U.S. Department of Justice
Office of the Attorney General

FY 2010
PERFORMANCE AND ACCOUNTABILITY REPORT

Stewards of the
American Dream

U.S. DEPARTMENT OF JUSTICE

DEPARTMENT OVERVIEW

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     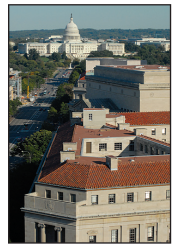  

History and Enabling Legislation

The Department of Justice, which has more than 116,500 employees and is often referred to as the largest law office in the world, began in 1789 with a staff of two: The Attorney General and a clerk. The Judiciary Act of 1789 created the Office of the Attorney General, providing for the appointment of "a person, learned in the law, to act as attorney-general for the United States." By 1870, the duties of the Office of the Attorney General had expanded so much that Congress adopted "An Act to establish the Department of Justice" with the Attorney General as its head.

Strategic Goals

Goal I: Prevent Terrorism and Promote the Nation's Security

Goal II: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People

Goal III: Ensure Fair and Efficient Administration of Justice

Mission

The Department of Justice serves to enforce the law and defend the interests of the United States according to the law; to ensure public safety against threats foreign and domestic; to provide federal leadership in preventing and controlling crime; to seek just punishment for those guilty of unlawful behavior; and to ensure fair and impartial administration of justice for all Americans.

Location

The Department is headquartered in Washington, DC, at the Robert F. Kennedy Building, occupying a city block bounded by 9th and 10th Street and Pennsylvania and Constitution Avenues, NW. The Department also has field offices in all states and territories and maintains offices in 96 countries worldwide.

Component Organizations

Attorney General
Deputy Attorney General
Associate Attorney General
Antitrust Division (ATR)
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Bureau of Prisons (BOP)
Civil Division (CIV)
Civil Rights Division (CRT)
Community Oriented Policing Services (COPS)
Community Relations Service (CRS)
Criminal Division (CRM)
Drug Enforcement Administration (DEA)
Environment & Natural Resources Division (ENRD)
Executive Office for Immigration Review (EOIR)
Executive Office for Organized Crime Drug Enforcement Task Forces (OCDETF)
Executive Office for U.S. Attorneys (EOUSA)
Executive Office for U.S. Trustees (UST)
Federal Bureau of Investigation (FBI)
Foreign Claims Settlement Commission (FCSC)
Justice Management Division (JMD)
National Drug Intelligence Center (NDIC)
National Security Division (NSD)
Office of Dispute Resolution (ODR)
Office of the Federal Detention Trustee (OFDT)
Office of Information Policy (OIP)
Office of Intergovernmental and Public Liaison
Office of Legal Counsel (OLC)
Office of Legal Policy (OLP)
Office of Legislative Affairs (OLA)
Office of the Inspector General (OIG)
Office of the Pardon Attorney (OPA)
Office of Justice Programs (OJP)
Office of Professional Responsibility (OPR)
Office of Public Affairs
Office of the Solicitor General (OSG)
Office of Tribal Justice (OTJ)
Office on Violence Against Women (OVW)
Professional Responsibility Advisory Office (PRAO)
Tax Division (TAX)
U.S. Attorneys (USAO)
U.S. Marshals Service (USMS)
U.S. National Central Bureau-Interpol (USNCB)
U.S. Parole Commission (USPC)

U.S. DEPARTMENT OF JUSTICE

FY 2010
PERFORMANCE AND ACCOUNTABILITY REPORT

NOVEMBER 2010

Office of the Attorney General
Washington, D.C. 20530

November 9, 2010

A MESSAGE FROM THE ATTORNEY GENERAL

When I became Attorney General, I promised to lead a Department of Justice firmly rooted in – and guided by – our nation's greatest traditions of equal justice, the rule of law, and responsible, responsive government. For the past twenty months, that commitment has been my guidepost.

Above all, our highest priority has been the grave responsibility of protecting the American people from terrorism – and doing so within the letter and spirit of the law. There is no tension between the ideals that formed this nation and the realities of what we must do to keep it safe. Adherence to the rule of law strengthens security. It also deprives terrorist organizations of one of their prime recruiting tools. To this end, some of the Department's most experienced and courageous prosecutors and law enforcement agents are working in Iraq and Afghanistan to foster the rule of law. Here in the United States, their domestic counterparts are fighting terrorism wherever it is attempted. Strategies employed over the past year have resulted in several high-profile cases in which lives were saved, including a planned bombing of the New York City subway system and the attempted car bombing in Times Square in May.

At the same time, I have emphasized reinvigorating the traditional missions of the Department. Without relaxing our guard in the fight against terrorism, we are embracing our historic role in fighting crime, protecting civil rights, preserving the environment, and ensuring fairness in the marketplace. In the past fiscal year, the Department has worked to dismantle some of the highest-level drug trafficking organizations; Project Coronado, for example, resulted in nearly 1,200 arrests at the culmination of a 44-month operation. The Department's Environment and Natural Resources Division successfully secured a record recovery of nearly $2 billion for environmental cleanup. In June, Department efforts led to the breakup of a deep-cover Russian spy ring operating in the United States.

The Department has also renewed its commitment to collaboration. From our coordination with the Department of Housing and Urban Development on the Financial Fraud Enforcement Task Force to the joint Departments of Justice and Health and Human Services summits on eliminating health-care fraud, we are forging the partnership necessary to achieve breakthrough results for America. In that spirit, we have worked with our Congressional leaders to promote two historic pieces of legislation that passed this fiscal year: the Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act – one of the most important civil-rights laws in recent history – and the Tribal Law and Order Act, which is providing critical new tools in our fight against domestic violence and major crimes in Indian Country.

In addition to fulfilling our core missions and critical responsibilities, the Department's leadership is committed to maintaining strong program and fiscal management. Prepared pursuant to the Reports Consolidation Act of 2000 and guidance in Office of Management and Budget (OMB) Circulars A-11, A-123, and A-136, the FY 2010 Department of Justice *Performance and Accountability Report* contains: our performance report, as required by the Government Performance and Results Act; our audited consolidated financial statements, as required by the Chief Financial Officers Act and the Government Management Reform Act; and a statement of assurance regarding our internal control and financial management systems, as required by the Federal Managers' Financial Integrity Act (FMFIA).

In FY 2010, the Department again earned an unqualified audit opinion on our consolidated financial statements. For the fourth straight year, no material weaknesses were identified at the consolidated level in the auditor's report on internal control. While we continue as a Department to demonstrate noteworthy progress, we are committed to pursuing actions to correct remaining areas where we have deficiencies. In addition, the Department is implementing a unified standards-based financial system, an integral part of the Department's strategy and commitment to ensure transparency and accountability.

The Department conducted its annual assessment of the effectiveness of internal controls to support effective and efficient programmatic operations and compliance with applicable laws and regulations (FMFIA Section 2), and to determine whether financial management systems conform to government-wide requirements (FMFIA Section 4). Based on the results of this assessment, I provide qualified assurance that the Department met the objectives of FMFIA. The assessment did not identify any systems non-conformances required to be reported under FMFIA Section 4; however, the assessment identified one material weakness required to be reported under FMFIA Section 2 related to prison crowding. In addition, I provide reasonable assurance that the Department's internal control over financial reporting met the objectives of OMB Circular A-123, Appendix A.

The financial and performance data presented in this report are complete and reliable, providing timely and useful information on the Department's accomplishments for the American taxpayers. We will continue to build on these accomplishments, and continue to be resolute in our quest to protect our citizens by fighting terrorism and crime, and enforcing our federal laws with integrity.

Eric H. Holder
Attorney General

PAR

U.S. Department of Justice – FY 2010 Performance and Accountability Report

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PAR Introduction

This Report's Purpose and Reporting Process

This Performance and Accountability Report (PAR) for fiscal year (FY) 2010 provides financial and performance information, enabling the President, Congress, and the American public to assess the annual performance of the Department of Justice (DOJ or the Department).

This report is prepared under the direction of the Department's Chief Financial Officer (CFO). The financial statements contained within this report are prepared by the Department's Justice Management Division, Finance Staff, and audited by the Office of the Inspector General (OIG). This report includes the Department's financial statements for FY 2010 and for the preceding fiscal year (FY 2009) and reports on all accounts and associated activities of each office, bureau, and activity of the Department. The Department's FY 2010 audited financial statements have been consolidated or combined based upon the results of audits undertaken in each of the nine Departmental financial reporting entities.

The Department continues to enforce vigorously the broad spectrum of laws of the United States; notably, the fight against terrorism continues to be the first priority of the Department. In FY 2007, the then Attorney General announced the Department's Strategic Plan for FYs 2007-2012 (available electronically on the Department's website at http://www.justice.gov/jmd/mps/strategic2007-2012/index.html). The Strategic Plan includes three strategic goals and related objectives, which are mentioned throughout this report.

Organization of the Report

Message from the Attorney General: This report begins with a message from the Attorney General. In it, the Attorney General provides his assessment of the completeness and reliability of the performance and financial data, as required by Office of Management and Budget (OMB) Circulars A-11 and A-136.

Section I – Management's Discussion and Analysis: This section includes summary information about the mission and organization of the Department; resource information; an analysis of the Department's financial statements; an analysis of performance information for the Department's key performance measures; and assurances and information related to internal control and financial management systems conformance with government-wide requirements, as required by the Federal Managers' Financial Integrity Act (FMFIA) and OMB Circular A-123.

