DEPARTMENT OF JUSTICE
FEDERAL MANAGERS= FINANCIAL INTEGRITY ACT
CORRECTIVE ACTION REPORTS

for

FY 2002

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U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule	**First Quarter Update:**
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Issue Title Prison Crowding	**Issue ID** 1985-6201	**Organization** Bureau of Prisons

Date First Initiated 1985	**Original Target for Completion** 09/95	**Current Target for Completion** 09/07	**Actual Date of Completion**	**Issue Type (Organization Rating)** Material Weakness
Source Title BOP			**Date of Source Report** 1985	**Issue Type (DOJ Rating)** Material Weakness

Issue Description

In 1985 the Bureau's Executive Staff recognized crowding as a material weakness. The crowding rate grew through 1990 to a high of 69% over the Bureau's rated capacity. As of September 30, 2002, the crowding rate was 33% over rated capacity. The Bureau continues to rely on funding for contract beds and the construction of additional federal facilities to keep pace with a growing inmate population and to gradually reduce our crowding rate, thereby ensuring the manageable operation of the system.

The total Federal Prison Population was 163,436 as of September 30, 2002, reflecting an increase of 6,864 for FY 2002.

We project the total Bureau population will continue to grow and should reach 192,941 by September 30, 2007. Through the construction of new facilities and expansion projects at existing institutions, our Long Range Capacity Plan projects a rated capacity of 127,920 beds by September 30, 2007. Should new construction and expansion plans continue through FY 2007 as planned, crowding is projected to be 33% over the projected rated capacity.

What We Will Do About It

Increase the number of beds in the Bureau to keep pace with the projected increases in the federal inmate population. Efforts to reach this goal include expanding existing institutions, acquiring surplus properties for conversion to correctional facilities, constructing new institutions, utilizing contract facilities and expanding the use of contract beds, and exploring alternative options of confinement for appropriate cases.

Milestone C: The projections have changed since publication of the FY 2001 Federal Managers= Financial Integrity Act Corrective Action Reports (included as Appendix G in the FY 2001 Accountability Report). This is due to updated data from the Administrative Office of the U.S. Courts, which has indicated that, while the federal inmate population will continue to increase, the rate of growth will be somewhat slower. The decline in projected inmate population is a result of a reduction in both immigration and drug cases, as well as final absorption into the BOP of the District of Columbia sentenced felon population as mandated by the National Capital Revitalization Act of 1997.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
A. Completed Actions/Events As of September 30, 2002, the Bureau=s population reached 137,527 and was being housed in capacity of 103,262, resulting in a crowding rate of 33%.	09/02		09/02
B. Short Term (10/02 - 10/03) Planning estimates call for a rated capacity of 107,463 to be reached by close of FY 2003. The crowding rate is projected to be 34% at that time, an increase of 1% for the year.	09/03		
C. Longer Term (10/03 and beyond) Focus the use of limited Community Corrections Center resources to provide relief, as appropriate, to facilities housing low and medium security inmates. The information below represents inmates housed in Bureau operated facilities. September 30, 2004 Inmate Population: 151,775 Rated Capacity: 115,941 Crowding Rate: 31% September 30, 2005 Inmate Population: 160,038 Rated Capacity: 121,294 Crowding Rate: 32% September 30, 2006 Inmate Population: 165,279 Rated Capacity: 124,624 Crowding Rate: 33% September 30, 2007 Inmate Population: 170,478 Rated Capacity: 127,920 Crowding Rate: 33%	09/93 09/04 09/05 09/06 09/07	09/03	

How We Will Know It Is Fixed

Results are measured as a new institution or expansion project is activated or contract beds are obtained and resulting increases in rated capacity are established. A corresponding decrease in the crowding percentage rate will also be a tangible measurement of the results. Progress on construction projects at new and existing facilities can be validated via on-site inspections of each facility or by review of monthly construction progress reports.

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Issue Title		Issue ID	Organization
Detention Space and Infrastructure		1989-6401	Office of Detention Trustee; U.S. Marshals Service; Immigration and Naturalization Service

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)
09/30/89	09/30/92	01/30/03		Material Weakness

Source Title		Date of Source Report	Issue Type (DOJ Rating)
			Material Weakness

Issue Description

Detention space for the United States Marshals Service (USMS) and the Immigration and Naturalization Service (INS) has been a management challenge since 1989. Both agencies are experiencing rapid growth in their use of detention space, from an average of 31,966 beds in 1996 to a projected 64,800 beds in 2003. (The actual number of detainees in the custody of the USMS and the INS on September 30, 2002, was 63,779.) The USMS is experiencing a shortage of detention space near federal court cities, resulting in the need to transport prisoners to other distant facilities, often in other states. The INS apprehends 1.6 million illegal aliens annually. The INS has some discretion on who it detains; however, because of statutory changes enacted by Congress in 1996, INS is required to detain certain aliens until their removal. This results in the detention of more aliens who previously could have been released on bond pending the outcome of their removal proceedings. It is the INS= experience that the vast majority of non-detained aliens do not appear for their removal hearings and/or do not surrender for removal after a final order of removal has been issued. Therefore, detention is an effective tool to ensure participation in removal proceedings and compliance with removal orders. This expanding need for detention space places increasingly heavy demands on the INS and USMS infrastructure, including transportation, buildings, communications equipment, and staff. This also increases concerns related to health and safety of detainees and USMS and INS employees.

What We Will Do About It

To deal with this multi-agency issue, the Department of Justice (Department) created a Detention Planning Committee which, in turn, developed a multi-year Federal Detention Plan. The Department worked with the USMS, INS, and the Bureau of Prisons to update this plan in February 2000. In addition, the Department appointed a Detention Trustee in FY 2001 and established the Office of the Detention Trustee (ODT). The Detention Trustee is now responsible for oversight and management of many multi-agency issues related to detention.

The USMS will maintain and expand the use of state and local jail space through the use of Interagency Agreements (IGAs), the Cooperative Agreement Program, and the recently expanded contract authority for service contracts for contract beds.

Previously, the USMS planned to establish detention management and oversight positions at contract jails housing 200 or more USMS prisoners (this plan was identified as milestone #4 in previous reports). ODT supported this plan, in keeping with the stated office mission. At this time, ODT does not have the authority to request employees on behalf of USMS to further this goal. ODT is in the process of changing the current policy so that ODT employees can perform this function in detention facilities identified by USMS. Until the current policy has been changed, this plan has been tabled until manpower and resources become available. ODT has completed conditions of confinement reviews of 40 facilities. Additional funding for conditions of confinement reviews was requested for FY 2003.

