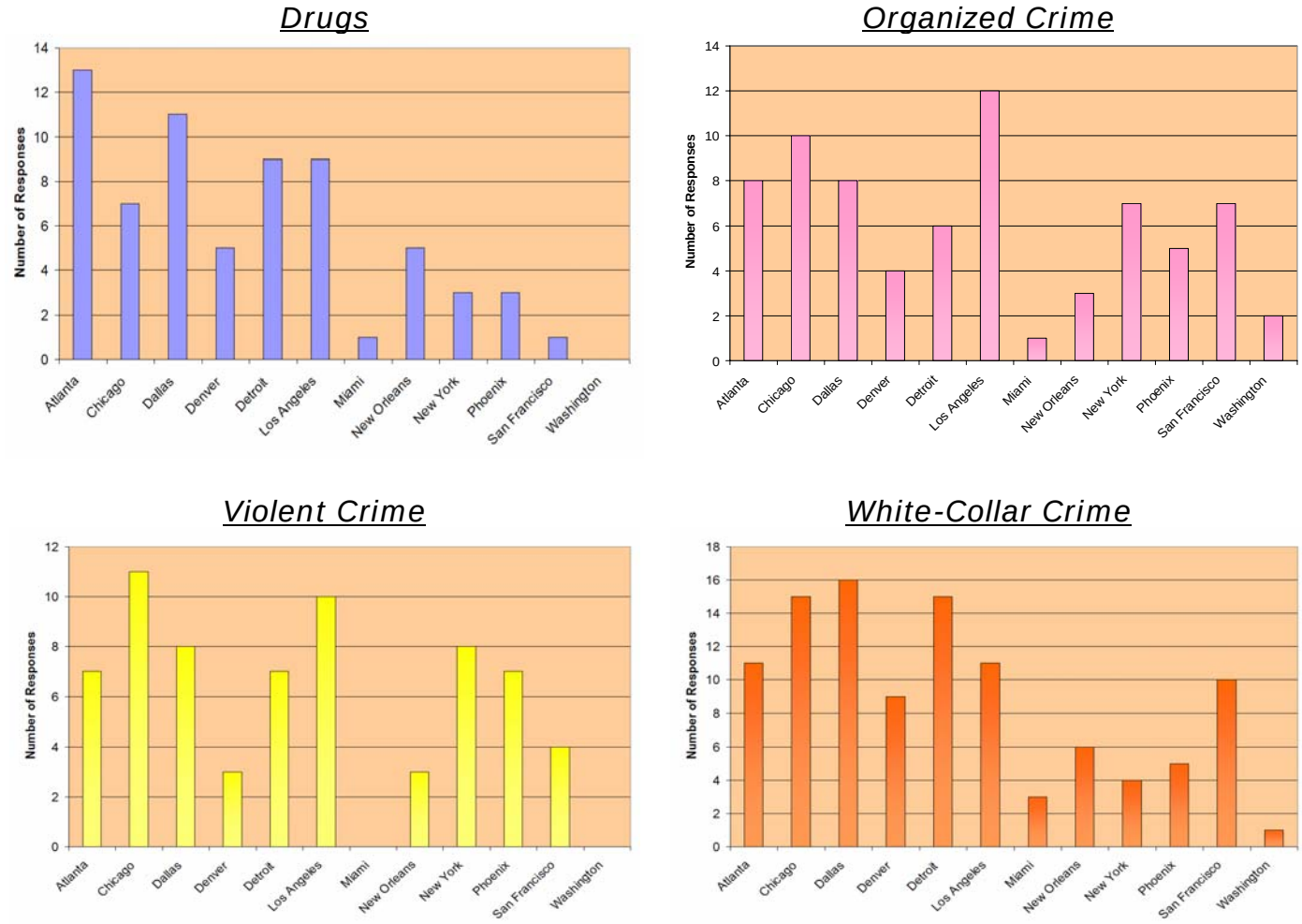
We reviewed the survey data according to the FBI field office jurisdictions in which the respondents were located. We focused on the survey questions that pertained to the impact of the FBI's shift in priorities

during the last three years. Through our analyses, we determined that the majority of respondents within each location were minimally affected by the FBI's reprioritization. As such, we chose to further analyze the negative responses to determine if any locations indicated more of a negative impact than others.

General Traditional Crime Areas

We reviewed the negative responses by field office location in general traditional crime areas. In other words, we looked at the impact the FBI's reprioritization had on the state and local law enforcement agencies' efforts in addressing drugs, organized crime, violent crime, and white-collar crime. The following exhibit illustrates the results of this analysis.

NEGATIVE IMPACT ON TRADITIONAL CRIME AREAS ACCORDING TO FIELD OFFICE LOCATION



Source: OIG analysis of survey responses

For drug-related matters, there were a total of 67 respondents from all 12 jurisdictions that indicated a negative effect on their operations. State and local law enforcement agencies located in the FBI Atlanta Field Office jurisdiction accounted for nearly 20 percent of the negative responses. In contrast, none of the respondents in the FBI Washington, D.C., Field Office jurisdiction noted a negative impact in this crime area.

In the area of organized crime, there were a total of 73 respondents that indicated a negative effect on their operations from the 12 jurisdictions. Two of the 12 locations (Chicago and Los Angeles) comprised over 30 percent of the negative replies.

Similar to organized crime, 21 of the 68 negative responses in violent crime came from agencies located in the Chicago and Los Angeles jurisdictions. Moreover, the jurisdictions of the FBI Miami and Washington, D.C., Field Offices did not disclose any negative effect from the FBI's reprioritization in violent crime matters.

Regarding white-collar crime, we noted that agencies within each jurisdictional area revealed that their operations were negatively affected by the FBI's shift in priorities. Of these four traditional crime areas, white-collar crime matters had the largest overall negative impact with 106 negative responses. Five of the 12 FBI jurisdictional areas (Atlanta, Chicago, Dallas, Detroit, and Los Angeles) comprised over 60 percent of the total negative responses, with the Dallas Field Office accounting for the largest percentage.

Law Enforcement Agency Size

In our survey, 1,171 participants identified their agency's calendar year 2004 sworn-officer level. For our analysis, we judgmentally developed ranges of resource levels to determine if department size had any bearing on the degree to which agencies were negatively affected by the FBI's shift in priorities. The following table provides the number of survey respondents within each range.

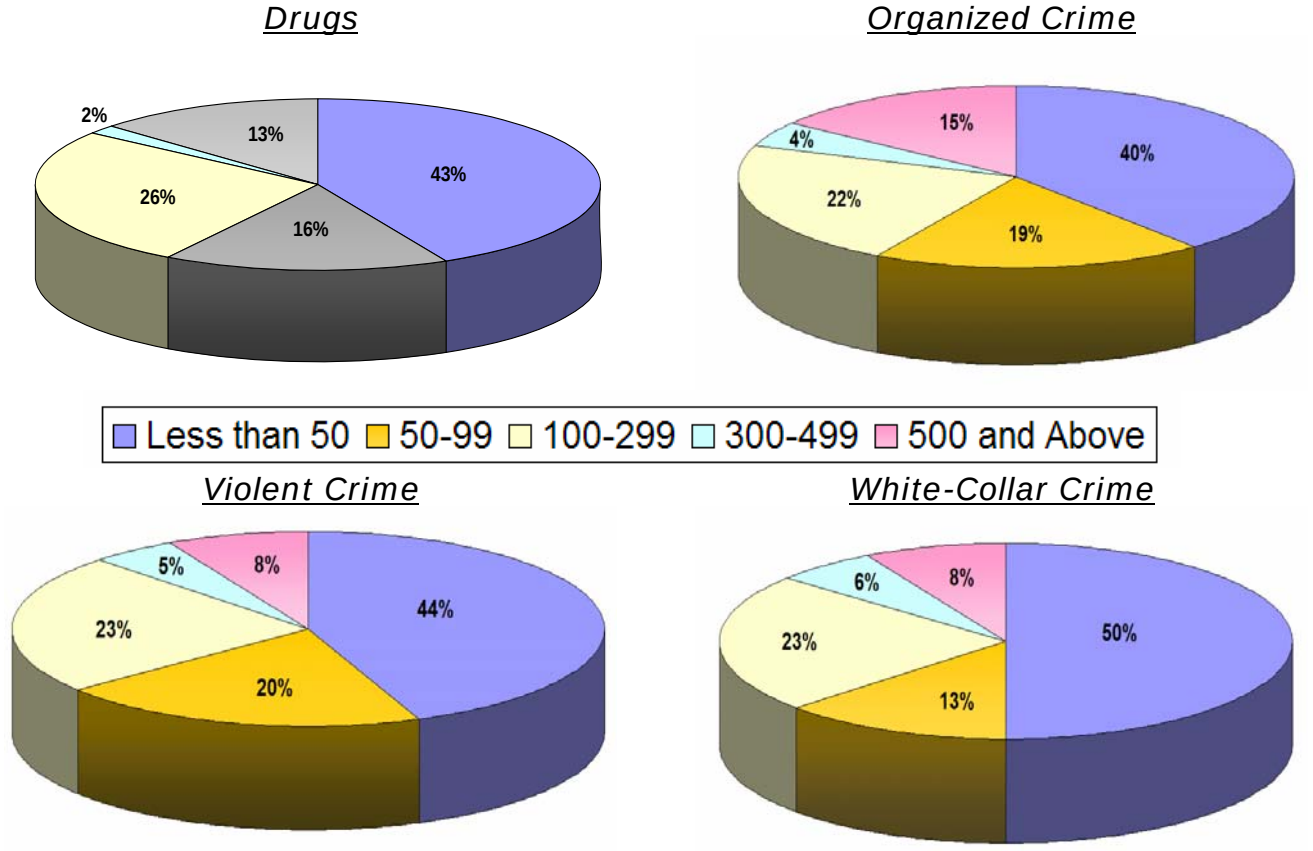
SURVEY RESPONDENTS ACCORDING TO CALENDAR YEAR 2004 SWORN OFFICER LEVELS

Range of Sworn Officers	Number of Respondents
Less than 50	798
50 – 99	178
100 – 299	124
300 – 499	23
500 and Above	48