Section II – FY 2010 Performance Report: This section provides the Department's FY 2010 Performance Report, which presents how the Department is working toward accomplishing its mission. The Performance Report provides a summary discussion of the Department's three strategic goals. It also reports on key performance measures by detailing program objectives and FY 2010 target and actual performance, as well as whether target performance levels were or were not achieved. In addition, this section provides an update on the Department's progress toward achieving the FY 2012 long-term outcome goals set forth in its FYs 2007-2012 Strategic Plan.

Section III – Financial Section: This section begins with a message from the Department's CFO and is followed by the OIG's Commentary and Summary on the Department's FY 2010 Annual Financial Statements. This section also includes the reports of the Independent Auditors and the Department's consolidated financial statements and associated notes.

Section IV – Management Section: This section includes the OIG-identified Top Management and Performance Challenges in the Department of Justice, the Department of Justice Management's Response to those Challenges, and the Corrective Action Plan required by the FMFIA for the programmatic internal control weakness.

Appendices: (A) OIG Analysis and Summary of Actions Necessary to Close the FY 2010 Annual Financial Statement Audit Report; (B) Improper Payments Information Act Reporting Details; (C) FY 2010 Financial Management Status Report; (D) Major Program Evaluations Completed During FY 2010; (E) Intellectual Property Report; (F) Acronyms; and (G) Department Websites.

This report is available at http://www.justice.gov/ag/annualreports/pr2010/TableofContents.htm.

Compliance with Legislated Reporting Requirements

This report meets the following legislated reporting requirements:

Inspector General (IG) Act of 1978 (Amended) – Requires information on management actions in response to Inspector General audits

Federal Managers' Financial Integrity Act of 1982 (FMFIA) – Requires a report on agency internal controls that protect the integrity of federal programs and whether agency financial management systems conform with related requirements

Government Performance and Results Act of 1993 (GPRA) – Requires performance reporting for all established agency goals outlined in current strategic planning documents

Government Management Reform Act of 1994 (GMRA) – Requires an audit of agency financial statements

Federal Financial Management Improvement Act of 1996 (FFMIA) – Requires an assessment of agency financial management systems for adherence to government-wide requirements and standards

Reports Consolidation Act of 2000 (RCA) – Authorizes the consolidation of certain financial and performance management reports of federal agencies in an annual Performance and Accountability Report

Improper Payments Information Act of 2002 (IPIA) – Requires reporting on agency efforts to identify and reduce improper payments

SECTION I

MANAGEMENT'S DISCUSSION AND ANALYSIS

(UNAUDITED)

Section I Management's Discussion and Analysis (Unaudited)

Established July 1, 1870 (28 U.S.C. § 501 and 503), the Department of Justice (DOJ or the Department) is headed by the Attorney General of the United States. The Department was created to control federal law enforcement and all criminal prosecutions and civil suits in which the United States has an interest. The structure of the Department has changed over the years, with the addition of a Deputy Attorney General, Associate Attorney General, Assistant Attorneys General and the formation of Divisions and components; however, unchanged is the commitment and response to securing equal justice for all, enhancing respect for the rule of law, and making America a safer and more secure Nation.

Mission

The mission of the Department of Justice, as reflected in its Strategic Plan for fiscal years (FY) 2007-2012, is as follows:

> *To enforce the law and defend the interests of the United States according to the law, to ensure public safety against threats foreign and domestic, to provide federal leadership in preventing and controlling crime, to seek just punishment for those guilty of unlawful behavior, and to ensure fair and impartial administration of justice for all Americans.*

In carrying out the Department's mission, we are guided by the following core values:

Equal Justice Under the Law. Upholding the laws of the United States is the solemn responsibility entrusted to us by the American people. We enforce these laws fairly and uniformly to ensure that all Americans receive equal protection and justice under the law.

Honesty and Integrity. We adhere to the highest standards of ethical behavior.

Commitment to Excellence. We seek to provide the highest levels of service to the American people. We are effective and responsible stewards of the taxpayers' dollars.

Respect for the Worth and Dignity of Each Human Being. We treat each other and those we serve with fairness, dignity, and compassion. We value differences in people and ideas. We are committed to the well-being of our employees and to providing opportunities for individual growth and development.

Strategic Goals and Objectives

From our mission and core values stem the Department's strategic and annual planning processes. The Department embraces the concepts of performance-based management. At the heart of these concepts is the understanding that improved performance is realized through greater focus on mission, agreement on goals and objectives, and timely reporting of results. In the Department, strategic planning is the first step in an iterative planning and implementation cycle. This cycle, which is the center of the Department's efforts to implement performance-based management, involves setting long-term goals and objectives, translating these goals and objectives into budgets and program plans, implementing programs, monitoring performance, and evaluating results. In this cycle, the Department's Strategic Plan provides the overarching framework for component and function-specific plans as well as annual performance plans, budgets, and reports. The Strategic Plan is available electronically on the Department's website at: http://www.justice.gov/jmd/mps/strategic2007-2012/index.html.

The table below provides an overview of the Department's strategic goals and objectives. The Department expects to deliver an updated Strategic Plan in FY 2011.

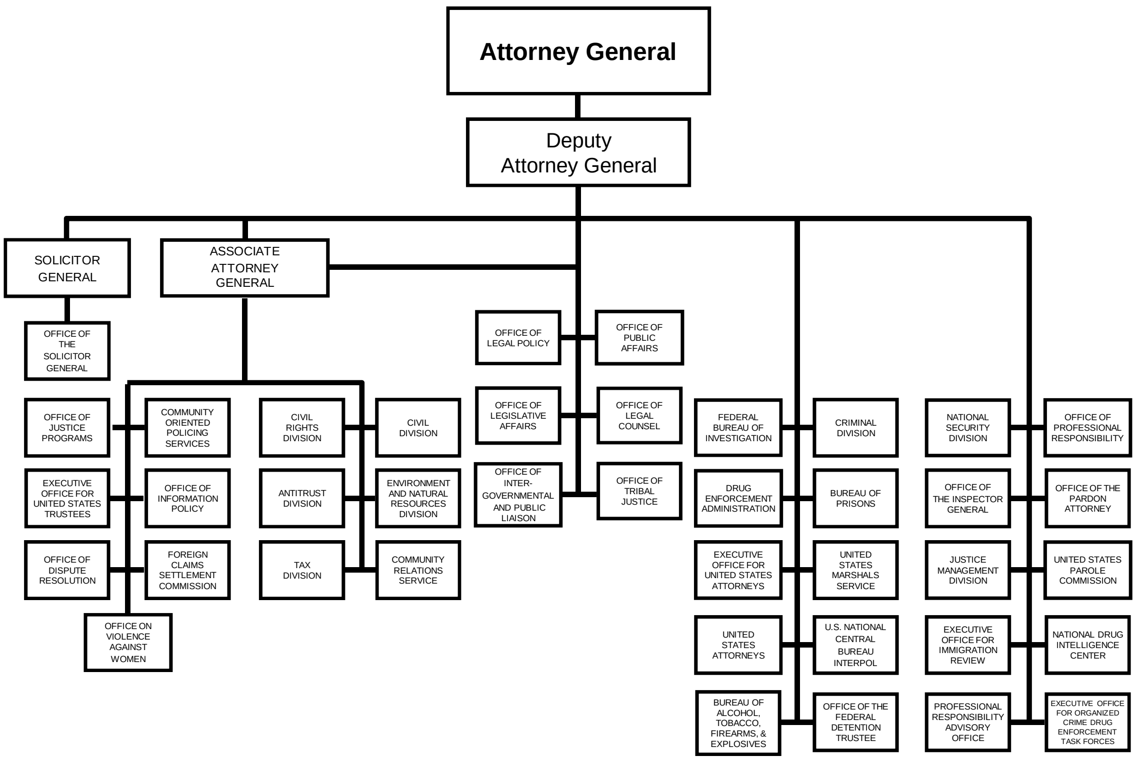
Strategic Goal		Strategic Objectives
I	Prevent Terrorism and Promote the Nation's Security	**1.1** Prevent, disrupt, and defeat terrorist operations before they occur **1.2** Strengthen partnerships to prevent, deter, and respond to terrorist incidents **1.3** Prosecute those who have committed, or intend to commit, terrorist acts in the United States **1.4** Combat espionage against the United States
II	Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People	**2.1** Strengthen partnerships for safer communities, and enhance the Nation's capacity to prevent, solve, and control crime **2.2** Reduce the threat, incidence, and prevalence of violent crime **2.3** Prevent, suppress, and intervene in crimes against children **2.4** Reduce the threat, trafficking, use, and related violence of illegal drugs **2.5** Combat public and corporate corruption, fraud, economic crime, and cybercrime **2.6** Uphold the civil and Constitutional rights of all Americans **2.7** Vigorously enforce and represent the interests of the United States in all matters over which the Department has jurisdiction **2.8** Protect the integrity and ensure the effective operation of the Nation's bankruptcy system
III	Ensure the Fair and Efficient Administration of Justice	**3.1** Protect judges, witnesses, and other participants in federal proceedings, and ensure the appearance of criminal defendants for judicial proceedings or confinement **3.2** Ensure the apprehension of fugitives from justice **3.3** Provide for the safe, secure, and humane confinement of detained persons awaiting trial and/or sentencing and those in the custody of the Federal Prison System **3.4** Provide services and programs to facilitate inmates' successful reintegration into society, consistent with community expectations and standards **3.5** Adjudicate all immigration cases promptly and impartially in accordance with due process **3.6** Promote and strengthen innovative strategies in the administration of state and local justice systems **3.7** Uphold the rights and improve services to America's crime victims

Organizational and Financial Structure

Led by the Attorney General, the Department is comprised of more than forty separate component organizations. These include the U.S. Attorneys (USAs) who prosecute offenders and represent the United States government in court; the major investigative agencies – the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), which deter and investigate crimes and arrest criminal suspects; the U.S. Marshals Service (USMS), which protects the federal judiciary, apprehends fugitives, and detains persons in federal custody; the Bureau of Prisons (BOP), which confines convicted offenders; and the National Security Division (NSD), which brings together national security, counterterrorism, counterintelligence, and foreign intelligence surveillance operations under a single authority.