The INS will pursue alternatives to detention and less restrictive detention options in the coming years. INS is committed to ensuring that, to the greatest extent possible, detained aliens are placed in facilities appropriate to their background and circumstance. INS will continue to review the management of the Detention and Removal Program via the INS Program for Excellence and Comprehensive Tracking (INSpect) and through the newly created Operations Analysis, Training, and Compliance Division. The scope of the review includes facility issues, security and control, detainee conduct and detainee services, transportation and escort, and docket control.

Regarding milestone #3, INS has created a robust detention bed space projection model, in conjunction with an experienced Department contractor. This model will help INS manage resources and forecast bed space requirements. The model is district based and will assist the INS in the justification of needed staff, budget, and construction requests. These efforts will contribute to the Departmentwide model.

Regarding milestone #4, ODT did not receive the money to complete the project in November 2002, so the target date has been pushed back 2 months.

Regarding milestone #5, the baseline report and needs assessment was completed in May and was submitted to OMB on 06/30/02; however, submission to Congress was delayed due to publishing issues after departmental review.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Establish a Detention Trustee.	09/30/01	09/30/01	09/30/01
2. Expand the current 5-year contract authority for Service Contracts. (Public Law 106-553)	09/30/99	11/30/00	12/21/00
3. Create a more encompassing model for projecting detainee population. (INS)	05/30/01	05/30/01	07/30/01
4. (Previously milestone 5). Establish an oversight team to handle privatization issues and private jail contracts. (ODT)	11/30/99	01/30/03	
5. (Previously milestone 6). Complete a needs assessment and develop a baseline report. (ODT)	05/05/02	05/05/02	07/30/02

How We Will Know It Is Fixed

(1) There will be sufficient bed space capacity to house criminal defendants and illegal aliens in each federal court city (including EOIR locations) without unwarranted transportation by the USMS and INS.

(2) there will be consolidated detention planning that ensures that detention bed space is acquired in a cost-efficient manner that leverages the combined needs of the USMS and INS.

(3) a data system will be established that identifies available bed space for use by federal law enforcement, particularly the USMS and INS.

(4) implementation of national standards that are applicable to all space providers and achievement of a high level of compliance with those standards.

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	First Quarter Update:	
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	End of Year Report:	12/02/02

Issue Title				Issue ID	Organization
Computer Security Implementation					Department

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)	
10/01/02	12/30/04	12/30/04		Material Weakness	

Source Title			Date of Source Report	Issue Type (DOJ Rating)	
				Material Weakness	

Issue Description

Financial and Security Act audits and reviews conducted by the Department≤s Inspector General and independent verification and validation (IV&V) reviews, penetration testing, self assessments, and certifications and accreditations continue to identify weaknesses in both classified systems and sensitive but unclassified (SBU) systems. Specific concerns include issues with management, operational, and technical controls that protect each system and the data stored on it from unauthorized use, loss, or modification. Because technical controls prevent unauthorized system access, the Department≤s OIG concluded that the vulnerabilities noted in those areas were most significant. The most common vulnerability was with security standards and procedures, and password and logon management. Due to insufficient common standards and inadequate Department oversight, components have been given broad abilities to implement controls and too much latitude in establishing system settings. Additionally, vulnerabilities identified are more voluminous in the Department≤s legacy networks and infrastructures.

What We Will Do About It

To address repeatable weaknesses in the Department≤s implementation of computer security controls, the Chief Information Officer (CIO) released the Department≤s Information Technology Strategic Plan in July 2002. The plan outlines how the Department is strengthening and refocusing its information technology (IT) program to meet the Department≤s new counterterrorism mission and support the achievement of its strategic goals. Under the auspices of the Department CIO, an Information Security Staff will be created and managed by a senior executive with the responsibility for implementing the Department≤s IT security program through the development of standards, procedures, and guidance to ensure compliance with applicable Department, federal, and national security policies and directives and industry best practices. In addition, this Staff will ensure that component classified and SBU systems have implemented the appropriate IT security controls and shall be responsible for ensuring that components identify corrective plans of action and milestones when the security controls are not met and for monitoring of these corrective action plans. In the past year, the Department has made significant progress in strengthening the Department≤s IT Security Program and in implementing the requirements of the Security Act. These accomplishments include:

$ Appointing a CIO with a broad mandate to provide Departmentwide leadership in the IT arena, including security;

$ Developing an IT Strategic Plan that sets forth a vision and specific initiatives for enhancing information security;

$ Continuing implementation and refinement of a departmental system for tracking all IT security weaknesses and corrective actions;

$	Integrating security fully into other IT management processes, such as capital planning;
$	Developing the Department=s Security Act Report, which includes individual assessments of over 150 systems;
$	Awarding a contract for IV&V of component IT system security controls and initiating several tasks against the contract;
$	Initiating a project to define requirements for a Departmentwide public key infrastructure (PKI) program; and
$	Initiating a project to define requirements for a Departmentwide security architecture.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Establish a centralized Information Security Staff, reporting directly to the Department CIO, with responsibility for ensuring the appropriate security controls are implemented in the Department=s classified and SBU systems.	12/02	01/03	
2. Develop minimum IT security standards for implementation of security controls for the Department=s classified and SBU systems. 12 standards have been identified.	01/03	01/03	
3. Develop and document the Department=s IT security architecture at a high level that will be integrated into the Department=s enterprise architecture. The high level IT security architecture will provide for increased information sharing and will include boundary protection requirements, network requirements, and PKI architecture.	09/03 (version 1.0)	09/03 (version 1.0)	
4. Plan, design and deploy a Departmentwide PKI. Establish a Project Management Office to manage the program and to coordinate with component initiatives.	03/03 (PKI plan, design, and requirements) 12/03 (pilot) 12/04 (deployment)	03/03 (PKI plan, design, and requirements) 12/03 (pilot) 12/04 (deployment)	
5. Increase oversight and monitoring by enhancing and deploying to components the Security Management and Reporting Tool (SMART) that tracks all known vulnerabilities, weaknesses, and corrective actions. Expand oversight activities to include classified systems.	02/03 03/03	02/03 03/03	
6. Develop and begin implementing a Departmentwide (with the exception of the FBI) web-based security awareness training tool.	01/03	01/03	
7. Identify common solutions and automated tools to monitor security compliance of network and system parameters and identify vulnerabilities.	09/03 12/04 (implement)	09/03 12/04 (implement)	

How We Will Know It Is Fixed

By continuing to evolve the IT security program and meet the CIO=s IT strategic initiatives, we will be able to effectively implement IT security controls, reduce the number of vulnerabilities and repeat OIG findings, provide for greater trust of the Department=s systems, and further enable information sharing and collaboration.