Source: OIG analysis of survey responses

Within each range, we determined the number of respondents who indicated that agency operations were impaired as a result of the FBI's reprioritization, specifically focusing on the traditional crime areas of drugs, organized crime, violent crime, and white-collar crime. The following graphs illustrate the negative impact on in these four crime areas as they relate to the size of law enforcement agencies.

NEGATIVE IMPACT ON TRADITIONAL CRIME AREAS AS IT RELATES TO LAW ENFORCEMENT AGENCY SIZE



Source: OIG analysis of survey responses

The majority of respondents noting a negative impact on their agency's operations in these criminal areas were those departments with fewer than 50 sworn officers. Those agencies with 100 to 299 sworn officers accounted for the second largest group of negative responses in three of the four investigative areas: organized crime, violent crime, and white-collar crime. In contrast, those departments with 300 to 499 sworn officers or 500 sworn officers and above had the lowest percentage of total negative responses in each of these criminal areas.

Population

We further analyzed the survey responses based upon the population size that each agency serviced. Our survey asked participants the population of their jurisdictional area according to the 2000 Census. This analysis enabled us to determine if population size had any correlation to areas most impacted by the FBI's reprioritization. The following table identifies the number of survey respondents within each population range.

SURVEY RESPONDENTS ACCORDING TO POPULATION SIZE

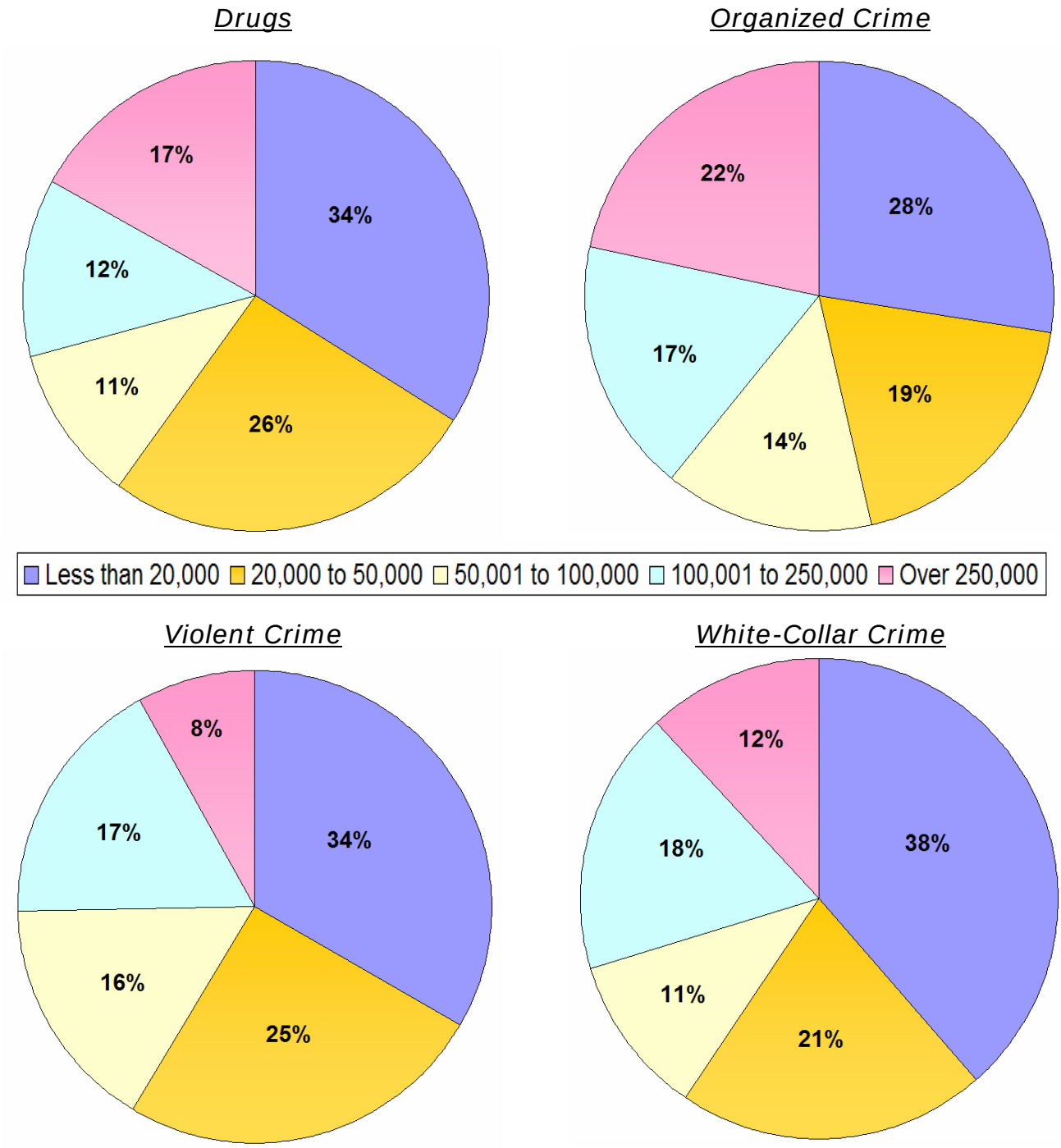
Population Size	Number of Respondents
Less than 20,000	711
20,000 to 50,000	221
50,001 – 100,000	94
100,001 – 250,000	80
Over 250,000	91
Total	**1,197**

Source: OIG analysis of survey responses

This analysis revealed that those agencies located in an area where the population was less than 20,000 experienced the largest impact in each of the 4 traditional crime areas as a result of the FBI's shift in priorities. The second largest demographic negatively affected by the FBI's reprioritization were those locations where the population ranged from 20,000 to 50,000, which occurred in 3 of the 4 crime areas.

APPENDIX IX

NEGATIVE IMPACT ON TRADITIONAL CRIME AREAS ACCORDING TO POPULATION OF LAW ENFORCEMENT AGENCIES' LOCATION



Source: OIG analysis of survey responses

APPENDIX X: LIST OF SURVEY RESPONDENTS

Following are the names of the state and local law enforcement agencies that responded to our survey. The list is categorized according to FBI field office jurisdictional areas. Those names followed by an "*" indicate that more than one response was received from the agency.

ATLANTA, GEORGIA, FBI FIELD OFFICE JURISDICTION

Acworth Police Department
Adairsville Police Department
Albany Police Department
Alma Police Department
Alpharetta Police Department
Aragon Police Department
Arlington Police Department
Atlanta Police Department
Attapulgus Police Department
Austell Police Department
Baldwin County Sheriff's Department
Ball Ground Police Department
Bartow County Sheriff's Office
Berrien County Sheriff's Department
Blairsville Police Department
Bloomingdale Police Department
Brantley County Sheriff's Department
Bremen Police Department
Buchanan Police Department
Bulloch County Sheriff's Office
Cairo Police Department
Calhoun County Sheriff's Department
Calhoun Police Department
Camden County Sheriff's Office
Canon Police Department
Carroll County Sheriff's Department
Carrollton Police Department
Cedartown Police Department
Centerville Police Department
Clarkesville Police Department
Clarkston Police Department
Cleveland Police Department
Climax Police Department
Cobb County Police Department
College Park Police Department
Columbia County Sheriff's Office
Columbus Police Department
Conyers Police Department
Cuthbert Police Department
Claxton Police Department
Clayton County Police Department
Dawson County Sheriff's Department
Decatur Public Safety Department
DeKalb County Police Department*
DeKalb County Sheriff's Office
Donalsonville Police Department
Doraville Police Department
Dougherty County Police Department
Dougherty County Sheriff's Office
Douglas Police Department
Dublin Police Department
Early County Sheriff's Office
East Point Police Department
Effingham County Sheriff's Department
Emerson Police Department
Eton Police Department
Euharlee Police Department
Forsyth County Sheriff's Office
Forsyth Police Department
Fort Gaines Police Department
Fort Valley Police Department
Fort Oglethorpe Police Department
Franklin County Sheriff's Department
Fulton County Police Department