The Department's litigating divisions represent the rights and interests of the American people and enforce federal criminal and civil laws. The litigating divisions are comprised of the Antitrust (ATR), Civil (CIV), Civil Rights (CRT), Criminal (CRM), Environment and Natural Resources (ENRD), and Tax (TAX) divisions. The Office of Justice Programs (OJP) and the Office of Community Oriented Policing Services (COPS) provide leadership and assistance to state, local, and tribal governments. Other major Departmental components include the U.S. Trustees (UST), the Office of the Federal Detention Trustee (OFDT), the Justice Management Division (JMD), the Executive Office for Immigration Review (EOIR), the Community Relations Service (CRS), the Office on Violence Against Women (OVW), the National Drug Intelligence Center (NDIC), the Office of the Inspector General (OIG), and several offices that advise the Attorney General on policy, law, legislation, tribal justice matters, external affairs, and oversight. Headquartered in Washington, D.C., the Department conducts its work in offices located throughout the country and overseas.

U.S. DEPARTMENT OF JUSTICE



APPROVED BY: ______________________ DATE: Apr. 30, 2010

ERIC H. HOLDER, JR.
ATTORNEY GENERAL

Department of Justice Financial Structure

The Department's financial reporting structure is comprised of the following nine principal components:

- Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Bureau of Prisons (BOP)
- Drug Enforcement Administration (DEA)
- Federal Bureau of Investigation (FBI)
- Federal Prison Industries, Inc. (FPI)
- Office of Justice Programs (OJP)
- Offices, Boards and Divisions (OBDs)
- U.S. Marshals Service (USMS)

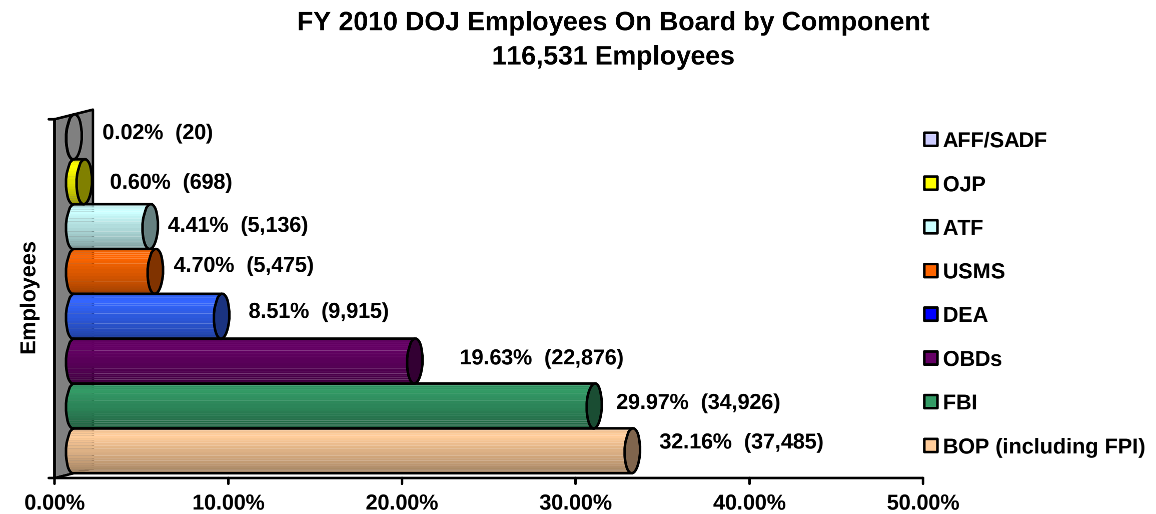
Offices
Office of the Attorney General
Office of the Deputy Attorney General
Office of the Associate Attorney General
Community Relations Service
Executive Office for Immigration Review
Executive Office for U.S. Attorneys
Executive Office for U.S. Trustees
Executive Office for Organized Crime Drug Enforcement Task Forces
National Drug Intelligence Center
Office of Community Oriented Policing Services
Office of Dispute Resolution
Office of Information Policy
Office of Intergovernmental and Public Liaison
Office of Legal Counsel
Office of Legal Policy
Office of Legislative Affairs
Office of Professional Responsibility
Office of Public Affairs
Office of the Federal Detention Trustee
Office of the Inspector General
Office of the Pardon Attorney
Office of the Solicitor General
Office of Tribal Justice
Office on Violence Against Women
Professional Responsibility Advisory Office
U.S. Attorneys
U.S. National Central Bureau - INTERPOL

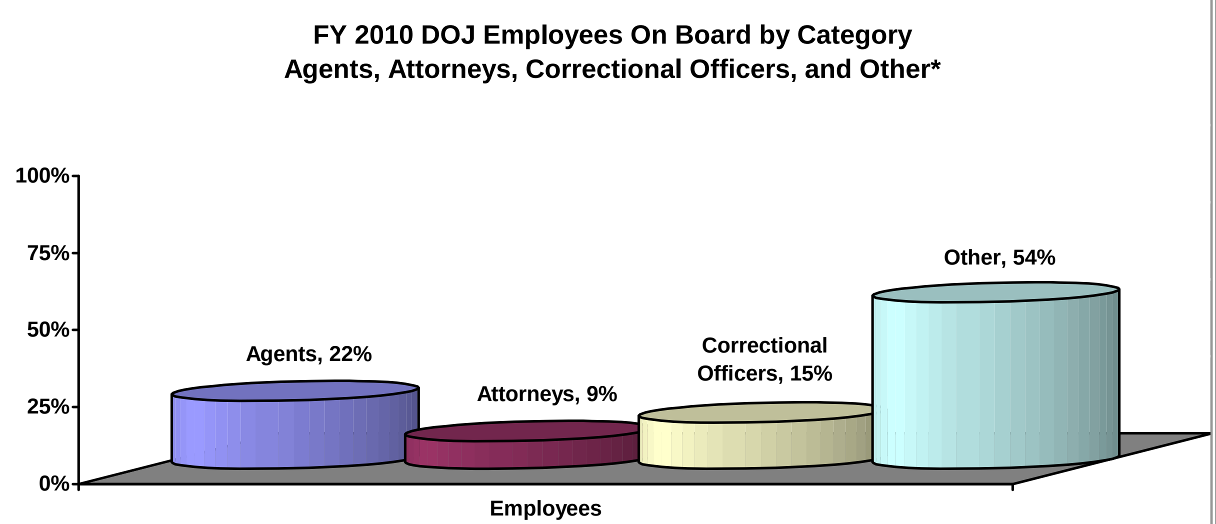
Boards
Foreign Claims Settlement Commission
U.S. Parole Commission

Divisions
Antitrust Division
Civil Division
Civil Rights Division
Criminal Division
Environment and Natural Resources Division
Justice Management Division
National Security Division
Tax Division

FY 2010 Resource Information

The following pages provide summary-level resource and performance information regarding the Department's operations for FY 2010. The charts on this page reflect employees on board as of September 25, 2010.





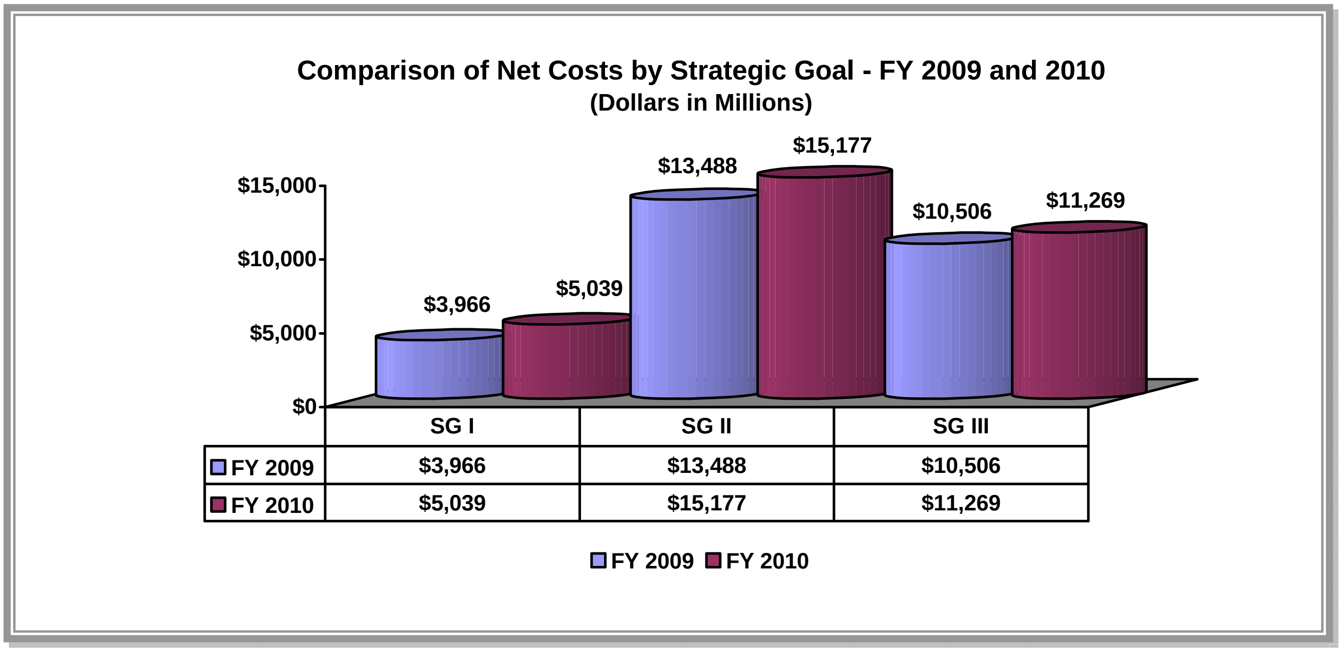
*"Other" includes pay class categories such as general administrative, clerical, analyst, information technology specialist, security specialist, and legal services.