	Date of Submission
U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule	**First Quarter Update:**
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Issue Title	**Issue ID**	**Organization**
Monitoring of Alien Overstays	1997-4810	Immigration and Naturalization Service

Date First Initiated	**Original Target for Completion**	**Current Target for Completion**	**Actual Date of Completion**	**Issue Type (Organization Rating)**
10/01/97	10/31/98	10/31/03		Material Weakness

Source Title	**Date of Source Report**	**Issue Type (DOJ Rating)**
OIG Inspection Report I-97-08	09/97	Material Weakness

Issue Description

In September 1997, the Office of the Inspector General (OIG) issued an inspection report on the Immigration and Naturalization Service=s (INS) Monitoring of Nonimmigrant Overstays. The report found that, although nonimmigrant overstays (i.e., foreign visitors who legally enter the United States and then do not leave) comprise a significant percentage of the illegal alien population in the United States, the INS has insufficient systems to compile information on the overstay population, and lacks an enforcement policy that specifically targets the overstay population. In its response to the final inspection report, the INS will outline the steps that it will take to implement the recommendations contained in the report.

What We Will Do About It

Public Law 106-396, the Visa Waiver Program Act, requires the Attorney General to develop and implement an automated entry/exit control system to collect the arrival and departure record for each Visa Waiver Permanent Program (VWPP) passenger admitted at a U.S. air or sea port-of-entry by October 1, 2002. The INS is in the process of developing an integrated system that will capture both arrival and departure information of aliens entering the United States. The INS intends to meet the deadline for the new system, the Arrival/Departure Information System (ADIS) as mandated by P.L. 106-396. ADIS will be used as the repository for the arrival and departure information. This system, once fully operational, will replace the legacy Nonimmigrant Information System (NIIS). We are reviewing systems, including the Interagency Border Inspections System, to serve as the collection platform for ADIS. When ADIS is operational, the Department of State will be provided access.

October 2002 Update

The Visa Waiver Program Entry-Exit System (VWP EES) was implemented on October 1, 2002. Both NIIS and the VWP EES will be used simultaneously while an evaluation of the viability of VWP EES is completed. Since ADIS is the database which houses the data for VWP EES, the completion of the evaluation is essential to the expansion of the use of VWP EES and then the provision of overstay information to the Department of State. The VWP EES was developed in response to the new requirements in P.L. 106-396.

Congress has mandated a comprehensive entry-exit system by 2005. The National Security Entry-Exit Registration System (NSEERS) is the program being implemented to meet that mandate. It is being implemented in two phases in order to address the most serious threats to the United States. Phase One, NSEERS enrollment at ports-of-entry, began on September 11, 2002. Phase Two, NSEERS enrollment inside the U.S. borders, began on December 16, 2002.

Milestone 1 has been split into two milestones (see new Milestone 7) due to P.L. 106-396. Prior to this new law, INS was planning to either improve the current NIIS data or replace NIIS with another system. INS had improved the NIIS data, and, thus, considered this milestone closed.

Milestone 2 no longer contains the language regarding the proposed rule because recent legislation has negated a need for a change to the existing rule 8 CFR 231. However, training was completed as of October 2001, and the CD-ROMs of the ΛEasy Come/Easy Go@ training module were distributed on November 19, 2001.

Milestone 5, although met in 1998, has been overtaken by publication of the rule on November 11, 2002, of the Visa Waiver Program.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Take action to improve upon the current NIIS data (disseminate guidance addressing data quality of I-94's and timeliness of data input).	02/27/98	01/31/01	07/01/01
2. Develop a training module as part of the Carrier Consultant Program that addresses carrier requirements for submitting departure documents (I-94=s).	04/30/98		10/22/01
3. Analyze overstay data and design a process to obtain accurate information of air and sea arrivals.	06/30/98		07/28/98
4. Provide complete and current information on alien overstays to the Department of State to screen visa applicants.	07/31/98	10/31/03	
5. Establish a specific plan for initiating a comprehensive compliance program, including fining, for airlines for collection of I-94's.	08/30/98		09/30/98
6. Perform an analysis of overstay information that will support an overstay enforcement strategy.	10/31/98		06/25/99
7. Replace NIIS with a workable system (ADIS).	10/01/02	10/01/02	10/01/02 (for VWP EES)

How We Will Know It Is Fixed

When ADIS is in place and being used at the ports-of-entry, the INS will be able to query on arrival and departure data and report overstay information to the Department of State.

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	First Quarter Update:
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Issue Title Organizational and Management Issues	**Issue ID** 1997-4809	**Organization** Immigration and Naturalization Service

Date First Initiated 10/01/97	**Original Target for Completion** 10/01/97	**Current Target for Completion** 09/30/03	**Actual Date of Completion**	**Issue Type (Organization Rating)** Material Weakness	
Source Title GAO/GGD-97-132			**Date of Source Report**	**Issue Type (DOJ Rating)** Material Weakness	

Issue Description

In July 1997, the General Accounting Office (GAO) issued a report on its efforts to follow up on a previous Immigration and Naturalization Service (INS) management report to determine whether steps had been taken to correct some of the most significant management problems identified in its initial report. The GAO found that the INS must take steps to further resolve management problems, to include clarification of lines of communication and dissemination of organizational policies and guidelines through manuals.

What We Will Do About It

The first 4 milestones have been completed.

October 2002 Update

As of the end of FY 2002, the four field manuals being tracked throughout FY 2002 (Adjudicator's Field Manual (AFM), Deportation Officer's Field Manual (DOFM), Inspector's Field Manual (IFM), and Special Agent's Field Manual (SAFM)) are 64 percent complete (i.e., the material has been written and sent to other units for concurrence and signature), with 53 percent published and available both on-line and in CD format. The individual field manual percentages are: AFM 75 percent complete/52 percent published; DOFM 18 percent complete/18 percent published; IFM 98 percent complete/98 percent published; SAFM 64 percent complete/43 percent published.

It should be noted that the personnel vacancy in the DOFM unit, which existed at the beginning of FY 2002, was not filled until the end of August 2002 and that the personnel vacancy created at the beginning of January 2002 remains unfilled. Over the course of FY 2002, the project operated at an average staffing level of 58 percent.

Milestones	**Original Target Date**	**Current Target Date**	**Actual Date of Completion**
1. Review the roles and responsibilities of the various organizational entities to determine if there are more effective ways to distribute functions among these entities.	11/30/97		02/15/98

2. Based on the results of this review, realign, clarify, and integrate the roles and responsibilities of the various organizational entities.	04/30/98		11/30/98
3. Implement deployment planning process on a pilot basis.	09/30/98		09/30/98
4. Revise and review administrative manuals.	09/30/98		09/30/98
5. Develop new field manuals containing policies and procedures on how to implement the immigration laws.	03/30/00	09/30/03	

How We Will Know It Is Fixed

This issue will be resolved upon the dissemination of all four manuals and a procedure is in place for timely updating.