APPENDIX X

Georgia Bureau of Investigation
Georgia Department of Public Safety
Georgia Ports Authority Police Department
Georgia State Patrol*
Glennville Police Department
Glynn County Police Department
Grady County Sheriff's Department
Greene County Sheriff's Office
Greenville Police Department
Grovetown Department of Public Safety
Gwinnett County Police Department
Gwinnett County Sheriff's Department
Hahira Police Department
Hall County Sheriff's Office
Hampton Police Department
Heard County Sheriff's Office
Helen Police Department
Hiawassee Police Department
Hinesville Police Department
Ivey Police Department
Jackson Police Department
Jefferson Police Department
Jeffersonville Police Department
Kingsland Police Department
Lakeland Police Department
Lamar County Sheriff's Office
Lee County Sheriff's Department
Leesburg Police Department
Leslie Police Department
Lilburn Police Department
Lowndes County Sheriff's Office
Ludowici Police Department
Lyons Police Department
Madison County Sheriff's Office
Marshallville Police Department
McDonough Public Safety
McDuffie County Sheriff's Department
McIntyre Police Department
Milledgeville Police Department
Miller County Sheriff's Department
Morgan County Sheriff's Department
Mount Vernon Police Department
Mount Zion Police Department
Muscogee County Sheriff's Office
Nahunta Police Department
Newnan Police Department
Newton County Sheriff's Department
Newton Police Department
Norcross Police Department
Omega Police Department
Oxford Police Department
Palmetto Police Department
Paulding County Sheriff's Office
Peach County Sheriff 's Department
Peachtree City Police Department
Pembroke Police Department
Pierce County Sheriff's Department
Pike County Sheriff's Office
Port Wentworth Police Department
Remerton Police Department
Richmond County Sheriff's Office
Ringgold Police Department
Rochelle Police Department
Rockdale County Sheriff's Office
Rome Police Department
Roswell Police Department
Savannah-Chatham Metropolitan Police Department
Schley County Sheriff's Department
Screven County Sheriff's Office
Smyrna Police Department
Soperton Police Department
Southwest Georgia Regional Airport
Statesboro Police Department
Stone Mountain Park Police Department
Sumter County Sheriff's Office
Suwanee Police Department*
Sycamore Police Department
Sylvania Police Department

Sylvester Police Department
Tattnall County Sheriff's Office
Temple Police Department
Thomaston Police Department
Thomasville Police Department*
Thunderbolt Police Department
Treutlen County Sheriff's Department
Tybee Island Police Department
Tyrone Police Department
Uvalda Police Department
Valdosta Police Department*
Varnell Police Department
Vidalia Police Department
Vienna Police Department
Walker County Sheriff's Department
Warner Robins Police Department
Waverly Hall Police Department
Waynesboro Police Department
West Point Police Department
Whitfield County Sheriff's Department

CHICAGO, ILLINOIS, FBI FIELD OFFICE JURISDICTION

Addison Police Department
Algonquin Police Department
Amtrak National Railroad Passenger Corporation
Antioch Police Department
Arlington Heights Police Department
Aurora Police Department
Bannockburn Police Department
Bartlett Police Department
Bedford Park Police Department
Bellwood Police Department
Belt Railway County of Chicago
Berwyn Police Department
Bolingbrook Police Department
Burnham Police Department
Calumet Park Police Department
Carol Stream Police Department
Chadwick Police Department
Cherry Valley Police Department
Chicago Heights Police Department
Chicago Police Department*
Cicero Police Department
City of McHenry Police Department
Cook County Sheriff's Office
Countryside Police Department
Crestwood Police Department
Crystal Lake Police Department
Darien Police Department
Deerfield Police Department
DeKalb Police Department
Dixon Police Department
Downers Grove Police Department
DuPage County Sheriff's Department
Durand Police Department
Elk Grove Village Police Department
Evanston Police Department
Evergreen Park Police Department
Forest Park Police Department
Fox Lake Police Department
Fox River Grove Police Department
Franklin Grove Police Department
Franklin Park Police Department
Freeport Police Department
Galena Police Department
Geneva Police Department
Gilberts Police Department
Glen Ellyn Police Department
Glendale Heights Police Department
Glenview Illinois Police Department
Glenwood Police Department
Golf Police Department
Grayslake Police Department
Grundy County Sheriff's Office

APPENDIX X

Gurnee Police Department
Harvey Police Department
Harwood Heights Police Department
Hawthorn Woods Police Department
Hazel Crest Police Department
Hickory Hills Police Department
Highland Park Police Department
Highwood Police Department
Hinckley Police Department
Hinsdale Police Department
Hometown Police Department
Homewood Police Department
Huntley Police Department
Illinois State Police
Indian Head Park Police Department
Itasca Police Department
Jo Daviess County Sheriff's Office
Johnsburg Police Department
Justice Police Department
Kane County Sheriff's Department
Kendall County Sheriff's Office
Kenilworth Police Department
Kildeer Police Department
Kingston Police Department
La Grange Police Department
Lake Bluff Police Department
Lake Zurich Police Department
Lansing Police Department
Leland Police Department
Lemont Police Department
Lena Police Department
Libertyville Police Department
Lincolnshire Police Department
Lindenhurst Police Department
Lockport Police Department
Lombard Police Department
Loves Park Police Department
Lyndon Police Department
Lyons Police Department
Mazon Police Department
McCook Police Department
McHenry County Sheriff's Department
Mendota Police Department
Merrionette Park Police Department
Metra Police Department*
Midlothian Police Department
Milledgeville Police Department
Minooka Police Department
Monee Police Department
Morrison Police Department
Mount Carroll Police Department
Mount Prospect Police Department
Mundelein Police Department*
New Lenox Police Department
Norfolk Southern Railroad Police
Norridge Police Department
North Utica Police Department
Northbrook Police Department
Northfield Police Department
Northlake Police Department
Oak Forest Police Department
Oak Lawn Police Department
Oak Park Police Department
Ogle County Sheriff's Department
Oregon Police Department
Orland Hills Police Department
Orland Park Police Department
Oswego Police Department
Ottawa Police Department
Palatine Police Department
Palos Heights Police Department
Palos Hills Police Department
Palos Park Police Department
Park City Police Department
Phoenix Police Department
Posen Police Department
Prospect Heights Police Department
Richton Park Police Department

Riverdale Police Department
River Forest Police Department
River Grove Police Department
Riverside Police Department
Rochelle Police Department
Rock Falls Police Department
Rockdale Police Department
Rockford Police Department*
Rockton Police Department
Rolling Meadows Police Department
Roscoe Police Department
Round Lake Police Department
Schaumburg Police Department
Schiller Park Police Department
Seneca Police Department
Shorewood Police Department
Skokie Police Department
Sleepy Hollow Police Department
South Barrington Police Department
South Beloit Police Department
South Chicago Hts. Police Department
South Elgin Police Department*
St. Charles Police Department
Stephenson County Sheriff's Department
Sterling Police Department
Stickney Police Department
Stockton Police Department
Stone Park Police Department
Streamwood Police Department
Summit Police Department
Tampico Police Department
Tinley Park Police Department
Tonica Police Department
Tower Lakes Police Department
Union Pacific Railroad Police Department
University Park Police Department
Vernon Hills Police Department
Villa Park Police Department
Waukegan Police Department
Wayne Police Department
West Chicago Police Department
West Dundee Police Department
Westchester Police Department
Westmont Police Department
Wheaton Police Department
Willowbrook Police Department
Wilmette Police Department
Winnebago Police Department
Winnetka Police Department
Woodstock Police Department
Zion Police Department

DALLAS, TEXAS, FBI FIELD OFFICE JURISDICTION

Allen Police Department
Alvarado Police Department
Amarillo International Airport Police Department
Amherst Policy Department
Anderson County Sheriff's Office
Angelina County Sheriff's Department
Anson Police Department
Anton Marshal's Office
Archer County Sheriff’s Office
Argyle Police Department
Armstrong County Sheriff's Department
Athens Police Department
Atlanta Police Department
Aubrey Police Department
Ballinger Police Department
Bedford Police Department