Table 1. Sources of DOJ Resources
(Dollars in Thousands)

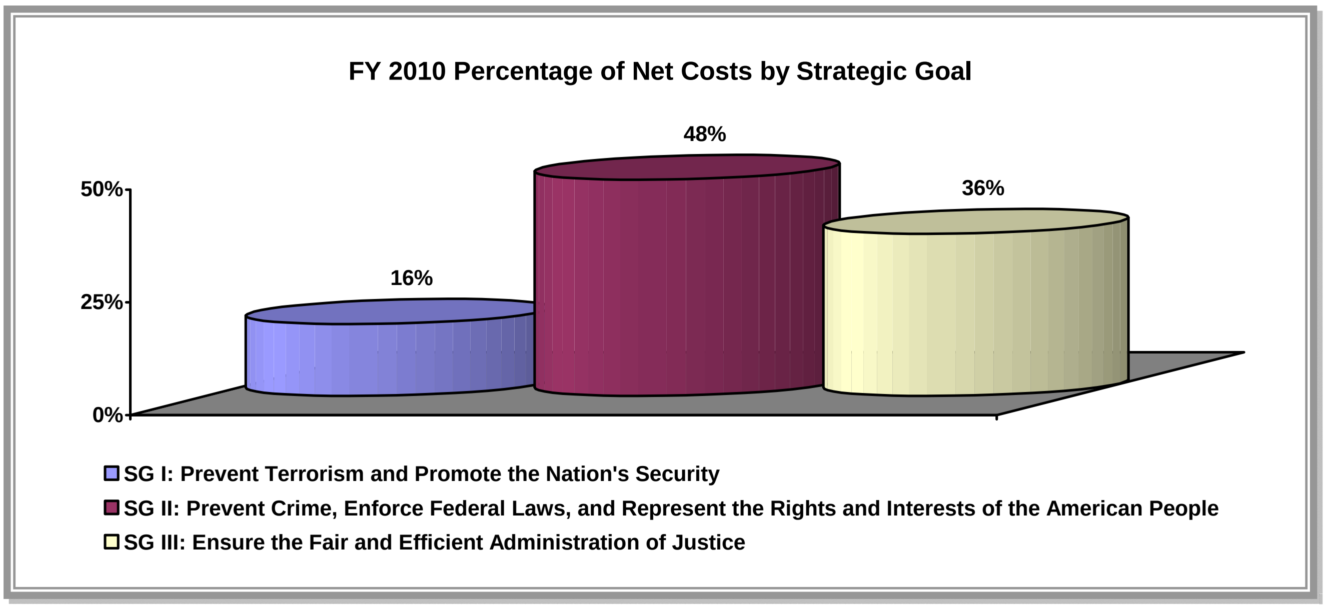
Source	FY 2010	FY 2009	% Change
Earned Revenue:	$3,275,846	$3,314,595	**-1.2%**
Budgetary Financing Sources:			
Appropriations Received	28,342,153	30,452,903	**-6.9%**
Appropriations Transferred In/Out	510,516	535,342	**-4.6%**
Nonexchange Revenues	2,367,453	1,757,766	**34.7%**
Donations and Forfeitures of Cash and Cash Equivalents	1,502,460	1,376,423	**9.2%**
Transfers In/Out Without Reimbursement	75,097	89,948	**-16.5%**
Other Adjustments and Other Budgetary Financing Sources	(153,751)	(331,068)	**53.6%**
Other Financing Sources:			
Donations and Forfeitures of Property	71,204	68,213	**4.4%**
Transfers In/Out Without Reimbursement	(1,889)	9,397	**-120.1%**
Imputed Financing from Costs Absorbed by Others	902,877	703,700	**28.3%**
Total	**$36,891,966**	**$37,977,219**	**-2.9%**

Table 2. How DOJ Resources Were Spent
(Dollars in Thousands)

	Strategic Goal (SG)	FY 2010	FY 2009	% Change
I	Prevent Terrorism and Promote the Nation's Security			
	Gross Cost	$5,545,532	$4,525,551	
	Less: Earned Revenue	506,463	559,958	
	Net Cost	5,039,069	3,965,593	27.1%
II	Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People			
	Gross Cost	16,665,443	14,878,016	
	Less: Earned Revenue	1,488,093	1,389,584	
	Net Cost	15,177,350	13,488,432	12.5%
III	Ensure the Fair and Efficient Administration of Justice			
	Gross Cost	12,550,173	11,870,824	
	Less: Earned Revenue	1,281,290	1,365,053	
	Net Cost	11,268,883	10,505,771	7.3%
	Total Gross Cost	**34,761,148**	**31,274,391**	
	Less: Total Earned Revenue	**3,275,846**	**3,314,595**	
	Total Net Cost of Operations	**$31,485,302**	**$27,959,796**	**12.6%**



	SG I	SG II	SG III
FY 2009	$3,966	$13,488	$10,506
FY 2010	$5,039	$15,177	$11,269



Analysis of Financial Statements

The Department's financial statements, which are provided in Section III of this document, received an unqualified audit opinion for the fiscal years ended September 30, 2010 and 2009. These statements were prepared from the accounting records of the Department in conformity with the accounting principles generally accepted in the United States and Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*. These principles are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB).

The following information highlights the Department's financial position and results of operations in FY 2010. The complete set of financial statements, related notes, and the opinion of the Department's auditors are provided in Section III of this document.

Assets: The Department's Consolidated Balance Sheet as of September 30, 2010, shows $40 billion in total assets, an increase of $3.4 billion over the previous year's total assets of $36.6 billion. Fund Balance with U.S. Treasury (FBWT) was $23.6 billion, which represented 58.9 percent of total assets. This increase is predominantly due to an increase in Debt Collection Management (DCM) activity.

Liabilities: Total Department liabilities were $10.6 billion as of September 30, 2010, an increase of $1.4 billion from the previous year's total liabilities of $9.2 billion. This increase is primarily due to DCM activity on behalf of other government agencies and substantial increases in the Radiation Exposure Compensation Act (RECA) liability estimations.

Net Cost of Operations: The Consolidated Statement of Net Cost presents the Department's gross and net cost by strategic goal. The net cost of the Department's operations totaled $31.5 billion for the year ended September 30, 2010, an increase of $3.5 billion (12.6 percent) from the previous year's net cost of operations of $28 billion.

Brief descriptions of some of the major costs for each Strategic Goal are as follows:

Strategic Goal	Description of Major Costs
I	Includes resources dedicated to counterterrorism initiatives for ATF, Criminal Division, DEA, FBI, NSD, USAs, and USMS
II	Includes resources for the AFF, ATF, BOP, COPS, CRS, DEA, FBI, Foreign Claims Settlement Commission (FCSC), Organized Crime Drug Enforcement Task Forces (OCDETF), Office of Dispute Resolution (ODR), OJP, Office of Legal Counsel, Office of the Pardon Attorney (OPA), Office of the Solicitor General (OSG), OVW, USAs, USMS, U.S. National Central Bureau (INTERPOL), UST, and the Antitrust, Civil, Civil Rights, Criminal, Environment and Natural Resources, and Tax Divisions
III	Includes resources for BOP, Executive Office for Immigration Review, Fees and Expenses of Witnesses, FPI, OJP, Justice Prisoner Alien Transportation System, USMS, U.S. Parole Commission, and services to America's crime victims

Management and administrative costs, including the costs for the Department's leadership offices, JMD, Wireless Management Office, and others, are allocated to each strategic goal based on full-time equivalent (FTE) employment.[1]

Budgetary Resources: The Department's FY 2010 Combined Statement of Budgetary Resources shows $42.8 billion in total budgetary resources, a decrease of $1.8 billion from the previous year's total budgetary resources of $44.6 billion. This decrease is predominantly due to a decrease in the Appropriations Received.

Net Outlays: The Department's FY 2010 Combined Statement of Budgetary Resources shows $30 billion in net outlays, an increase of $1.9 billion from the previous year's total net outlays of $28.1 billion.

Data Reliability and Validity

The Department views data reliability and validity as critically important in the planning and assessment of its performance. As such, the Department makes every effort to constantly improve the completeness and reliability of its performance information by performing "data scrubs" (routine examination of current and historical data sets, as well as looking toward the future for trends) to ensure the data we rely on to make day-to-day management decisions are as accurate and reliable as possible and targets are ambitious enough given the resources provided. In an effort to communicate our data limitations and commitment to providing accurate data, this document includes a discussion of data validation, verification, and any identified data limitations for each performance measure presented. The Department ensures each reporting component providing data for this report meets the following criteria:

> *At a minimum, performance data are considered reliable if transactions and other data that support reported performance measures are properly recorded, processed, and summarized to permit the preparation of performance information in accordance with criteria stated by management. Performance data need not be perfect to be reliable, particularly if the cost and effort to secure the best performance data possible will exceed the value of any data so obtained.*

[1] FTE employment means the total number of regular straight-time hours (i.e., not including overtime or holiday hours) worked by employees, divided by the number of compensable hours applicable to each fiscal year. Annual leave, sick leave, compensatory time off, and other approved leave categories are considered "hours worked" for purposes of defining FTE employment.