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Issue Title	Issue ID	Organization
Management of Automation Programs	1997-4813	Immigration and Naturalization Service

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)
03/98	09/30/00		07/30/02	Significant Concern

Source Title	Date of Source Report	Issue Type (DOJ Rating)
OIG Audit Report #98-09	03/26/98	Material Weakness

Issue Description

The Immigration and Naturalization Service=s (INS) Office of Information Resources Management (OIRM) has experienced continuing and longstanding difficulty in providing timely and consistent information about its activities. The OIRM has been cited by the Office of the Inspector General (OIG) for the lack of adequate management controls and repeatable business processes to efficiently and effectively manage information technology (IT) at INS.

What We Will Do About It

In FY 2001, INS provided a response to OIG Audit Report #98-09, AINS=Management of Automation Programs.@ At this time, INS continues to await a formal response from the OIG indicating that this issue may be closed as a material weakness. Although INS has met all milestones in this Corrective Action Report, the issue will remain open until the OIG concurs with INS=response.

October 2002 Update

Milestone #4: OIRM engaged external contractors to work with the OIRM team to enhance its approach to project management. With contractor support, OIRM has developed a tool to monitor, track, and report project cost and schedule information, beginning with projects funded with counterterrorism funding. Project status reports using this methodology are prepared and delivered to OIRM management monthly. These reports have been produced since May 2002, and are available for review. Future plans include the incorporation of performance data and additional projects. This milestone is now completed.

Milestone #5: INS is currently using MS Project to generate monthly project status reports for projects funded with counterterrorism funding.

Milestone #6: Project management training has been institutionalized in the organization as part of the planning process related to development of the annual budget execution plan. This training program provides OIRM project managers critical knowledge of project management principles as defined by the Project Management Institute. A number of staff members have been certified as project management professionals as a result of the training program. This milestone is completed.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Develop an FY 1999 budget execution plan for OIRM.	11/30/98		01/29/99
2. Develop FY 1999 project plans.	02/28/99		04/30/99
3. Create a tracking capability within OIRM to track IT-oriented contract activities.	01/31/99		09/30/99
4. Create a tracking capability that fully supports cost, schedule, and performance tracking at the IT project level.	09/30/00	10/01/02	07/30/02
5. Select project management tool.	09/30/99	10/01/02	07/30/02
6. Provide project management training to IT managers.	09/30/99	05/31/02	05/31/02
How We Will Know It Is Fixed			
OIRM can produce accurate project management information for IT projects, including cost, schedule, and performance tracking.			

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Corrective Action Report

Issue and Milestone Schedule

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End of Year Report:	12/02/02

Issue Title				**Issue ID**	**Organization**
Efforts to Identify and Remove Criminal Aliens				1997-4801	Immigration and Naturalization Service

Date First Initiated	**Original Target for Completion**	**Current Target for Completion**	**Actual Date of Completion**	**Issue Type (Organization Rating)**
10/01/97	09/30/99	09/30/03		Material Weakness

Source Title	**Date of Source Report**	**Issue Type (DOJ Rating)**
GAO/T-GGD-97-154	07/15/97	Material Weakness

Issue Description

In July 1997, the General Accounting Office (GAO) issued a report on the Immigration and Naturalization Service=s (INS) Institutional Hearing Program (IHP). The report noted that the INS: (1) failed to identify many deportable criminal aliens, including aggravated felons, and initiate IHP proceedings for them before they were released from prison; (2) did not complete the IHP by the time of prison release for the majority of criminal aliens it did identify; and (3) has not realized intended enhancements to the IHP.

What We Will Do About It

Since 1997, the Institutional Removal Program (IRP, formerly known as the IHP) has continued to exceed its annual removal goals. The IRP also has focused more attention on up-front processing to ensure that criminal aliens are not released into INS= custody without removal orders. Furthermore, INS has created a mechanism to finalize unfinished removal proceedings within 1 day of release from federal, state, or local incarceration. INS is in the process of finalizing the IRP transition plan from Investigation to the Detention and Removal Program. A significant aspect of this plan will be to fully determine the resources required to support the entire IRP process. While Immigration Agent attrition rates have stabilized, the INS is continuing to finalize a reclassification of Immigration Agents and Detention Enforcement Officers into one job series. This will provide greater authority to more officers to work IRP cases. This job series will have lower attrition rates, and we anticipate that any further attrition will be into other higher-graded INS jobs. The reclassified position is intended to be an entry-level position into the Deportation Officer and Special Agent ranks. The reclassification has been delayed until March 2003, pending the transition of positions into the new Department of Homeland Security.

Finally, the IRP Criminal Alien Information System (CAIS) has been deployed to all federal sites. INS is exploring the possibility of deploying CAIS to state IRP programs and/or using functionality already in the INS= ENFORCE system to track and manage IRP cases. Eventually, all IRP case management and tracking functions will be incorporated into ENFORCE Apprehension and Removal modules.

Milestones	**Original Target Date**	**Current Target Date**	**Actual Date of Completion**
1. Publish policy-clarifying roles and responsibilities of the special agents in the IRP.			10/31/97

2. Identify causes of Immigration Agent attrition, and take action to ensure adequate staffing is achieved.	09/30/99		09/30/00
3. Develop a workload analysis model to ascertain the need for IRP resources.			06/30/98
4. Establish controls to ensure aggravated felons are identified and tracked, and improve the ability to deport them while they are imprisoned.	04/01/99		07/31/99
5. Incorporate an IRP process module into ENFORCE.	09/30/99		04/30/00
6. Reclassify Immigration Agents and Detention Enforcement Officers.	09/30/02	03/30/03	
7. Deploy ENFORCE removals module.	09/30/03	09/30/03	

How We Will Know It Is Fixed

INS will have the ability to identify and track eligible incarcerated criminal aliens so that IRP proceedings can be initiated and completed. Issuance of final deportation orders will ensure expeditious deportation of eligible criminal aliens upon release from prison.

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Issue Title				Issue ID	Organization
Missing/Lost/Stolen Laptop Computers					Immigration and Naturalization Service

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)
12/11/02	03/31/03	03/31/03		Material Weakness

Source Title	Date of Source Report	Issue Type (DOJ Rating)
Laptop and Firearm Inventory Quarterly Report	10/18/02	Material Weakness

Issue Description

All departmental components submit quarterly laptop and firearm inventory reports to the Director, Facilities and Administrative Services Staff, Justice Management Division. INS= submission for the quarter ending September 30, 2002, reported that, according to INS= Asset Management Information System (AMIS), of 12,522 laptop computers (including palm pilots) throughout INS, 458 were missing/lost and 11 had been stolen.