APPENDIX X

Bells Police Department
Benbrook Police Department
Blue Mound Police Department
Bonham Police Department
Bovina Police Department
Bowie Police Department
Briscoe County Sheriff's Office
Bullard Police Department
Burkburnett Police Department
Burleson Police Department
Callahan County Sheriff's Department
Caney City Police Department
Canyon Police Department
Carrollton Police Department
Cedar Hill Police Department
Clay County Sheriff's Department
Cleburne Police Department
Cochran County Sheriff's Office
Colleyville Police Department
Collin County Sheriff's Office
Comanche County Sheriff's Office
Coppell Police Department
Corinth Police Department
Corrigan Police Department
Cottle County Sheriff's Department
Crockett Police Department
Dalhart Police Department
Dallas County Constable Pct. 4
Dallas County Hospital District Police Department
Dallas County Sheriff's Office
Dallas Marshal's Office
Dallas Police Department
Dawson County Sheriff's Department
Decatur Police Department
Delta County Sheriff's Office
Denison Police Department
DeSoto Police Department
DFW Airport Police Service
Diboll Police Department
Dublin Police Department
Duncanville Police Department
Early Police Department
Eastland Police Department
East Tawakoni Police Department
Eden Police Department
Edgewood Police Department
Electra Police Department
Ennis Police Department
Euless Police Department
Fisher County Sheriff's Office
Foard County Sheriff's Office
Forest Hill Police Department
Franklin County Sheriff's Department
Friona Police Department
Frisco Police Department
Frost Police Department
Garland Police Department
Garza County Constable's Office
Garza County Sheriff's Department
Glenn Heights Police Department
Godley Police Department
Granbury Police Department
Grand Prairie Police Department
Grand Saline Police Department
Grandview Police Department
Grapevine Police Department
Gray County Sheriff's Office
Grayson County Sheriff's Office
Greenville Texas Police Department
Groveton Police Department
Gun Barrel City Police Department
Gunter Police Department
Hale Center Police Department
Hall County Sheriff's Department
Hamlin Police Department
Hansford County Sheriff's Department
Hartley County Sheriffs' Office
Haskell County Sheriff's Office

APPENDIX X

Hereford Police Department
Hickory Creek Police Department
Highland Park Department of Public Safety
Hood County Sheriff's Office
Hopkins County Sheriff's Office
Houston County Sheriff's Office
Hughes Springs Police Department
Hurst Police Department
Hutchinson County Sheriff's Office
Idalou Police Department
Irion County Sheriff's Office
Irving Police Department
Italy Police Department
Jacksboro Police Department
Jefferson Police Department
Jones County Sheriff's Department
Kaufman Police Department
Kemp Police Department
Kent County Sheriff's Office
Kilgore (TX) Police Department
Knox County Sheriff's Office
Lake Dallas Police Department
Lakeside Police Department
Lake Worth Police Department
Lamesa Police Department
Lancaster Police Department
Leonard Police Department
Little Elm Police Department
Lockney Police Department
Longview Police Department
Lubbock Police Department
Lufkin Police Department
Mabank Police Department
Malakoff Police Department
Marion County Sheriff's Office
Marshall Police Department
Mesquite Police Department
Milford Police Department
Mineral Wells Police Department
Mitchell County Sheriff's Office
Mt. Enterprise Marshal's Office
Murphy Police Department
New Summerfield Police Department
Nolan County Sheriff's Office
North Richland Hills Police Department
Olton Police Department
Ore City Police Department
Ovilla Police Department
Paducah Police Department
Palestine Police Department
Paris Police Department
Parker County Sheriff's Office
Parmer County Sheriff' s Office
Pittsburg Police Department
Plano Police Department
Potter County Sheriff's Office
Princeton Police Department
Randall County Sheriff's Office
Red Oak ISD Police Department
Red Oak Police Department
Reklaw Police Department
Rice Police Department
Rio Vista Police Department
Roanoke Police Department
Roberts County Sheriff's Department
Royse City Police Department
Rusk Police Department
Sabine County Sheriff's Office
Sachse Police Department
Saginaw Police Department
San Angelo Airport Police Department
San Augustine Police Department
Scurry County Sheriff's Office
Seagoville Police Department
Seminole Police Department
Shallowater Police Department
Shelby County Sheriff's Department
Sherman County Sheriff's Office

Sherman Police Department
Slaton Police Department
Snyder Police Department
Sonora Police Department
Southmayd Police Department
Stamford Police Department
Tahoka Police Department
Tarrant County Sheriffs' Department
Taylor County Sheriff's Office
Terrell Police Service
Texas Department of Public Safety
Titus County Sheriff's Office
Tom Green County Sheriff's Office
Tool Police Department
Trenton Police Department
Trinidad Police Department
Tulia Police Department
Tye Police Department
Union Pacific Railroad Police
Valley View Police Department
University Park Police Department
Vernon Police Department
Waxahachie Police Department
White Oak Police Department
Whitesboro Police Department
Whitewright Police Department
Wichita Falls Police Department
Wilmer Police Department
Wise County Sheriff's Office
Wolfforth Police Department
Wood County Sheriff's Office
Yoakum County Sheriff's Office

DENVER, COLORADO, FBI FIELD OFFICE JURISDICTION

COLORADO

Alamosa County Sheriff's Office
Alamosa Police Department
Arapahoe County Sheriff's Office
Archuleta County Sheriff's Department
Aurora Police Department
Basalt Police Department
Bent County Sheriff's Office
Boulder Police Department
Burlington Police Department
Cañon City Police Department
Cedaredge Police Department
Center Police Department
Central City Police Department
Clear Creek County Sheriff's Office
Colorado Bureau of Investigation
Colorado Springs Police Department
Cortez Police Department
Costilla County Sheriff's Office
Craig Police Department
Dacono Police Department
Delta County Sheriff's Office
Denver Police Department
Denver Sheriff Department
Dolores County Sheriff's Office
Durango Police Department
Edgewater Police Department
Evans Police Department
Firestone Police Department
Fort Lupton Police Department
Fort Morgan Police Department
Fountain Police Department
Grand Junction Police Department
Greeley Police Department
Greenwood Village Police Department
Gunnison County Sheriff's Office
Idaho Springs Police Department
Jackson County Sheriff's Office
Jefferson County Sheriff's Office
Kiowa Police Department
Kit Carson County Sheriff's Department
La Junta Police Department
Lakeside Police Department

Lakewood Police Department
Logan County Sheriff's Office
Louisville Police Department
Minturn Police Department
Monte Vista Police Department
Montrose County Sheriff's Office
Montrose Police Department
Nederland Police Department
New Castle Police Department
Olathe Police Department
Otero County Sheriff's Office
Palisade Police Department
Palmer Lake Police Department
Parker Police Department
Pueblo County Sheriff's Office
Pueblo Police Department
San Luis Police Department
Sedgwick County Sheriff's Office
Silt Police Department
Silverthorne Police Department
Simla Police Department
Snowmass Village Police Department
Southern Ute Police Department
Steamboat Springs Police Department
Summit County Sheriff's Office
Teller County Sheriff's Office
Vail Police Department
Walsenburg Police Department
Washington County Sheriff's Department
Weld County Sheriff's Office
Windsor Police Department
Woodland Park Police Department
Yuma County Sheriff's Office
Yuma Police Department

WYOMING

Baggs Police Department
Bairoil Police Department
Basin Police Department
Buffalo Police Department
Byron Police Department
Douglas Police Department
Evanston Police Department
Gillette Police Department
Goshen County Sheriff's Office
Green River Police
Hot Springs County Sheriff's Office
Jackson Police Department
Lander Police Department
Laramie County Sheriff's Department
Lyman Police Department
Mountain View Police Department
Natrona County Sheriff's Office
Park County Sheriff's Office
Platte County Sheriff's Office
Powell Police Department
Riverton Police Department
Sublette County Sheriff's Office*
Sundance Police Department
Uinta County Sheriff's Office
Washakie County Sheriff's Office
Wheatland Police Department
Worland Police Department
Wyoming Division of Criminal Investigation
Wyoming Highway Patrol*

APPENDIX X

DETROIT, MICHIGAN, FBI FIELD OFFICE JURISDICTION

Adrian Police Department
Albion Department of Public Safety
Alcona County Sheriff's Office
Alger County Sheriff's Office
Allegan County Sheriff's Office
Allen Park Police Department
Alma Police Department
Almont Police Department
Arenac County Sheriff's Office
Armada Police Department
Auburn Police Department
Bangor Police Department
Baroda-Lake Township Police Department
Bath Township Police Department
Benzie County Sheriff's Office
Beverly Hills Department of Public Safety
Birch Run Police Department
Birmingham Police Department
Bishop Airport Police Department Of Public Safety
Blackman Township Public Safety
Blissfield Police Department
Boyne City Police Department
Bridgman Police Department
Calumet Village Police Department
Caro Police Department
Caseville Police Department
Cass County Sheriff's Office
Center Line Public Safety Department
Central Lake Police Department
Charlevoix City Police Department
Charlevoix County Sheriff's Office
Cheboygan County Sheriff's Department
Chesterfield Township Police Department
City of Clio Police Department
Clare County Sheriff's Department
Clinton Police Department
CN Railroad Police
Coldwater Police Department
Croswell Police Department
Crystal Falls Police Department
Davison City Police Department
Dearborn Heights Police Department
Delta County Sheriff's Office
Denton Township Police Department
Dowagiac Police Department
Dryden Township Police Department
East Grand Rapids Department of Public Safety
East Lansing Police Department
Eastpointe Police Department
Eaton County Sheriff's Department
Eaton Rapids Police Department
Eau Claire Police Department
Emmett Township Department of Public Safety
Essexville Public Safety Department
Evart Police Department
Farmington Hills Police Department
Farmington Department of Public Safety
Fenton Police Department
Flat Rock Police Department
Flint Township Police Department
Flushing Township Police Department*
Forsyth Police Department
Frankenmuth Police Department
Franklin Police Department