Analysis of Performance Information

According to the Government Performance and Results Act (GPRA) of 1993, an agency's Strategic Plan must be updated and revised at least every three years and cover a period of not less than five years forward from the fiscal year in which it is submitted. In April 2007, the FY 2007-2012 Strategic Plan was approved by OMB and sent to Congress for review and approval. The final FY 2007-2012 Strategic Plan was made available to the public in July 2007. The Department anticipates the release in late 2010 of the new Strategic Plan for FY 2010-2015.

The Department's FY 2007-2012 Strategic Plan contains three goals. Additionally, the Department's Plan includes 23 key performance measures addressing its highest priorities toward achieving these long-term outcome goals. The measures are included in the Department's annual *Budget and Performance Summary* and reported on in this document. The Department's full Performance Report for these measures, including an update on our progress toward meeting the FY 2012 long-term outcome goals, is included in Section II of this document. The Department strives to present the highest-level outcome-oriented measures available and fully report the accomplishments achieved during the reporting period. However, data for the 23 key measures are compiled less than 30 days after the end of the fiscal year and, occasionally, data for an entire year are not available at the time of publication.

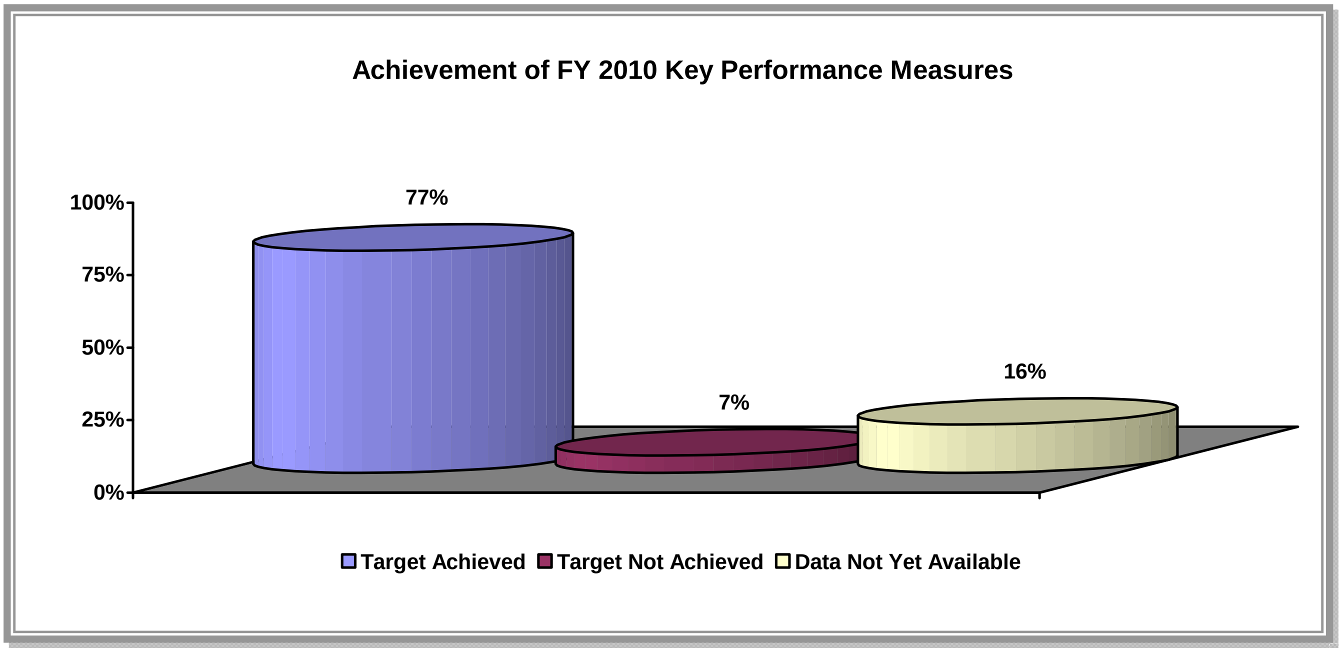
During FY 2010, Departmental leadership continued to display a clear commitment to performance management through the reliance on formal quarterly status reviews. Additionally, Departmental components have worked to improve the quality and timeliness of financial and performance information that informs quarterly status reporting and operating plans.

For this report, 83 percent of the performance measures have actual data for FY 2010. In some cases, indicators are reported on a calendar year basis while others have a one-year lag time and thus are not included in this report. The Department achieved 77 percent of its key indicators in FY 2010, which is higher than last year's overall success of 61 percent. The Department continues to emphasize long-term and annual performance measure development, placement of key performance indicators on cascading employee work plans, and Department-wide quarterly status reporting.

The Department will continue to examine its performance management system overall and implement improvements, where necessary. Additional improvement areas include continuing to improve the quality and utility of performance information, developing the capacity to use performance information through the use of technology and reliable data systems, and continuing to work with OMB and other federal agencies to develop mechanisms to target and measure efficiency of law enforcement and regulatory programs.

In addition to monitoring its annual progress, the Department continues to monitor progress made toward achieving its FY 2012 long-term performance goals for each of the 23 key performance measures. As of the close of FY 2010, the Department's long-term key measures are on-track for full achievement against FY 2012 targets. Two full years of performance remain until the Department reports against planned progress, and a number of mechanisms are in place to ensure that the current progress is maintained, including quarterly status reporting and performance-informed budget submissions that request the resources necessary for the Department to reach its goals.

The chart below and the table that follows summarize the Department's achievement of its FY 2010 key performance measures.



Note: For FY 2010, the Department of Justice had 23 key performance measures. Some measures had more than one annual target; therefore, for purposes of illustrating the Department's achievement rate in the chart above, a universe of 30 key performance measures instead of 23 was used.

	[ ] Designates the reporting entity	FY 2010 Target	FY 2010 Actual	Target Achieved/ Not Achieved
	Strategic Goal I: Prevent Terrorism and Promote the Nation's Security			
	Terrorist acts committed by foreign nationals against U.S. interests within U.S. borders [FBI] [Discontinued] [1]	Zero	Zero	Not Applicable
	[1] *Measure was consolidated into catastrophic acts of terrorism.*			
1	Catastrophic acts of terrorism [FBI] [Title Refined] [2]	Zero	Zero	Achieved
	[2] *Includes both domestic and international terrorist acts.*			
	Strategic Goal II: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People			
2	Number of organized criminal enterprises dismantled [FBI]	36	37	Achieved
3	Number of children depicted in child pornography identified by the FBI [FBI]	130	246	Achieved
4	Percentage of firearms investigations resulting in a referral for criminal prosecution [ATF]	60%	56%	Not Achieved[3]
	[3] *Target was missed by 4 percentage points. In FY 2010, ATF increased its commitment to Southwest Border firearms interdiction initiatives, detailing 80 special agents, investigators, and intelligence personnel to the Phoenix/Tucson Gunrunner Impact Teams.*			
	DOJ's reduction in the supply of illegal drugs available for consumption in the U.S. [OCDETF] [Discontinued] [4]	N/A	N/A	Not Applicable
	[4] *Baseline amounts for the supply of illegal drugs available for consumption in the United States have not been measurable. Therefore, the Department is no longer planning to report on its effect on the reduction of the supply of illegal drugs available for consumption in the United States.*			

	[ ] Designates the reporting entity	FY 2010 Target	FY 2010 Actual	Target Achieved/ Not Achieved
5	Consolidated Priority Organizations Target (CPOT)-linked drug trafficking organizations [DEA, FBI (Consolidated data - OCDETF)]			
	Dismantled	149	176	Achieved
	Disrupted	281	365	Achieved
6	Number of high-impact Internet fraud targets neutralized [FBI]	13	12	Not Achieved[5]
	[5]Target for this measure was not met in FY 2010, due to the extent of IC3 resources needed to support high profile cases throughout the national and international law enforcement communities. Throughout FY 2010, many arrests were made in at least two very large investigations, one of which involved 390 FBI-wide investigations. Because of the 390 investigations throughout the field, the resources of several analysts were used to assist the entire scheme. While this was a large focus for the IC3 this fiscal year, FBI does not anticipate as much time being allocated to this initiative since the arrests were made.			
7	Number of criminal enterprises engaging in white-collar crimes dismantled [FBI]	160	309	Achieved
8	Percent of cases favorably resolved: [ENRD, ATR, CRM, USA, TAX, CIV, CRT (Consolidated data - JMD/Budget Staff)]			
	Criminal Cases	90%	94%	Achieved
	Civil Cases	80%	85%	Achieved
9	Percent of assets/funds returned to creditors: [USTP]			
	Chapter 7	58%	TBD[6]	TBD
	Chapter 13	84%	TBD[6]	TBD
	[6] Data lag one year due to the requirement to audit data submitted by U.S. Trustees prior to reporting.			
10	Number of homicides per site (funded under the Weed and Seed program) [OJP]	3.7	TBD[7]	TBD
	[7]Data are collected on a calendar year basis and reported with a one year lag.			
11	Percent reduction in DNA backlog (casework only) [OJP]	25%	29%	Achieved
12	Percent of children recovered within 72 hours of an issuance of an AMBER alert [OJP]	75.0%	86.9%	Achieved
	Strategic Goal III: Ensure the Fair and Efficient Administration of Justice			
13	Number of participants in the Residential Substance Abuse Treatment (RSAT) Program [OJP]	25,000	TBD[8]	TBD
	[8]Data are collected on a calendar year basis and reported with a one year lag.			
14	Graduation rate of program participants in the Drug Courts Program (adult drug court participants only) [OJP]	71%	TBD[9]	TBD
	[9]Data unavailable at time of publication; to be reported at the end of calendar year 2010.			
15	Ensure judicial proceedings are not interrupted due to inadequate security [USMS]	Zero	Zero	Achieved
16	Total primary fugitives apprehended or cleared [USMS]			
	Number	33,000	36,126	Achieved
	Percent	53%	56%	Achieved
17	Per day jail costs [OFDT]	$70.98	$70.59	Achieved