What We Will Do About It

INS= FY 2002 annual inventory, conducted in July and independently reconciled and audited, included laptop computers for the first time. INS headquarters has informed all INS offices of laptop computer accountability problems, and has requested all offices account for their missing/lost/stolen laptops that were identified in the FY 2002 inventory or that will be identified in the FY 2002 inventory audit. The Property Management Officer (PMO) has begun to check regularly the status of INS laptop computer accountability. INS anticipates that these efforts will result in accounting for many of the reportedly missing/lost/stolen laptops. In those cases where missing/lost/stolen laptops are, after an exhaustive search, still unaccounted for, INS will take survey action.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
Property Management Coordinators report status of laptop accountability to the PMO.	01/17/03		
INS completes survey of all unaccounted for laptop computers.	03/31/03		

How We Will Know It Is Fixed

AMIS reports no, or a negligible number of, missing/lost/stolen laptop computers.

U. S. DEPARTMENT OF JUSTICE	Date of Submission	
	First Quarter Update:	
Corrective Action Report	Second Quarter Update:	
	Third Quarter Update:	
Issue and Milestone Schedule	End of Year Report:	12/23/02

Issue Title				Issue ID	Organization
Property and Equipment					Federal Bureau of Investigation

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)	
08/02	03/03	03/03		Material Weakness	

Source Title	Date of Source Report	Issue Type (DOJ Rating)
OIG Audit Report # 02-27	08/02	Material Weakness

Issue Description

Office of the Inspector General (OIG) Report # 02-27, "The Federal Bureau of Investigation=s (FBI) Control Over Weapons and Laptop Computers," released in August 2002, revealed significant problems with the FBI's management of weapons and laptop computers. Although the number of functional weapons reported missing during the review period amounted to less than one-half of one percent of the FBI's inventory, the significance of these losses is measured in the sensitive nature of the missing property, not in numbers. Similarly, the number of laptops reported missing during this same period equated to only approximately two percent of the FBI's inventory. However, because the security level of 70 percent of the lost or stolen laptops was "unknown," the loss is potentially significant as the information contained on these laptops could compromise national security or jeopardize ongoing investigations.

What We Will Do About It

The FBI has been aware of this problem for some time and has, prior to the issuance of this report, taken the following actions to address the concern:

$ The FBI created and implemented a new policy mandating the timely reporting of loss or theft of property to all appropriate entities; the policy was officially issued in August 2002.
$ Form FD-500, Report of Lost or Stolen Property, has been revised to include the date of loss or theft, the date of entry to NCIC, and the name of the Property Custodian responsible for property oversight.
$ The FBI implemented a new policy that all weapons and laptops will be inventoried annually using barcode technology.

$ A new regulation has been implemented requiring all divisions to generate a monthly On-Order report to review new property that should be placed on the Property Management Application (PMA); all divisions have been reminded of the requirement to place all property on the PMA in a timely manner.
$ A new Schedule of Delegated Disciplinary Offenses and a policy statement addressing property losses have been promulgated.
$ A policy has been established regarding safeguarding property outside of FBI office space and has been included in the appropriate manuals.

In addition and in response to recommendations received from the OIG, the FBI will take further actions to address this problem, as indicated below.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Implementation of Boards of Survey to review cases of employee negligence leading to loss or theft of property.	11/02	11/03	
2. Issuance of policy regarding employees' personal financial responsibility for lost or stolen property.	11/02	11/02	11/01/02
3. Completion of biennial inventory of accountable property.	03/03	03/03	
4. Revision of the Manual of Administrative Operations and Procedures (MAOP) to clarify processes for separating employees, including establishment of procedures for reimbursement for lost property.	10/02	12/02	10/25/02
5. Institution of policies and procedures on the acquisition, inventory, audit, turn-in, maintenance, decommission, sanitization, and destruction of information technology resources.	02/03	02/03	

How We Will Know It Is Fixed

The problem will be corrected when all of the above milestones have been completed and when the FBI is able to fully account for its recorded property, particularly sensitive property such as weapons and laptop computers.

U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule	**Date of Submission**
	First Quarter Update:
	Second Quarter Update:
	Third Quarter Update:
	End of Year Report: 01/14/03

Issue Title	Issue ID	Organization
Management of Information Technology		Federal Bureau of Investigation

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)	
2002	TBD			Material Weakness	

Source Title	Date of Source Report	Issue Type (DOJ Rating)
OIG Audit Report 03-09: FBI's Management of Information Technology Investments	12/02	Material Weakness

Issue Description

A December 2002 Office of Inspector General (OIG) audit report entitled, "Federal Bureau of Investigation's (FBI) Management of Information Technology (IT) Investments," stated that in the past the FBI has not given sufficient management attention to IT investments. As a result, the FBI has not fully implemented critical processes necessary for such management and has invested large sums of money on IT projects without assurance that these projects would meet intended goals.

What We Will Do About It

FBI management has recognized that its past methods to manage IT projects have been deficient, and recently has committed to changing those practices. In January 2002, the FBI developed a conceptual model for selecting, controlling, and evaluating IT investments. The model seeks to define a process that will promote a Bureau-wide perspective on IT investment management, so that only IT projects with the best probability of improving mission performance are selected. Further, the process is intended to provide the methods, structures, disciplines, and management framework that governs the way IT projects are controlled and evaluated.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Develop full plan and implementation schedule to address and meet the weaknesses described in the OIG report.	TBD		

How We Will Know It Is Fixed

FBI IT projects will stay within budget and on schedule and result in successful program operations.

U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule	**Date of Submission**	
	First Quarter Update:	
	Second Quarter Update:	
	Third Quarter Update:	
	End of Year Report:	11/15/02

Issue Title Computer Security	**Issue ID** 1991-0098	**Organization** Department

Date First Initiated 09/30/85	**Original Target for Completion** 09/30/91	**Current Target for Completion** 02/15/02	**Actual Date of Completion** 03/29/02 **(CLOSED)**	**Issue Type (Organization Rating)** Material Weakness	
Source Title			**Date of Source Report**	**Issue Type (DOJ Rating)** Material Weakness	

Issue Description

The Department of Justice (Department) is increasingly dependent on automated information systems and their interconnections to achieve its mission and meet the needs of the citizens it serves. Since the Department=s computer systems and networks now collect, process, store, and transmit most of the sensitive and classified information used in almost every aspect of the Department, controls must be in place to ensure the availability, integrity, and confidentiality of this information and the reliability of the computer systems and networks. The Justice Management Division (JMD) has responsibility and authority for establishing policy and providing direction and oversight to components with regard to information technology (IT) security.

Computer security has been designated a material weakness since 1991 and continues to be a major focus of senior management attention.

What We Will Do About It

This issue is CLOSED

JMD is responsible for the Department=s IT security program and provides policy, guidance, direction, and oversight activities across the Department. During the past 12 months, JMD has taken a number of actions that not only reflect the commitment of present management to correcting past deficiencies, but also establish a solid foundation for sustained future progress. For example:

$ Under the leadership of the Attorney General=s office, JMD has begun an IT strategic planning effort that will, in part, establish the foundation for a departmental security architecture. This effort is consistent with the management goals announced by the Attorney General on November 8, 2001.