APPENDIX X

Fraser Department of Public Safety

Genesee Township Police Department

Gerald R Ford International Airport Police

Gerrish Township Police Department

Gogebic County Sheriff's Office

Grand Blanc Township Police Department

Grand Ledge Police Department

Grand Traverse Band Tribal Police Department

Grandville Police Department

Grosse Ile Police Department

Grosse Pointe Farms Public Safety

Grosse Pointe Woods Public Safety Department

Hampton Township Police Department

Hamtramck Police Department

Harbor Beach Police Department

Hart Police Department

Hartford Police Department

Hazel Park Police Department

Hillsdale City

Holland Police Department

Homer Police Department

Houghton County Sheriff's Office

Huntington Woods Department of Public Safety

Huron Clinton Metro Parks Authority*

Huron County Sheriff's Office

Ingham County Sheriff's Office

Iron County Sheriff's Office

Iron Mountain Police Department

Ironwood Public Safety Department

Ishpeming Police Department

Jackson County Sheriff's Office

Jackson Police Department

Jonesville Police Department

Kalkaska Police Department

Keego Harbor Police Department

Kentwood Police Department

Keweenaw Bay Tribal Police Department

Lac Vieux Desert Tribal Police Department

Laingsburg Police Department

Lake Angelus Police Department

Lake County Sheriff's Office

Lake Orion Police Department

Lakeview Village Police Department

Lansing Police Department

Lapeer City Police Department

Laurium Police Department

Lawton Police Department

Leoni Township Police Department

Leslie Police Department

Linden Police Department

Litchfield Police Department

Livingston County Sheriff's Office

Livonia Police Department

Luce County Sheriff's Office

Luna Pier Police Department

Mackinaw City Police Department

Madison Heights Police Department

Manistee County Sheriff's Office

Maple Rapids Police Department

Marenisco Township Police Department

Marshall Police Department

Mason Police Department

Metamora Township Police Department

Michigan State Police*

Midland Police Department

Milford Police Department

Millington Police Department

Monroe County Sheriff's Office

Morrice Police Department

Mundy Township Police Department

APPENDIX X

Munising Police Department
Muskegon County Sheriff's Office
Muskegon Police Department
Muskegon Township Police Department
Newaygo Police Department
North Muskegon Police Department
Northfield Township Police Department
Northville Township Police
Norvell Police Department
Oak Park Department Of Public Safety
Oakley Brady Township Police Department
Ontonagon County Sheriff's Office
Orchard Lake Police Department
Oscoda County Sheriff's Department
Oscoda Police Department
Ottawa County Sheriff's Department
Owendale Police Department
Oxford Village Police Department
Paw Paw Police Department
Peck Police Department
Pentwater Police Department
Perry Police Department
Petoskey Department of Public Safety
Pinconning Police Department
Pittsfield Township Department of Public Safety
Plainwell Department of Public Safety
Pontiac Police Department
Port Austin Police Department
Portage Police Department
Richfield Township Police Department
Richland Township Police Department
Riverview Police Department
Rochester Police Department
Rockford Police Department
Romeo Police Department
Roscommon County Sheriff's Office
Rose City Police Department
Roseville Police Department
Saginaw Chippewa Tribal Police Department
Saginaw Police Department
Saginaw Township Police Department
Saint Ignace Police Department
Saline Police Department
Sand Lake Police Department
Sandusky Police Department
Saugatuck Douglas Police Department
Sault Ste. Marie Police Department
Sebewaing Police Department
Shelby Township Police Department
Somerset Township Police Department
South Haven Police Department
South Lyon Police Department
Southfield Police Department
Sparta Police Department
Spring Lake/Ferrysburg Police Department
Springfield Department of Public Safety
St. Clair Shores Police Department
St. Joseph Township Police Department
Sterling Heights Police Department
Suttons Bay Police Department
Tecumseh Police Department
Three Oaks Police Department
Trenton Police Department
Troy Police Department
Tuscarora Township Police Department
Unadilla Township Police Department
Union City Police Department
Unionville Police Department
Utica Police Department
Vernon Police Department
Vicksburg Police Department
Village of Marion Police Department
Warren Police Department
Waterloo Township Police Department
Wayne County Airport Police
Wayne Police Department

West Branch City Police Department
White Cloud Police Department
White Lake Police Department
Wolverine Lake
Wyandotte Police Department
Wyoming Police Department

LOS ANGELES, CALIFORNIA, FBI FIELD OFFICE JURISDICTION

Anaheim Police Department
Arroyo Grande Police Department
Azusa Police Department
Barstow Police Department
Bell Gardens Police Department
Bell Police Department
Blythe Police Department
Brea Police Department
Buena Park Police Department
Burbank Police Department
Burbank-Glendale-Pasadena Airport Authority Police Department
Burlington Northern Santa Fe Railway Police
Cabazon Tribal Police Department
California Bureau of Investigation
Chino Police Department*
City of Long Beach (Airport)
City of Orange Police Department
Colton Police Department
Corona Police Department
Costa Mesa Police Department
Culver City Police Department
Cypress Police Department
Desert Hot Springs Police Department
Downey Police Department
El Monte Police Department
El Segundo Police Department
Fontana Police Department
Fullerton Police Department
Gardena Police Department
Glendale Police Department
Glendora Police Department
Hemet Police Department*
Huntington Park Police Department
Inglewood Police Department
Laguna Beach Police Department
Long Beach Transit
Los Angeles Police Department*
Manhattan Beach Police Department
Monrovia Police Department
Montebello Police Department*
Murrieta Police Department
Newport Beach Police Department
Ontario International Airport Police
Orange County Sheriff's Department
Palm Spring Police Department
Pasadena Police Department
Paso Robles Police Department
Port Hueneme Police Department
Redlands Police Department
Redondo Beach Police Department
Riverside County Sheriff's Department
Riverside Police Department
San Bernardino County Sheriff's Department
San Bernardino County Sheriff's Adelanto Station
San Bernardino Police Department
San Gabriel Police Department
San Luis Obispo Police Department
Santa Ana Police Department
Santa Barbara County Sheriff's Department
Santa Monica Police Department
Seal Beach Police Department
Sierra Madre Police Department

Simi Valley Police Department
South Pasadena Police Department
Torrance Police Department
Tustin Police Department
Upland Police Department
Vernon Police Department
West Covina Police Department
Westminster Police Department*
Whittier Police Department

MIAMI, FLORIDA, FBI FIELD OFFICE JURISDICTION

Atlantis Police Department
Bay Harbor Islands Police Department
Belle Glade Police Department
Boca Raton Police Services Department
Broward County Sheriff's Office
City of Avon Park Police Department
City of Miami Police Department
City of Miramar Police Department
City of Pahokee Police Department
City of West Palm Beach Police Department
Coconut Creek Police Department
Davie Police Department
Delray Beach Police Department
Fort Lauderdale Police Department
Hallandale Beach Police Department
Highland Beach Police Department
Hillsboro Beach Police Department
Hollywood Police Department
Jupiter Island Public Safety Department
Key West Police Department*
Margate Police Department
Medley Police Department
Miami Springs Police Department
Miami-Dade Police Department
Miami-Dade Schools Police Department
North Miami Police Department
North Palm Beach Department of Public Safety
Palm Beach Gardens Police Department
Palm Beach Shores Police Department
Palm Springs Public Safety Department
Pembroke Pines Police Department
Royal Palm Beach Police Department
Stuart Police Department
Sunrise Police
Vero Beach Police Department

NEW ORLEANS, LOUISIANA, FBI FIELD OFFICE JURISDICTION

Abbeville Police Department
Alexandria Police Department
Angie Police Department
Ball Police Department
Baton Rouge Police Department
Beauregard Parish Sheriff's Office
Berwick Police Department
Bogalusa Police Department
Caddo Parish Sheriff's Office
Cameron Parish Sheriff's Office
Clarence Police Department
Clinton Police Department
Dixie Inn Police Department
Dubberly Police Department
East Carroll Sheriff's Office
Eunice Police Department
Fordoche Police Department
Franklin Police Department
Grant Parish Sheriff's Department
Gueydan Police Department