	[ ] Designates the reporting entity	FY 2010 Target	FY 2010 Actual	Target Achieved/ Not Achieved
18	Percent of system-wide crowding in federal prisons [BOP]	40%	37%	Achieved
19	Ensure zero escapes from secure BOP facilities [BOP]	Zero	Zero	Achieved
20	Comparative recidivism for Federal Prison Industries (FPI) inmates versus non-FPI inmates [FPI / BOP provides data]			
	Percentage less likely to recidivate: 3 years after release	15%	18%	Achieved
	6 years after release	10%	19%	Achieved
21	Rate of serious assaults In federal prisons (per 5,000 Inmates) [BOP]	16/5,000 Assaults/Inmates	13/5,000 Assaults/Inmates	Achieved
22	Inspection results—Percent of federal facilities with American Correctional Association (ACA) accreditations [BOP]	99%	99%	Achieved
23	Percent of Executive Office for Immigration Review (EOIR) priority cases completed within established timeframes [EOIR]			
	Asylum (Discontinued)[10]	N/A	N/A	N/A
	Institutional Hearing Program	85%	87%	Achieved
	Detained Cases – Immigration Court[11]	85%	89%	Achieved
	Detained Appeals	90%	93%	Achieved

[10]*At the end of FY 2009, the Executive Office for Immigration Review (EOIR) discontinued this measure. The agency shifted its highest priority to the detained caseload. These cases are the highest priority for EOIR because individuals involved in these proceedings are being detained at the expense of the United States government.*

[11]*The measure, "Detained Cases – Immigration Court," is technically a new measure because the pool of cases has changed from previous years. The pool of cases in previous years was based only on detained cases that did not have applications for relief submitted by the alien and the timeframe was 30 days. Beginning in FY 2010, the new pool of cases is based on all detained cases and the timeframe within 60 days.*

Note: TBD – Data were not yet available as of the date of this document; however, the discussion below the measure indicates when data will be available.

Analysis of Systems, Controls, and Legal Compliance

Internal Control Program in the Department of Justice

The objective of the Department of Justice's internal control program is to provide reasonable assurance that operations are effective, efficient, and comply with applicable laws and regulations; financial reporting is reliable; and assets are safeguarded against waste, loss, and unauthorized use. The Department identifies issues of concern through a strong network of oversight councils and internal review teams. These include the Department's Senior Assessment Team, the Justice Management Division's Internal Review and Evaluation Office and Quality Control and Compliance Group, and Departmental component internal review teams. The Department also considers reports by the Office of the Inspector General (OIG) in its evaluation of internal control.

The Department's internal control continues to improve through the corrective actions implemented by senior management. The Department's commitment to management excellence, accountability, and compliance with applicable laws and regulations is evidenced in our continuing actions to establish effective controls, make sound determinations on corrective actions, and verify and validate the results. This commitment is further evidenced by the many control improvements and actions taken by Departmental management in response to OMB initiatives and OIG recommendations. For example, during FY 2010, in response to the OMB *Open Government Directive – Framework for the Quality of Federal Spending Information*, Departmental management developed a framework with details of the internal controls implemented over information quality, including system and process changes, and the integration of these controls within the Department's existing infrastructure. The framework reflects the coordinated efforts that are occurring among Departmental components and offices to ensure effective implementation of the principles of transparency, participation, and collaboration set forth in the President's January 2009 Memorandum on Transparency and Open Government. In addition, Departmental management continued in FY 2010 to further strengthen and maximize the effectiveness of the Department's assessment of internal control over financial reporting, which is required by Appendix A of OMB Circular A-123. Examples of such efforts include:

- refining the framework and process for assessing internal control over financial reporting,
- enhancing the oversight process to ensure prompt and proper implementation of corrective actions,
- providing direct assistance to components with previously identified material weaknesses and reportable conditions, and
- continuing to support and commit resources to Departmental component internal review programs.

Details on additional actions taken by Departmental management to build and sustain a strong internal control program are included later in this section.

Management Assurances

Federal Managers' Financial Integrity Act of 1982

The Federal Managers' Financial Integrity Act of 1982 (Integrity Act or FMFIA) provides the statutory basis for management's responsibility for and assessment of internal accounting and administrative controls. Such controls include program, operational, and administrative areas, as well as accounting and financial management. The Integrity Act requires federal agencies to establish controls that reasonably ensure obligations and costs are in compliance with applicable law; funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and revenues and expenditures are properly recorded and accounted for to maintain accountability over the assets. The Integrity Act also requires agencies to annually assess and report on the internal controls that protect the integrity of federal programs (FMFIA § 2) and whether financial management systems conform to related requirements (FMFIA § 4).

Guidance for implementing the Integrity Act is provided through OMB Circular A-123. In addition to requiring agencies to provide an assurance statement on the effectiveness of programmatic internal controls and conformance with financial systems requirements, the Circular requires agencies to provide an assurance statement on the effectiveness of internal control over financial reporting.

FMFIA Assurance Statement

Department of Justice management is responsible for establishing and maintaining effective internal controls and financial management systems that meet the objectives of the FMFIA. In accordance with OMB Circular A-123, the Department conducted its annual assessment of the effectiveness of internal controls to support effective and efficient programmatic operations and compliance with applicable laws and regulations (FMFIA § 2) and whether financial management systems conform to government-wide requirements (FMFIA § 4). Based on the results of the assessment for the period ending September 30, 2010, I provide qualified assurance that the Department met the objectives of the FMFIA. The assessment did not identify any systems non-conformances required to be reported under FMFIA § 4; however, the assessment identified one programmatic material weakness required to be reported under FMFIA § 2. This weakness involves the need to reduce the Federal Bureau of Prisons (BOP) crowding rate, currently at 37 percent over the rated capacity. Details of the exception are provided in the section *Summary of Material Weakness and Corrective Actions*. Other than the exception noted, the internal controls were operating effectively, and no other material weakness was found in the design or operation of the controls.

In accordance with Appendix A of OMB Circular A-123, the Department conducted its assessment of the effectiveness of internal control over financial reporting, which included the safeguarding of assets and compliance with applicable laws and regulations. Based on the results of this assessment for the period ending June 30, 2010, I provide reasonable assurance that the Department's internal control over financial reporting was operating effectively, and no material weaknesses were found in the design or operation of the controls.

The Department of Justice is committed to maintaining strong program and financial management as we continue our mission of fighting terrorism and protecting our communities from crime. We take our program and financial accountability seriously and are dedicated to ensuring that funds received are expended responsibly and in a transparent manner. We look forward in FY 2011 to building on our achievements to further improve internal control as we continue the important work of the Department.

Eric H. Holder, Jr.
Attorney General
November 9, 2010

Federal Financial Management Improvement Act of 1996

The Federal Financial Management Improvement Act of 1996 (FFMIA) was designed to advance federal financial management by ensuring that federal financial management systems provide accurate, reliable, and timely financial management information to the government's managers. Compliance with the FFMIA provides the basis for the continuing use of reliable financial management information by program managers, as well as by the President, Congress, and public. The FFMIA specifically requires agencies to have financial management systems that substantially comply with federal financial management systems requirements, applicable federal accounting standards, and the application of the U.S. Government Standard General Ledger at the transaction level. Guidance for implementing the FFMIA is provided through OMB Circular A-127.

FFMIA Compliance Determination

During FY 2010, the Department assessed its financial management systems for compliance with the FFMIA and determined that, when taken as a whole, they substantially comply with the FFMIA. This determination is based on the results of FISMA reviews and testing performed for OMB Circular A-123, Appendix A. Consideration was also given to issues identified during the Department's financial statement audit. A summary of the Department's compliance with the specific requirements of the FFMIA is provided at the end of this sub-section.

Financial Systems Strategy, Goals, and Framework

The Department's financial management systems strategy is to ultimately replace the six major non-integrated accounting systems currently in use throughout the Department with a single, integrated financial management system that delivers standard, core accounting processes, as well as the data needed for effective financial and budget management. In FYs 2009 and 2010, the Department made measurable progress in implementing the integrated system – the Unified Financial Management System (UFMS). In FY 2009, the DEA successfully migrated to UFMS and, importantly, obtained an unqualified audit opinion on its financial statements produced from UFMS. As expected, the DEA project was a large, complex, and difficult migration, but one that helped to lay the foundation for the migration of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), which is set for the first quarter of FY 2011, and the migration of other Departmental components in the future pending the outcome of a systems review being conducted by OMB in accordance with M-10-26. UFMS implementation goals, such as the FY 2011 ATF migration, are based on and aligned with operational risks and requirements.

The Department's implementation of UFMS has already enabled components to improve financial and budget management and realize increased efficiencies. Additional migrations to UFMS are expected to result in improvements and efficiencies. For example, UFMS has standardized and integrated financial processes to more effectively support accounting operations, provide accurate and timely financial information throughout the year, facilitate preparation of financial statements, and streamline audit processes.