$ In July 2001, JMD issued a new IT security policy that sets strong Departmentwide standards for component security programs and system security controls.

$ JMD has continued to conduct an aggressive program of penetration tests and independent assessments and to carefully follow up on the results. This effort provided the foundation for several components to begin conducting regular penetration testing on their systems, thus enhancing the overall security of these systems.

$ Components certified and accredited 83% of Department systems by July 2001. While neither perfect nor complete, this effort enabled the Department to identify weaknesses more systematically and identify and monitor corrective actions. The Federal Bureau of Investigation (FBI) was unable to complete its certification and accreditation (C&A) activities; however, the Department Chief Information Officer (CIO) and the FBI have agreed to a schedule and JMD will continue to monitor their progress.

$ JMD has established a database that will assist in tracking and remedying security weaknesses system by system. This database is a single repository of findings and corrective actions identified through C&A activities, audits, penetration testing, and other reviews.

$ JMD has integrated security with the Department=s capital planning and investment controls processes. This integration has occurred both formally, through the issuance of new policy and guidance, and in practice, through the inclusion of security as an explicit agenda item in internal discussions of IT plans, performance, and funding.

$ JMD has identified a list of critical IT, personnel, and physical assets that support the Department=s critical infrastructure in support of Presidential Decision Directive-63. This list includes the asset name, location, description, and strategic goal supported; potential impact of loss; and interdependencies. Using the vulnerability reports and independent assessment developed through the C&A activities, JMD completed the critical infrastructure planning vulnerability analysis and is currently finalizing the remedial plan for corrective action.

$ On 3/29/02, the Acting Assistant Attorney General for Administration signed a memo to the Inspector General transmitting the report, which includes corrective actions for systems which do not have controls in place.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. The Department will identify its critical infrastructure assets, perform the required vulnerability assessment on those assets, and develop a corrective action plan for any asset that does not have satisfactory protections in place.	05/31/01	02/15/02	03/29/02
2. Components will certify and accredit their information technology systems. The CIO will establish and track FBI progress.	12/31/00	07/01/01	07/01/01
3. JMD/Information Management and Security Staff (IMSS) will establish and operate an Independent Verification and Validation (IV&V) program that will review component C&A activities. JMD will implement an enhanced IV&V program to incorporate classified systems.	12/31/00	12/31/01 (Revised to include classified systems)	12/31/01
4. JMD/IMSS will develop and implement IT security policy for sensitive but unclassified computer systems and networks.	01/01/98	03/01/01	07/12/01
5. JMD/SEPS will develop and implement IT security policy for national security information (classified) computer systems and networks.	03/31/01	03/31/01	07/12/01

How We Will Know It Is Fixed

Department components will have established computer security programs and will have implemented Department policy and guidance.

All Department component systems will continue to be properly certified and accredited and selected major systems and networks will undergo IV&V.

Computer security planning will be integrated into the system development life cycle.

Penetration testing and Inspector General and General Accounting Office audits will not discover significant numbers of weak technical controls or non-compliance with computer security policy.

The CIO has determined that the Department=s critical infrastructure planning is adequate.

	Date of Submission
U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule	**First Quarter Update:**
	Second Quarter Update:
	Third Quarter Update:
	End of Year Report: 12/02/02

Issue Title				Issue ID	Organization
Alien Smuggling: Management and Operational Improvements Needed to Address a Growing Problem				2000-4802	Immigration and Naturalization Service

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)
05/05/00	09/30/01		09/30/02 **(CLOSED)**	Material Weakness

Source Title	Date of Source Report	Issue Type (DOJ Rating)
GAO/GGD-00-103	05/05/00	Material Weakness

Issue Description

Between FY 1997 and FY 1999 the number of apprehended aliens smuggled into the United States increased nearly 80 percent. The Immigration and Naturalization Service (INS) predicts that the smuggling will continue to increase and that alien smuggling organizations will become more sophisticated, organized, and complex. The General Accounting Office (GAO) studied both the domestic and international components of INS= anti-smuggling strategy, written in 1997, and in a report dated May 2000 (GGD-00-103), GAO listed the following impediments to the domestic component: 1) a lack of program coordination; 2) the absence of an agencywide automated case tracking and management system; and 3) limited performance measures to assess the effectiveness of the strategy.

Additionally, GAO stated that INS= Intelligence Program has been impeded by a lack of understanding among field staff on how to report intelligence information, a lack of staff to perform intelligence functions, and an inefficient and cumbersome process of organizing data that does not allow for rapid retrieval and analysis. As a result, INS has limited ability to identify targets for enforcement and to help focus its anti-smuggling resources on efforts that would have the greatest impact.

GAO recommended that INS:
1. Establish criteria for opening an anti-smuggling case.
2. Establish a cost-effective case tracking and management system of alien smuggling investigations that is automated, agencywide, and readily available to investigative personnel and program managers to facilitate the sharing of case information and prevent duplication of efforts.
3. Establish performance measures for the anti-smuggling efforts and intelligence program with which to gauge program efforts.
4. Require intelligence reports be prepared using a database format so the information can be systematically analyzed.

What We Will Do About It

GAO Recommendation 1: Complete. The Investigations Division established criteria for opening smuggling cases.

GAO Recommendation 2: Complete. A national case tracking and management system, the Criminal Investigative Reporting System (CIRS), has been deployed to all District Offices and Border Patrol Sectors. The CIRS is a Microsoft Access case tracking and case management software program that agents, supervisors, and program managers use to generate case reports, track the progress of investigations, and manage case work. In day-to-day operations, the CIRS data is uploaded to INS= national Enforcement Integrated Database (EID) so other INS offices can review case reports and conduct link analysis functions. Data from all INS enforcement systems resides in the EID and can be analyzed by personnel based on competency with analytical tools and level of access granted to the systems. Interfaces with additional enforcement systems and other enhancements are being developed as part of the natural and on-going evolution of the system.

GAO Recommendation 3: Complete. INS is measuring success in the anti-smuggling effort by prosecuting, dismantling, or disrupting on-going criminal enterprises involved in that illicit activity. This is accomplished through the criminal prosecution of a number of major investigations under the direction of INS Headquarters and with the support of partnered enforcement organizations. These prosecutions are identified from a list of targets established by an intra-governmental group of specialists in the smuggling and trafficking of migrants.

INS intelligence has a set of measures of program effectiveness which are defined as: the number of personnel trained in intelligence processes; the number of new transnational smuggling cases identified; the number of investigative leads disseminated; and the number of Aspecial operations@ driven by intelligence. Additionally, a report on alien smuggling shifts within defined corridors along the southern border is produced annually. Measures using the data collected in the automated systems cited below are under consideration, yet there are some cultural hurdles yet to be bridged in gaining 100 percent usage of the available systems. Currently, a measure is being initiated which provides a count of the numbers of reports submitted into the system; this methodology will help reinforce the mandate issued by INS Headquarters requiring usage of the system.