Hammon Police Department
Haughton Police Department
Haynesville Police Department
Houma Police Department*
Iberia Parish Sheriff's Department
Iota Police Department
Jeanerette Police Department
Jefferson Davis Parish Sheriff's Department
Jefferson Parish Sheriff's Office*
Kaplan Police Department
Kentwood Police Department
Lafourche Parish Sheriff's Office
Leesville Police Department
Lincoln Parish Sheriff's Office
Lockport Police Department
Louisiana State Police*
Mandeville Police Department
Marksville Police Department
McNary Police Department
Morehouse Parish Sheriff's Office
Morgan City Police Department*
Natchitoches Parish Sheriff's Office
New Orleans Aviation Board
New Orleans Police Department
Oak Grove Police Department
Ouachita Parish Sheriff's Department
Patterson Police Department
Pineville Police Department
Pointe Coupee Parish Sheriff's Office
Pollock Police Department
Port Barre Police Department
Port of New Orleans Harbor Police Department
Port Vincent Police Department
Rapides Parish Sheriff's Office
Richland Parish Sheriff's Department
Sabine Parish Sheriff's Department
Sarepta Police Department
Scott Police Department
Slaughter Police Department
Slidell Police Department
St. Martin Parish Sheriff's Office
St. Bernard Parish Sheriff's Department
St. Charles Sheriff's Office
St. John the Baptist Parish Sheriff's Office
Sulphur Police Department
Tallulah Police Department
Terrebonne Parish Sheriff's Office
Town of Erath Police Department
Turkey Creek Police Department
Vernon Parish Sheriff's Office
West Baton Rouge Sheriff's Department
West Monroe Police Department
Winnsboro City Police

NEW YORK CITY, NEW YORK, FBI FIELD OFFICE JURISDICTION

Amityville Police Department
Amtrak Police and Security Department
Ardsley Police Department
Briarcliff Manor Police Department
City of Middletown Police Department
City of Rye Police Department
City of Yonkers NY Police Department
Dutchess County Sheriff's Office
East Hampton Town Police Department
Eastchester Police Department
Floral Park Police Department
Garden City Police Department
Greenwood Lake Village Police Department
Harriman Police Department
Hempstead police department
Irvington Police Department

Kensington Village Police Department
Kings Point Police Department
Nassau County Police Department
New Rochelle Police Department
New York City Police Department*
New York State Police Department
Northport Police Department
Ocean Beach Police Department
Old Brookville Police Department
Old Westbury Police Department
Orange County Sheriff's Office*
Pelham Manor Police Department*
Port Chester
Port Jervis Police Department
Port Washington Police District
Putnam County Sheriff's Department
Quogue Village Police Dept
Riverhead Police Department
Rockland County Sheriff's Department
Rye Brook Police Department
Scarsdale Police Department
Sea Gate Police Department
Sleepy Hollow Police Department
Southampton Village Police Department
Southold Town Police Department
Spring Valley Police Department
Stony Point Police Department
Suffolk County Park Police Department
Suffolk County Police Department
Suffolk County Sheriff's Office
Sullivan County Sheriff's Department
Town of Clarkstown Police Department
Town of Cornwall
Town of Deerpark Police Department
Town of East Fishkill Police Department
Town of Fallsburg Police Department
Town of Haverstraw Police Department
Town of North Castle Police Department
Town of Poughkeepsie Police Department
Town of Ramapo Police Department*
Town of Tuxedo Police Department
Village of Bronxville Police Department
Village of Buchanan Police Department
Village of Cold Spring Police
Village of Croton-on-Hudson Police Department
Village of Goshen Police Department
Village of Hastings on Hudson Police Department
Village of Ossining Police Department
Village of Rhinebeck Police Department
Walden Police Department
Wappingers Falls Village Police Department
Westchester County Department of Public Safety*
Yorktown Police Department

PHOENIX, ARIZONA, FBI FIELD OFFICE JURISDICTION

Arizona Department of Public Safety
Benson Police Department
Bullhead City Police Department
Casa Grande Police Department
Chandler Police Department
Chino Valley Police Department
Cochise County Sheriff's Office
Coolidge Police Department
Cottonwood Police Department
Eloy Police Department
Flagstaff Police Department
Fort McDowell Police Department
Gila County Sheriff's Office
Gila River Police Department
Glendale Police Department
Goodyear Police Department
Huachuca City Police Department
Lake Havasu City Police Department

Mammoth Police Department
Marana Police Department
Maricopa County Sheriff's Office
Mesa Police Department
Mohave County Sheriff's Office
Nogales Police Department
Paradise Valley Police Department
Parker Police Department*
Peoria Police Department
Phoenix Police Department
Prescott Police Department
Safford Police Department
Santa Cruz County Sheriff's Office
Scottsdale Police Department
Sedona Police Department
Sierra Vista Police Department
South Tucson Police Department
Springerville Police Department
Superior Police Department
Thatcher Police Department.
Tolleson Police Department
Tucson Airport Police Department
Tucson Police Department
Williams Police Department
Yavapai-Prescott Tribal Police
Youngtown Police Department
Yuma Police Department

SAN FRANCISCO, CALIFORNIA, FBI FIELD OFFICE JURISDICTION

Alameda Contra-Costa Transit District
Alameda County Sheriff's Office/ Dublin Police Services
Alameda County Sheriff's Office
Alameda Police Department
Arcata Police Department
Belmont Police Department
Brentwood Police Department
Broadmoor Police Department
Burlingame Police Department
Campbell Police Department
Capitola Police Department
Carmel Police Department
Concord Police Department
Contra Costa County Sheriff's Office
Cotati Police Department
Crescent City Police Department
Danville Police Department
East Bay Regional Park Police
El Cerrito Police Department
Emeryville Police Department
Fremont Police Department
Gilroy Police Department
Gonzales Police Department
Greenfield Police Department
Half Moon Bay Police Department
Hayward Police Department
Hercules Police Department
Humboldt County Sheriff's Office
Kensington Police Department
Lakeport Police Department
Livermore Police Department
Los Gatos/Monte Sereno Police Department
Marin County Sheriff's Department
Millbrae Police Department
Milpitas Police Department
Monterey Peninsula Airport District Police
Monterey Police Department
Mountain View Police Department
Napa County Sheriff's Department
Napa Police Department

Newark Police Department
Novato Police Department
Office of the Sheriff, Santa Clara Co., West Valley Patrol
Pacific Grove Police Department
Pacifica Police Department
Palo Alto Police Department
Piedmont Police Department
Salinas Police Department*
San Bruno Police Department
San Carlos Police Department
San Francisco Municipal Railway Police and Security
San Francisco Police Department
San Jose Police Department
San Leandro Police Department
San Mateo County Sheriff's Office*
Santa Clara County Sheriff's Office*
Santa Clara Valley Transportation Authority (VTA)
Santa Cruz Police Department
Santa Rosa Police Department
Sausalito Police Department
Scotts Valley Police Department
Sonoma County Sheriff's Department
South San Francisco Police Department
Sunnyvale Public Safety Department
Town of Windsor Police Department
Twin Cities Police Authority
Ukiah Police Department
Union City Police Department
Union Pacific Railroad Police
Walnut Creek Police Department
Willits Police Department
Yurok Department of Public Safety

WASHINGTON, D.C. FBI FIELD OFFICE JURISDICTION[80]

Arlington County Police Department
Arlington County Sheriff's Office
City of Fairfax Police Department
City of Falls Church
District Department of Transportation
Fairfax County Police Department
Fairfax County Sheriff's Office
Falls Church Sheriff's Office
Front Royal Virginia Police Department
Leesburg Police Department
Loudoun County Sheriff's Office
Metro Transit Police Department
Metropolitan Washington Airports Authority
Purcellville Police Department
Quantico Police Department
Stafford County Sheriff's Office
Vienna Police Department
Warren County Sheriff's Office

[80] The jurisdiction of the FBI Washington Field Office includes the District of Columbia and portions of Virginia.

APPENDIX XI: FEDERAL BUREAU OF INVESTIGATION RESPONSE

U.S. Department of Justice

Federal Bureau of Investigation

Washington, D. C. 20535-0001

September 23, 2005

Carol S. Taraszka
Regional Audit Manager
Chicago Regional Office
U.S. Department of Justice
Office of the Inspector General
500 West Madison Street, Suite 3510A
Chicago, IL 60661-2590

RE: OFFICE OF THE INSPECTOR GENERAL'S (OIG) DRAFT AUDIT REPORT ON THE EXTERNAL EFFECTS OF THE FEDERAL BUREAU OF INVESTIGATION'S (FBI) REPRIORITIZATION EFFORTS

Dear Ms. Taraszka:

The FBI has prepared appropriate responses to the recommendations found in the OIG's final draft audit report on "The External Effects of the FBI's Reprioritization" (Enclosure 1). The final draft report and the FBI's responses to the report recommendations have undergone classification review and were found to be unclassified.

There are five sensitivity review forms attached (Enclosures 2-6). Enclosure 6 notifies the OIG that portions of the report (Enclosure 7) are considered law enforcement sensitive. My staff sent copies of Enclosures 6 and 7 to your office by facsimile machine today (September 23, 2005).

APPENDIX XI

Carol S. Taraszka

Please contact Ms. Robin Dinerman of my staff should you have questions. Ms. Dinerman can be reached at (202)324-6389.