As required, the Department has compiled the current inventory of baseline financial management and mixed systems and will submit it separately to OMB through the General Services Administration.

Summary of Financial Statement Audit and Management Assurances

The following two tables summarize the results of the Department's financial statement audit and management assurances regarding the effectiveness of internal control over programmatic operations and financial reporting (FMFIA § 2), conformance with financial management systems requirements (FMFIA § 4), and compliance with the FFMIA. As noted in Table 4, sufficient progress was made in FY 2010 to remediate internal control deficiencies related to the Federal Bureau of Investigation's previously reported material weakness related to the use of national security letters, and the issue is no longer considered a material weakness.

Table 3. Summary of Financial Statement Audit

Financial Statement Audit Opinion and Material Weaknesses					
Audit Opinion	Unqualified				
Restatement	No				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Ending Balance**
None	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**

Table 4. Summary of Management Assurances

Effectiveness of Internal Control over Programmatic Operations (FMFIA § 2)						
Statement of Assurance	Qualified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Prison Crowding	1	0	0	0	0	1
Federal Bureau of Investigation Use of National Security Letters	1	0	1	0	0	0
Total Material Weaknesses	**2**	**0**	**1**	**0**	**0**	**1**

Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)						
Statement of Assurance	Unqualified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
None	0	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**	**0**

Conformance with the Financial Management Systems Requirements (FMFIA § 4)						
Statement of Assurance	Systems Conform					
Non-conformances	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
None	0	0	0	0	0	0
Total Non-conformances	**0**	**0**	**0**	**0**	**0**	**0**

Compliance with Federal Financial Management Improvement Act (FFMIA)		
Overall Substantial Compliance	**Agency**	**Auditor**
	Yes	Yes
Compliance with Specific Requirements		
Systems Requirements	Yes	
Accounting Standards	Yes	
USSGL at Transaction Level	Yes	

Summary of Material Weakness and Corrective Actions

A summary of the material weakness identified in the Department's FY 2010 assessment of the effectiveness of internal control over programmatic operations (FMFIA § 2) follows, along with details regarding corrective actions. The associated Corrective Action Plan is available in Section IV of this document.

Programmatic Material Weakness and Corrective Actions – Prison Crowding

As of September 30, 2010, the inmate population housed in BOP operated institutions exceeded the rated housing capacity by 37 percent. The BOP's Long Range Capacity Plan relies on multiple approaches to house the increasing federal inmate population, such as contracting with the private sector and state and local facilities for certain groups of low-security inmates; expanding existing institutions where infrastructure permits, programmatically appropriate, and cost effective to do so; and acquiring and constructing new facilities as funding permits. The Long Range Capacity Plan details the acquisition, expansion, and construction necessary to maximize the BOP's ability to keep pace with the increasing inmate population, thereby striving to maintain safe and secure operations in facilities housing federal inmates.

To address this material weakness, the BOP will continue implementing its Long Range Capacity Plan, making enhancements and modifications to the plan, as needed, commensurate with funding. The formal Corrective Action Plan includes utilizing contract facilities, expanding existing institutions, and acquiring and constructing new institutions as funding permits. The BOP will continue to validate progress on construction projects at new and existing facilities through on-site inspections or by reviewing monthly construction progress reports.

The Department's corrective action efforts are not limited to the BOP alone. The Department has begun considering an innovative array of crime prevention, sentencing, and corrections management improvements that will focus on accountability and rehabilitation, while protecting public safety. The Department recognizes that the BOP's capacity management efforts must be teamed with targeted programs that are proven to reduce recidivism and promote effective re-entry.

This material weakness was first reported in 2006. Remediation of the weakness through increasing prison capacity is largely dependent on funding, while other correctional reforms and alternatives may require policy and/or statutory changes. Other initiatives notwithstanding, if the acquisition, expansion, and construction plans detailed in the BOP's Long Range Capacity Plan are funded as proposed, the over-crowding rate for FY 2014 is projected to be 38 percent. Without the utilization of contract facilities and the BOP's other mitigating actions, the projected over-crowding rate would be 45 percent.

Possible Effects of Existing, Currently Known Demands, Risks, Uncertainties, Events, Conditions, and Trends

The Department's leadership is committed to ensuring its programs and activities will continue to be focused on meeting the dynamic demands of the changing legal, economic, and technological environments of the future.

Technology

- Advances in high-speed telecommunications, computers, and other technologies are creating new opportunities for criminals, new classes of crimes, and new challenges for law enforcement.

Economy

- Possible increases in consumer debt or shortage of commercial credit may affect personal and business bankruptcy filings.
- The Department's role in the federal financial recovery effort may increase through criminal and civil litigation.
- The interconnected nature of the world's economy is increasing opportunities for criminal activity, including money laundering, white-collar crime, and alien smuggling.

Government

- Changes in the fiscal posture or policies of state and local governments could have significant effects on the capacity of state and local governments to remain effective law enforcement partners.

Globalization

- Issues of criminal and civil justice increasingly transcend national boundaries, require the cooperation of foreign governments, and involve treaty obligations, multinational environment and trade agreements, and other foreign policy concerns.

Social-Demographic

- The numbers of adolescents and young adults, now the most crime-prone segment of the population, are expected to grow rapidly over the next several years.

American Recovery and Reinvestment Act

- The Department received $4.0 billion in funding for programs, under the American Recovery and Reinvestment Act of 2009. In addition, $2.0 million was provided for the Department's Office of the Inspector General oversight activities related to Recovery Act funding. The Department is fully committed to ensuring that the funds received are expended responsibly and in a transparent manner to further job creation, economic recovery, and other purposes of the Act.
- Additional information regarding the Department's Recovery Act activities can be found on: http://www.justice.gov/recovery/; government-wide Recovery Act information can also be found on: http://www.recovery.gov/Pages/home.aspx.

- The following table summarizes appropriations, obligations, and outlays by component, as of September 30, 2010:

(Dollars in Thousands)

Component	Appropriation Amount	Obligations	Outlays
OJP	$2,761,930	$2,761,464	$1,916,510
OVW	$225,564	$223,384	$71,218
COPS	$1,002,506	$1,002,264	$140,730
ATF	$10,000	$9,973	$7,932
DOJ Total*	**$4,000,000**	**$3,997,085**	**$2,136,391****

*Excludes $2 million in funding for OIG oversight.

**Individual component outlays do not sum to total outlays due to rounding

Unpredictable

- Overseas Contingency Operations require continual adjustments to new conditions. The Department is determined to proactively confront new challenges in its efforts to protect the Nation.
- Responses to unanticipated natural disasters and their aftermath require the Department to divert resources to deter, investigate, and prosecute disaster-related federal crimes, such as charity fraud, insurance fraud and other crimes.
- Changes in federal laws may affect responsibilities and workload.
- Much of the litigation caseload is defensive. The Department has little control over the number, size, and complexity of the civil lawsuits it must defend.

Limitations of the Financial Statements

The principal financial statements have been prepared to report the financial position and results of operations of the Department of Justice, pursuant to the requirements of 31 U.S.C. § 3515(b).

While the statements have been prepared from the books and records of the Department in accordance with U.S. generally accepted accounting principles for federal entities and the formats prescribed by the OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records.

The statements should be read with the realization that they are for a component of the United States Government, a sovereign entity.

SECTION II
PERFORMANCE SECTION

(UNAUDITED)

Section II Performance Section – FY 2010 Performance Report (Unaudited)

Overview

This section of the document presents to the President, the Congress, and the public a clear picture of how the Department of Justice (DOJ or the Department) is working toward accomplishing its mission. The Performance Report provides a summary discussion of the Department's three strategic goals. It also reports on the 23 key performance measures for these goals by detailing program objectives and FY 2010 targets and actual performance, as well as whether targets were or were not achieved. Each key performance measure also includes information related to data collection and storage, data validation and verification, and data limitations. In addition, this section includes information regarding the Department's progress toward achieving the FY 2012 long-term outcome goals set forth in its FYs 2007-2012 Strategic Plan.

At the Department, performance planning and reporting is a companion to the budget process. We recognize that performance information is vital to making resource allocation decisions and should be an integral part of the budget. Our budget and performance integration efforts have included a full budgetary restructuring of all of the Department's accounts to better align strategic goals and objectives with resources. In addition, the Department provides detailed component-specific annual performance plans within individual budget submissions, which also serve as the Department's annual performance plan.

In FY 2010, the Department continued to demonstrate clear management commitment to timely and accurate financial and budget information through the use of Department-wide quarterly status reporting. As the Department continues to develop its capacity to gather and use performance information, we will continue to communicate performance information. Quarterly status reporting has provided the Department the ability to identify problems early, take necessary corrective actions, develop more effective strategies, and allocate necessary resources.

Measuring Departmental Impact

Throughout FY 2010, the Department continued to improve its key performance measures and track the progress of our long-term performance goals. Our long-term performance goals reflect results, not just workload or processes. For example, we have focused law enforcement efforts on disrupting and dismantling targeted criminal groups, such as major drug trafficking organizations. In areas such as litigation, where results-oriented measurement is particularly difficult, we continue to reevaluate our long-term targets to ensure that we are being aggressive enough in our goals for case resolutions for all of our litigating divisions.