GAO Recommendation 4: Complete. All Intelligence Reports (G-392) filed in accordance with outstanding instructions are in the national database and can be researched or mined via INS' analytical tool (NetLEADS) using the INS Intranet. Through use of the analytical tool individual officers and intelligence analysts can make comparisons among intelligence reports, active case information, INS databases, and other law enforcement information.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Deployment of automated tools. (Deploy intelligence collection and analysis information.)	09/30/02	09/30/02	09/30/02
2. Creation of interfaces to enforcement databases. (Deploy intelligence collection and analysis infrastructure.)	09/30/02		09/30/02
3. Measurement of corridor shifts. (Develop measurement of alien smuggling "shifts.")	09/30/03		03/12/02

How We Will Know It Is Fixed

An anti-smuggling strategy is in place, an interagency workgroup to identify specific targets for action has been established, and an annual priority for these targets that has been very successful has been established. INS has deployed systems that are capable of meeting the requirements established in the GAO recommendations to all investigative offices. There have been significant successes as a result of this deployment, and use of the systems is rapidly expanding. INS now can track individual criminal cases as they progress and can record measures of success from the tracking system. All intelligence reports are in a database and are searchable using analytical tools that can produce a matrix of linkages between the various data sources. Smuggling fee and load size information are being used as measures of changes or shifts in smuggling activities within a set of corridors along the southern border.

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End of Year Report:	12/02/02	

Issue Title				**Issue ID**	**Organization**
DOJ Financial Systems Compliance					Department of Justice

Date First Initiated	**Original Target for Completion**	**Current Target for Completion**	**Actual Date of Completion**	**Issue Type (Organization Rating)**
02/28/01	On-going	On-going	On-going	Material Nonconformance

Source Title	**Date of Source Report**	**Issue Type (DOJ Rating)**
Management Review and Annual Financial Statement Audits	11/30/01	Material Nonconformance

Issue Description

The Department of Justice (Department) audit report on the FY 2000 consolidated financial statements identified the Immigration and Naturalization Service (INS), Federal Bureau of Investigation (FBI), Drug Enforcement Administration (DEA), United States Marshals Service (USMS) , and Federal Prison Industries (FPI) as not meeting federal accounting standards or systems requirements, and having material weaknesses in system controls/security. These conditions were identified again in the FY 2001 audits. Additional and related issues on INS, FPI, and DEA are reported separately under their financial management nonconformances. The need to address weaknesses cited in the financial statement audits, nonconformances with Office of Management and Budget (OMB) Circular No. A-127, technological changes, and the need to better support critical financial operations and agency programs contribute to the necessity to modernize the Department=s financial systems and improve internal controls. Almost every Department component needs to either implement a new system or is in the final phases of implementing a new system.

The FBI operates a legacy system which significantly limits the capabilities necessary to support the effective and efficient processing of financial management information throughout the Bureau. The USMS implemented a new financial management system in 1998 at its headquarters office. However, due to implementation difficulties, the USMS did not migrate its district offices to the system. INS acquired a new system in 1997 and halted full implementation plans due to concerns as to whether the system would best serve INS= interest.

What We Will Do About It

The Department identified a unified core financial system as one of the ten goals for revamping the Department=s management. Four systems have been identified for replacement in the first phases of this project: FBI, DEA, INS, and USMS. Other systems will be replaced as they reach the end of their normal life cycles, or as immediate needs require. The unified core system will be a commercial off-the-shelf (COTS) Financial Management System product(s) certified by the Joint Financial Management Improvement Program as meeting core federal financial management system requirements.

Milestone 1: The award of the task order to our project management contractor, Booz-Allen & Hamilton, was delayed from the original target date of February 2002 until April 2002. To take advantage of procurement efficiencies in the future, additional optional tasks were included in the RFQ, thus delaying its issuance. The Planning Phase was completed on August 15, 2002.

Milestone 2: Develop consolidated functional and technical requirements for the unified core system, along with a procurement module, for issuance of a solicitation to procure a COTS solution .

Milestone 3: Develop consolidated requirements for Integration and Implementation (I&I) for issuance solicitation.

Milestone 4: Receive and evaluate vendors COTS proposals for award of contract for purchase of COTS software.

Milestone 5: Issue modification to I&I solicitation identifying the selected COTS product.

Milestone 6: Receive and evaluate vendors I&I proposals for specific integration and implementation for the COTS software selected for the Unified Financial Management System (UFMS).

Milestone 7: Develop and conduct COTS acceptance testing with full DOJ pilot simulation.

Milestone 8: Implementation of FBI with COTS software with full operational capability achieved.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Planning phase, including milestones.	05/30/02	08/15/02	08/15/02
2. Develop requirements for issuance of COTS solicitation.	02/21/03	02/21/03	
3. Develop requirements for issuance of I&I solicitation.	03/27/03	03/27/03	
4. Receive/evaluate/award contract for COTS software.	05/30/03	05/30/03	
5. Issue modification to I&I solicitation.	06/03/03	06/03/03	
6. Receive/evaluate/award contract for implementation and integration.	08/29/03	08/29/03	
7. Develop/conduct COTS acceptance testing.	10/17/03	10/17/03	
8. Implement COTS software in FBI.	10/01/04	10/01/04	

How We Will Know It Is Fixed

Modern financial systems will be implemented which comply with federal financial system requirements and system dependent audit recommendations will be closed.

U. S. DEPARTMENT OF JUSTICE	Date of Submission	
Corrective Action Report	**First Quarter Update:**	
	Second Quarter Update:	
Issue and Milestone Schedule	**Third Quarter Update:**	
	End of Year Report:	12/19/02

Issue Title	Issue ID	Organization
DOJ Accounting Standards Compliance		Offices, Boards, and Divisions

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)
12/19/02	09/30/03	09/30/03		Material Nonconformance

Source Title	Date of Source Report	Issue Type (DOJ Rating)
FY 2002 Integrity Act Review and Financial Statement Audit Report	FY 2002	Material Nonconformance

Issue Description

In the FY 2002 audit reports, the Federal Bureau of Investigation (FBI); the Offices, Boards, and Divisions (OBDs); the Immigration and Naturalization Service (INS); and the Working Capital Fund (WCF) were reported by the auditors as having material weaknesses in their compliance with certain federal accounting standards. Included were findings related to accounts payable and general accrual accounting, general and seized property, and accounting for reimbursement and other revenue.