Sincerely yours,

Charlene B. Thornton
Assistant Director
Inspection Division

Enclosures(7)

2

APPENDIX XI

FBI RESPONSE TO RECOMMENDATIONS OF THE OFFICE OF THE INSPECTOR GENERAL'S AUDIT OF THE EXTERNAL EFFECTS OF THE FEDERAL BUREAU OF INVESTIGATION'S REPRIORITIZATION EFFORTS

Recommendation 1. We recommend the FBI ensure that it has accurately evaluated its investigative needs and necessary resource levels within each area of the FBI's operations - including both terrorism and non-terrorism related programs - and translate this information into realistic field agent allocations.

FBI Response: The FBI concurs with this recommendation and will continue its efforts to accurately evaluate its investigative needs and necessary resource levels within each area of the FBI's operations - including both terrorism and non-terrorism related programs - and translate this information into realistic field agent allocations.

In order to improve its ability to evaluate accurately its investigative needs and necessary resource levels within each area of the FBI's operations - including both terrorism and non-terrorism related programs - and translate this information into realistic field agent allocations, the FBI established the Strategic Planning and Execution Council in September 2004. This Council developed a strategic plan for the FBI for FYs 2007 - 2011, using the work of subject matter experts and the Directorate of Intelligence to forecast the growing threats the FBI will face in future years. This was the FBI's first attempt to articulate full funding requirements for its "total mission" - intelligence, counterterrorism, counterintelligence, criminal investigative, cyber, and associated law enforcement services, and administrative support segments. The strategic plan specifically addresses the operational requirements of the FBI's mission and proposes a larger, more technically specialized operational workforce managed and deployed to cover forecasted threats to the U.S.

The strategic plan also recognized that the FBI cannot continue to meet additional resource requirements by drawing on the resources of other programs. The FBI's counterterrorism, counterintelligence, intelligence, and criminal investigative responsibilities are additive and these missions can no longer be supported at the expense of the others. The strategic plan forecasts a need to expand the FBI's total workforce by 48% and the Special Agent workforce by 38% by FY 2011 in order to meet the increasingly complex threats facing the FBI. The FBI

forecasted the need to increase its Special Agent workforce in all of its operational/investigative missions - intelligence, counterterrorism, counterintelligence, criminal investigative and cyber.

While the FBI's workforce and budget increased significantly between FY 2000 and 2005, the resource demands of the FBI's national security missions, the creation of a new Cyber Division, and the need to address special events and other immediate needs, such as the aggressive hiring of intelligence analysts, increased at an even greater rate. As a result the FBI was forced to continue to cover these additional resource requirements largely by drawing on resources from other FBI programs, most notably the Criminal Investigative Program. From FY 2000 to FY 2004, the Special Agents dedicated to the Criminal Investigative Program decreased by approximately 33%, from 6,664 in FY 2000 to 4,474 in FY 2004.

In response, the FBI acted decisively and aggressively to address and to minimize, where possible, the negative impact on the FBI and local, state, and federal law enforcement, as well as the general public, caused by the reallocation of 2,190 Special Agents from the Criminal Investigative Program. At the SACs Conference in November 2004 and three Criminal Investigative Program Management Regional Coordination Conferences in FY 2005, the Criminal Investigative Division clearly communicated the priorities of the Criminal Investigative Program and provided detailed guidance on the prioritization and use of those resources to the SACs, ASACs and SSAs responsible for managing those resources. FBI Headquarters and field office Criminal Investigative Program coordinators and managers were provided with a matrix of criminal priorities that provided guidance on how limited Criminal Investigative Program resources should be used to address Public Corruption, Civil Rights, Violent Gangs/Organized Crime/Criminal Enterprises, Financial Crimes and Violent Crimes. Other specific program guidance was also disseminated to the field offices.

One of the first steps undertaken by the FBI to address the dramatic impact of shifting large numbers of skilled personnel to counterterrorism and other higher priorities was the restaffing and rebuilding of our highest priority programs within the Criminal Investigative Program. One of our priorities was to ensure the Public Corruption Program was as robust and aggressive as its importance to our nation demands. Although the OIG noted the FBI dedicated fewer resources to the Public Corruption Program and had fewer case openings in FY 2004

than in FY 2000, that statistic does not fairly depict the FBI's efforts and accomplishments in the Public Corruption Program in FY 2004. By FY 2004, the FBI had substantially rebuilt the Public Corruption program and had only utilized 36 fewer Agents than in FY 2000 (8% less) and opened 15 fewer cases (1.7 % less) than in FY 2000. Despite these slight reductions in personnel resources and case openings, the Public Corruption program had significantly higher statistical accomplishments in FY 2004 than FY 2000, including 102 more convictions.

The re-establishment of the Public Corruption Program as the cornerstone of the FBI's Criminal Investigative Program continued in FY 2005. In FY 2005, the Agents dedicated to the program increased and a Public Corruption Enhancement Initiative was developed and used to conduct an internal assessment to identify those FBI field offices whose Public Corruption Programs would best benefit from an on-site assessment and training. To fully implement this initiative, an experienced team of FBI Headquarters and field personnel were used to begin conducting these assessments. SACs were also advised they would be held personally accountable for ensuring they had an aggressive, robust Public Corruption Program. The data on the Public Corruption Enhancement Initiative was provided to the OIG during their audit and the data on the FY 2005 increases in resources for the Public Corruption program were provided to the OIG immediately following the exit conference on September 13, 2005.

Health Care Fraud is another priority of the FBI that suffered from the redeployment of resources to higher priority areas. However, the underutilization of these resources was corrected in FY 2005. The year-to-date data on the utilization of Health Care Fraud resources in FY 2005 (Funded Staffing Level - 407, Annualized Resource Utilization to date - 403) established that these resources were utilized at the level conveyed to Congress for FY 2005. This data was provided to the OIG immediately following the exit conference on September 13, 2005.

In addition to its internal efforts to maximize the use of its own personnel, the FBI also increased its efforts to more fully leverage its personnel resources by increasing the use of task forces consisting of local, state and federal law enforcement agencies, particularly in its anti-gang efforts. To this end the FBI increased the number of Safe Streets Gang Task Forces from 104 in FY 2004 to 125 during FY 2005, established a

MS-13 National Gang Task Force, and initiated the start up of a National Gang Intelligence Center.

The FBI has undertaken similar, interagency task force efforts in the White Collar Crime field. Over the last nine years the FBI has used 89 Financial Crimes Task Forces, including 25 Health Care Fraud Task Forces and 32 Financial Institution Fraud Task Forces to address the criminal threat in these areas. During this time period, these task forces produced over 1,700 convictions or pretrial diversions and $42 million in fines, $27.7 million in recoveries and $1.5 billion in restitutions.

In the areas of Financial Institution Fraud, Fraud By Wire and Governmental Fraud, the FBI instituted dollar loss case initiation thresholds to prioritize the investigation of these and other financial crimes and manage the best use of limited personnel. These dollar loss thresholds do not preclude field offices from working cases below those thresholds, however, they must obtain FBI Headquarters authorization to do so. This controlled flexibility allows field offices, particularly smaller field offices, to address financial crimes below these thresholds, based on factors such as the impact on the local, regional or national community.

In evaluating its investigative needs and required resource levels the FBI must consider the obvious interrelation and interdependence of its intelligence, counterterrorism, counterintelligence, criminal and cyber programs. Due to the fact that terrorists make use of criminal enterprises and criminal activities to further their interests, the FBI must make use of its criminal investigative program and criminal investigations to enhance the FBI's ability to prevent another terrorist attack. Criminal investigations develop invaluable intelligence and investigations on terrorists, which further identify the United States' vulnerability to attack and directly support the FBI's and the Intelligence Community's counterterrorism, counterintelligence, and cyber efforts. Criminal investigations of drug trafficking, money laundering, fraud, and trafficking in everything from people, cigarettes and counterfeit goods to infant formula have led to the development of invaluable intelligence and investigations on terrorists and their supporters.

Recommendation 2. We recommend the FBI ensure that it accurately conveys to Congress the number of agents it will dedicate to health care fraud using reimbursable funds.

FBI Response: The FBI concurs with this recommendation and accurately conveyed to Congress the number of agents it dedicated to health care fraud using reimbursable funds for FY 2005. The FBI ensured the underutilization of Health Care Fraud resources in FY 2004, as noted by the OIG and the GAO, was corrected in FY 2005. The most recent year-to-date data for FY 2005, on the number of agents dedicated to health care fraud was provided to the DOJ-OIG following the exit conference on September 13, 2005. The Funded Staffing Level reported to Congress for FY 2005, was 407 Agents, and the current annualized resource utilization for Health Care Fraud is 403 (99%). The FBI will continue to convey to Congress the number of agents it will dedicate to Health Care Fraud using reimbursable funds in each forthcoming FY.

Recommendation 3. We recommend the FBI ensure that field offices are coordinating their anti-gang investigative efforts and executing the DOJ anti-gang initiative.

FBI Response: The FBI concurs with this recommendation and will continue its efforts to ensure field offices are coordinating their anti-gang efforts and executing the DOJ anti-gang initiative. The FBI disseminated a policy directive to each FBI field office, dated July 5, 2005, which set forth the FBI's role and responsibility in executing DOJ's anti-gang initiative directive, dated June 17, 2005. A copy of this policy directive was provided to the DOJ-OIG immediately following the exit conference on September 13, 2005. The Assistant Director of the Criminal Investigative Division also summarized the AG's anti-gang strategy and the FBI's role in that strategy for the field office SACs and ASACs during three rounds of regional coordination meetings conducted by the FBI in 2005.

The FBI will continue its other ongoing, nationwide interagency anti-gang coordination efforts, including the National Gang Intelligence Center, the MS-13 National Gang Task Force, and 124 Safe Streets Gang Task Forces. The FBI has welcomed and encouraged the broadest possible participation of local, state and federal law enforcement and intelligence counterparts in these efforts, as well as the use of these efforts to facilitate and enhance communication, information/intelligence sharing, and coordination among its anti-gang counterparts. All of these efforts are critical to the continued implementation of the FBI's National Gang Strategy and the full use of the Enterprise Theory of Investigation to identify, investigate, and dismantle gangs, in the same way the

FBI has worked with local, state and federal law enforcement to successfully dismantle other organized crime groups and criminal enterprises.

Recommendation 4. We recommend the FBI seek to better coordinate fugitive apprehension efforts with the USMS.

FBI Response: The FBI concurs with this recommendation and will continue its efforts to work with the USMS at the national and field office level to better coordinate fugitive apprehension efforts. The Criminal Investigative Division Deputy Assistant Director and Section Chief responsible for the FBI's fugitive program initiated discussions with and then met with the Assistant Director, Deputy Assistant Director and Section Chiefs responsible for the USMS's fugitive program within the last six months in an effort to better coordinate fugitive apprehension efforts with the USMS. FBI field office SACs have also been instructed to seek better coordination of fugitive apprehension efforts with the USMS at Criminal Investigation Program Management Regional Conferences.

Recommendation 5. We recommend the FBI pursue the formation of a multi-agency working group to develop and implement a national strategy to combat identity theft. This group should include, at a minimum, representatives from within the DOJ, including the FBI, as well as the U.S. Postal Inspection Service, the U.S. Secret Service, ICE and local law enforcement.

FBI Response: The FBI concurs with this recommendation and will pursue the formation of a multi-agency working group to develop and implement a national strategy to combat identity theft in conjunction with the DOJ. The FBI has identified approximately 900 cases in FY 2004, in which identity theft was involved. Repeated FBI proposals to establish a National Identity Theft Center were unsuccessful due to a lack of funding.

Recommendation 6. We recommend the FBI continue to work with ICE to develop agreements for coordinating FBI and ICE investigations of human trafficking and alien smuggling, as well as child pornography.

FBI Response: The FBI concurs with this recommendation and will continue its ongoing negotiations with ICE to develop a mutually agreeable Memorandum of Understanding (MOU) to address human trafficking and alien smuggling, as well as child pornography. The most recent drafts of a proposed MOU, dated December 9, 2004, and May 23, 2005, were provided to the DOJ-OIG following

the exit conference on September 13, 2005. The FBI is also a full participant in the Human Smuggling and Trafficking Center which is the principle mechanism for coordinating these investigations.

Recommendation 7. We recommend the FBI pursue regular meetings among law enforcement officials, similar to the meetings held in Phoenix and Chicago, in more jurisdictions.

FBI Response: The FBI concurs with this recommendation and has presented the regular meetings it attends with law enforcement officials in Phoenix and Chicago as a "best practice" to SACs and ASACs and encouraged them to pursue the initiation of similar interagency meetings with their respective United States Attorneys Offices and other local, state and federal investigative and prosecutive counterparts. This will be reinforced at the SACs Conference on September 24, 2005, and in an upcoming communication by the Assistant Director of the Criminal Investigative Division to all SACs.

APPENDIX XII: OFFICE OF THE INSPECTOR GENERAL ANALYSIS AND SUMMARY OF ACTIONS NECESSARY TO CLOSE THE REPORT

In its response to our draft audit report, the FBI concurred with each of our seven recommendations. This appendix provides our analyses of the FBI's responses to our recommendations, including the actions needed to close each.

Recommendation Number:

1. **Resolved.** In its response to our draft report, the FBI concurred with our recommendation to accurately evaluate its investigative needs and necessary resource levels within each area of the FBI's operations and translate this information into realistic field agent allocations. The FBI stated that its establishment of the Strategic Planning and Execution Council (Council) in September 2004 has improved its ability to accurately evaluate investigative needs and necessary resource levels. In particular, the FBI noted that the Council developed a strategic plan for the FBI that forecasts the growing threats facing the FBI in the coming years that articulates the full funding requirements for the FBI's total mission, including intelligence, counterterrorism, counterintelligence, criminal investigative, cyber, law enforcement services, and administrative support.

   In order to close this recommendation, please provide us with the FY 2007 – 2011 strategic plan. In addition, please provide us with the FY 2006 Funded Staffing Levels along with an explanation as to how they were developed in light of the new strategic plan.

2. **Resolved.** The FBI noted that it concurs with our recommendation to accurately convey to Congress the number of agents that the FBI has dedicated to health care fraud matters using reimbursable funds. Further, the FBI stated in its response that it ensured the agent underutilization in health care fraud during FY 2004 was corrected in FY 2005, and noted that the FBI had accurately conveyed the number of field agents dedicated to health care fraud matters to Congress in FY 2005.

   This recommendation can be closed when we are provided evidence that the FBI has conveyed accurate information to Congress regarding the number of agents that the FBI has utilized in health care fraud matters during FY 2006. Specifically, please provide support for the FBI's FY 2006 field agent allocation for health care fraud, as well as

the actual number of FBI agents utilized on health care fraud matters during FY 2006, along with evidence that this information was accurately reported to Congress.

3. **Resolved.** In its response, the FBI concurred with our recommendation to ensure that its field offices were coordinating their anti-gang investigative efforts and executing the DOJ anti-gang initiative. The FBI stated that it will continue promoting its on-going nationwide interagency anti-gang coordination efforts and noted that guidance on the anti-gang initiative was provided to field management during regional coordination meetings conducted by the FBI during FY 2005.

   To close this recommendation, please provide us with support of the guidance provided to field management during the FBI's regional coordination meetings. Additionally, please provide us with evidence of the continuing steps taken by FBI field offices in their interagency anti-gang coordination efforts, such as the existence of multi-agency working groups involved in gang-related investigations or field specific strategies on gang coordination efforts.

4. **Resolved.** The FBI responded that it concurs with our recommendation to seek better coordination with the USMS on fugitive apprehension efforts. The FBI stated that it will seek to improve fugitive coordination efforts with the USMS at the national and field office levels. Specifically, the FBI noted that high-level meetings between the FBI and USMS have taken place during the past 6 months. Further, the FBI's response indicated that FBI field management has been instructed to seek better coordination with the USMS.

   To close this recommendation, please provide us with specific documentation on the FBI's meetings with the USMS related to the coordination of fugitive apprehension efforts, including evidence of on-going discussions and the results of these efforts. Further, please provide us with documentation on the guidance provided to FBI field management related to coordinating efforts with the USMS. In addition, please provide evidence of any improvement in the coordination with the USMS related to fugitive matters.

5. **Resolved.** In responding to our draft report, the FBI concurred with the OIG's recommendation to pursue the formation of a multi-agency working group to develop and implement a national strategy to combat identity theft. The FBI stated that it would work in conjunction with the DOJ in forming this working group.

This recommendation can be closed by providing us with evidence on the FBI's efforts in forming a multi-agency working group and implementing a national strategy to combat identity theft.

6. **Resolved.** The FBI concurs with our recommendation to continue working with ICE to establish agreements for coordinating FBI and ICE investigations of alien smuggling and human trafficking, as well as child pornography. The FBI commented that it has drafted memoranda of understanding (MOU) on these crime areas and will work with ICE to finalize these MOUs. Further, the FBI noted that it participates in the Human Smuggling and Trafficking Center, which is the principle mechanism for coordinating such investigations.

   To close this recommendation, please provide us with documentation on the Human Smuggling and Trafficking Center, including the FBI's participation in this endeavor. Further, please provide us with support of the FBI's on-going efforts to develop mutual agreements with ICE on investigations of alien smuggling and human trafficking, as well as child pornography. Additionally, please provide us copies of the final MOUs between the FBI and ICE on these investigative matters.

7. **Resolved.** In its response to our draft report, the FBI concurred with our recommendation on pursuing regular meetings among law enforcement officials at the field office level, similar to those currently held in Phoenix and Chicago. The FBI noted that its field management was made aware of these meetings and will continue to provide guidance on such meetings in upcoming communications.

   In order to close this recommendation, please provide us with the FBI's instruction to field management on pursuing regular meetings among law enforcement officials. Moreover, please provide examples of FBI field offices' efforts in conducting such meetings.