What We Will Do About It

The Justice Management Division (JMD) will revise procedures and provide guidance and training to those processing obligation and revenue data. These issues will be a heavy area of emphasis in the Department=s early 2003 financial management training efforts. The FBI will hire additional staff for its financial statement preparation process and revise its procedures for recording and reviewing obligation and property data. The INS is updating its corrective action plans to eliminate or diminish the weaknesses in its accounting practices during FY 2003.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. The FBI will hire additional staff for financial statement reporting process.	06/30/03		
2. The FBI will revise its procedures for recording and reviewing its obligation and property data.	09/30/03		
3. The JMD will revise its procedures and provide guidance and training to those processing data for the OBDs and WCF.	09/30/03		
4. The INS will update its corrective action plans to eliminate or diminish its weaknesses.	04/30/03		

How We Will Know It Is Fixed

Management evaluation of these issues supported by audit review.

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U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule		**First Quarter Update:**	
		Second Quarter Update:	
		Third Quarter Update:	
		End of Year Report: 12/02/02	

Issue Title	**Issue ID**	**Organization**
INS Deferred Revenue		Immigration and Naturalization Service

Date First Initiated	**Original Target for Completion**	**Current Target for Completion**	**Actual Date of Completion**	**Issue Type (Organization Rating)**
10/23/97	10/01/98	09/30/04		Significant Concern

Source Title	**Date of Source Report**	**Issue Type (DOJ Rating)**
Annual Financial Statement Audit	10/23/97	Material Nonconformance

Issue Description

Auditors report that systems and management controls used by the Immigration and Naturalization Service (INS) to process applications for immigration and naturalization benefits do not ensure applications are adequately controlled or provide reliable data on the status of applications. Without adequate control on the status of applications received and completed, INS is not able to accurately determine deferred and earned revenue without relying on an extensive Servicewide manual application count.

What We Will Do About It

The INS will implement a system which will report accurate deferred and earned revenue. INS will deploy the Servicewide Inventory Program (SWIP) functionality into the National File Tracking System (NFTS) which will produce real-time, perpetual data for applications to report deferred and earned revenue.

Milestones	**Original Target Date**	**Current Target Date**	**Actual Date of Completion**
1. Develop a plan, with milestones, to implement a system which will report accurate deferred and earned revenue.	04/30/02	03/31/03	
2. Fully deploy NFTS with SWIP functionality.	09/30/04		

How We Will Know It Is Fixed

A reliable system for tracking deferred revenue will be developed, and the audit recommendations will be closed.

U. S. DEPARTMENT OF JUSTICE	Date of Submission	
U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule	**First Quarter Update:**	
	Second Quarter Update:	
	Third Quarter Update:	
	End of Year Report:	12/27/02

Issue Title	Issue ID	Organization
FPI Adherence to Accounting Standards and Financial Management System Requirements	2000-6296	Federal Prison Industries

Date First Initiated	Original Target for Completion	Current Target for Completion	Actual Date of Completion	Issue Type (Organization Rating)
12/05/00	03/01/01	01/31/04		Material Nonconformance

Source Title	Date of Source Report	Issue Type (DOJ Rating)
FY 2000 Integrity Act Review *and* FY 2002 Financial Statement Audit	12/05/00 *and* FY 2002 draft audit report	Material Nonconformance

Issue Description

In May 2000, the Federal Prison Industries (FPI) implemented Millennium, which does not yet meet all the financial management requirements of Office of Management and Budget (OMB) Circular No. A-127. System generated reports require thorough review, analysis, and frequent corrections. FPI has weaknesses in system security, and weaknesses were reported in controls over inventories and accounts receivable, as well as in the financial statement preparation process.

What We Will Do About It

The FPI is working with its contractors to correct weaknesses in inventories, accounts receivables, and the financial statement reporting process. Substantial progress has been made in these areas. FPI will implement policies and procedures to improve risk assessment/system security management.

Milestones	Original Target Date	Current Target Date	Actual Date of Completion
1. Obtain system security certification.	12/31/00	12/31/00	12/31/00
2. Obtain system security accreditation.	03/01/01	03/01/01	06/30/01
3. Modify system procedures to comply with federal financial management requirements. Implement policies and procedures to improve risk assessment/system security management, including procedures for granting system access and providing employee security awareness training.	03/01/01	01/31/04	
4. Correct weaknesses in control over inventories.	03/15/02	01/31/03	12/13/02
5. Correct weaknesses in control over accounts receivable.	03/15/02	01/31/03	12/13/02
6. Refine financial statement reporting process.	03/15/02	01/31/03	12/13/02

How We Will Know It Is Fixed

Minimal errors will be found in accounting processing, recording, and reporting. FPI has received system security certification and accreditation. Management's evaluation of this issue will be verified by the FY 2002 financial statement audit.

U. S. DEPARTMENT OF JUSTICE **Corrective Action Report** Issue and Milestone Schedule	**Date of Submission**
	First Quarter Update:
	Second Quarter Update:
	Third Quarter Update:
	End of Year Report: 12/02/02

Issue Title	**Issue ID**	**Organization**
DEA Adherence to Accounting Standards and Financial Management System Requirements	2000-6196	Drug Enforcement Administration

Date First Initiated	**Original Target for Completion**	**Current Target for Completion**	**Actual Date of Completion**	**Issue Type (Organization Rating)**
11/17/00	07/31/01		09/30/02 **(CLOSED)**	Material Nonconformance

Source Title	**Date of Source Report**	**Issue Type (DOJ Rating)**
DEA Integrity Act Report	11/17/00	Material Nonconformance

Issue Description

The Drug Enforcement Administration (DEA) has weaknesses in its fund control and financial reporting processes. DEA also needs to improve its information system security and identify costs charged for Controlled Substance Act Registration Fees.

What We Will Do About It

DEA will revise procedures on fund control and selected processing operations and publish a Final Rule in the Federal Register which identifies costs charged by Controlled Substance Act Registration fees. To improve systems security, DEA will implement a certification and accreditation plan, and strengthen systems access, input, and processing codes.

Milestones	**Original Target Date**	**Current Target Date**	**Actual Date of Completion**
1. Clear fund balances with the Treasury.	03/31/01		09/30/02
2. Automated Security - Recertify financial system users.	03/31/01		09/30/02
3. Improve financial reporting process.	04/30/01		09/30/02
4. Property Accountability - revise policy and procedures and properly classify property in the general ledger and financial statements. (This milestone now includes milestone #7, Complete conversion of property to Fixed Asset Subsystem,@ from the FY 2001 report.)	07/31/01		09/30/02
5. Publish Final Rule in the Federal Register identifying costs which are chargeable to registrants.	07/31/01		08/09/02
6. Properly perform quarterly certifications of open obligations.	11/30/00		09/30/02

How We Will Know It Is Fixed

Minimal errors will be found in the accounting processing, recording, and reporting, and the audit recommendations will be closed.

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