Measuring law enforcement performance presents unique challenges. Success for the Department is highlighted when justice is served fairly and impartially and the public is protected. In many areas, our efforts cannot be reduced to numerical counts of activities. Additionally, trying to isolate the effects of our work from other factors that affect outcomes over which the Department has little or no control presents a formidable challenge. Many factors contribute to the rise and fall of crime rates, including federal, state, local, and tribal law enforcement activities and sociological, economic, and other factors. As a result, we have focused on more targeted measures of programmatic performance such as those described above.

Measure Refinement, Data Revisions, and Subsequent Year Reporting

The *FY 2010 Performance and Accountability Report* presents the highest-level outcome-oriented measures available and fully reports on the accomplishments achieved during the reporting period. Occasionally, however, data for an entire year are not available at the time of publication. Hence, the data reported in the Department's *FY 2009 Performance and Accountability Report* that have since been revised/updated are reported as *FY 2009 Revised Actual*, where appropriate. Also, the Department is unable to report on a limited number of performance measures due to calendar year reporting or other limitations. In those instances, performance for those measures will be reported in the subsequent year's Performance and Accountability Report. For performance that occurred in FY 2009, but due to calendar year reporting or other limitations was not available for reporting that year, FY 2009 data and discussion of results are reported for the first time in the pages that follow.

In certain cases, performance measures have been discontinued, consolidated, and/or replaced with new measures. For this report, the changes are noted prior to the title of the measure, where appropriate, and designated as a "Discontinued," "Consolidated" or "New" measure. The title of the measures have also been changed and designated as "Refined" measures.

As described in Section I, the Department anticipates the release in FY 2011 of the new Strategic Plan for FYs 2010-2015. However, for purposes of this report, the Department's FYs 2007-2012 Strategic Plan is used with key performance measures fully aligning to the existing Plan's priorities and goals. Therefore, the FY 2010 Performance and Accountability Report highlights the key goals and performance measures reflected in the FY 2007-2012 Strategic Plan which was in effect during the relevant time performance results were evaluated. The Report also provides details on the Department's success in meeting its performance measure targets in FY 2010. Additional programmatic and performance information can be found in individual components' budget submissions, specifically within the Performance and Resources Tables.

I STRATEGIC GOAL 1: Prevent Terrorism and Promote the Nation's Security

16% of the Department's Net Costs support this Goal.

Terrorism is the most significant national security threat that faces our Nation. The Department's foremost focus is protecting the Homeland from future terrorist attacks. To ensure attainment of this goal, prevention is our highest priority. The Department has taken, and will continue to take assertive actions to prevent, disrupt, and defeat terrorist operations before they occur; investigate and prosecute those who commit or intend to commit terrorist acts; and strengthen partnerships to prevent, deter and respond to terrorist incidents. In order to have the information we need to keep our Nation safe, we are continuing to strengthen and expand our counterintelligence capabilities and to ensure that the people that intend to do us harm are brought to justice.

FY 2012 Outcome Goal: No catastrophic acts of terrorism
FY 2010 Progress: The Department is on target to achieve this long-term goal.

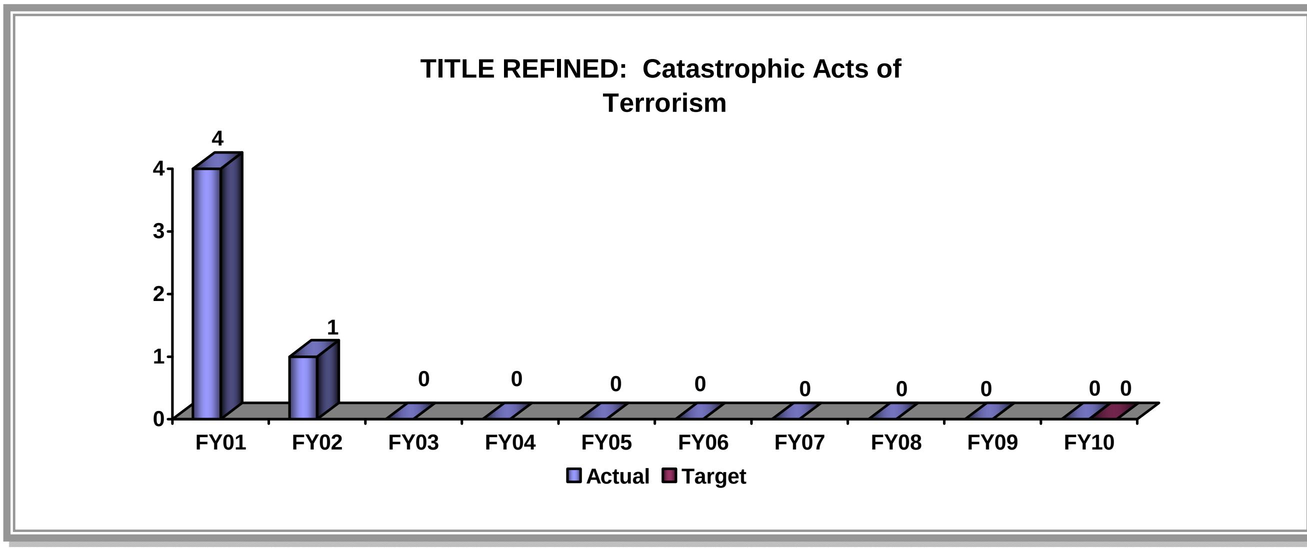
Background/Program Objectives: The FBI is committed to stopping terrorism at any stage, from thwarting those intending to conduct an act of terrorism, to investigating the financiers of terrorist operations. All counterterrorism investigations are managed at FBI Headquarters by the Counterterrorism Division (CTD), thereby employing and enhancing a national perspective. CTD provides a centralized, comprehensive, and intelligence-driven approach to addressing both international and domestic terrorism-related matters.

Under the leadership of the FBI Director, the FBI has moved aggressively to implement a comprehensive plan that has fundamentally transformed the organization. The Director has overhauled the FBI's Counterterrorism (CT) operations, expanded its intelligence capabilities, modernized its business practices and technology, and improved coordination with its partners. The FBI is dedicated to preventing and disrupting terrorist plots before they are executed.

Performance Measure**:** TITLE REFINED: Catastrophic Acts of Terrorism (*Formerly* Catastrophic Acts of Domestic Terrorism) – now includes both domestic and international terrorist acts, and replaces similar measures reporting all acts of international terrorism committed by foreign nationals within U.S. borders and catastrophic acts of domestic terrorism.

FY 2010 Target: 0
FY 2010 Actual: 0

Discussion of FY 2010 Results: The FBI achieved its target for this measure in FY 2010.



Data Definition: Terrorist Acts, domestic or internationally-based, count separate incidents that involve the "unlawful use of force and violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives." (28 C.F.R. Section 0.85). For the purposes of this performance measure, a catastrophic terrorist act is defined as an act resulting in significant loss of life and/or significant property damage.

Data Collection and Storage: The reported numbers were compiled through the expert knowledge of FBI CT senior management at headquarters.

Data Validation and Verification: All data have been approved and validated by subject matter experts and executives in the FBI's Counterterrorism Division.

Data Limitations: The decision to count or discount an incident as a terrorist act, according to the above definition, is subject to change based upon the latest available intelligence information and the opinion of program managers. In addition, acts of terrorism, by their nature, are impossible to reduce to uniform, reliable measures.

FY 2012 Outcome Goal: No terrorist acts committed by foreign nationals within U.S. borders
FY 2010 Progress: Discontinued/Consolidated

***Performance Measure*:** DISCONTINUED/CONSOLIDATED MEASURE: Terrorist Acts Committed by Foreign Nationals Against U.S. Interests (within U.S. Borders)

FY 2010 Target: 0
FY 2010 Actual: Not Applicable

Discussion of FY 2010 Results:
This measure has been discontinued and consolidated into the measure, "Catastrophic Acts of Terrorism," starting in FY 2010. The measure, "Catastrophic Acts of Terrorism" (which formerly was called, "Catastrophic Acts of Domestic Terrorism"), includes both domestic and international terrorist acts, and replaces similar measures reporting all acts of international terrorism committed by foreign nationals within U.S. borders and catastrophic acts of domestic terrorism.

II STRATEGIC GOAL 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People

48% of the Department's Net Costs support this Goal.

The heart of the Department of Justice's mission is to enforce federal laws and represent the rights and interests of the American people. Preventing and controlling crime is critical to ensuring the strength and vitality of the democratic principles, rule of law, and the administration of justice. The enforcement of federal laws keeps society safe by combating economic crime and reducing the threat, trafficking, and use of illegal drugs and related violence. The strengthening of partnerships between federal, state, local and tribal law enforcement will enhance our ability to prevent, solve and control crime. Through the enforcement of our laws, we protect the rights of the vulnerable by reducing the threat, incidence, and prevalence of violent crime, including crimes against children, and upholding the civil and constitutional rights of all Americans. The Justice Department enforces federal civil and criminal statutes, including those protecting rights, safeguarding the environment, preserving a competitive market structure, defending the public fisc against unwarranted claims, and preserving the integrity of the Nation's bankruptcy system. In addition, the Department combats public and corporate corruption, fraud, economic crime and cybercrime.

FY 2012 Outcome Goal: Dismantle a cumulative total of 212 organized criminal enterprises (FY 2007-2012)
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Investigative subprograms that focus on criminal enterprises involved in sustained racketeering activities (mainly comprised of ethnic groups with ties to Asia, Africa, the Middle East, and Europe) are consolidated into the Organized Criminal Enterprise program. Organized criminal enterprise investigations, under the Racketeering Influenced Corrupt Organization (RICO) statute, target the entire entity responsible for the crime problem. The FBI focuses on the following groups involved in racketeering activities: La Cosa Nostra and Italian organized crime groups, Russian/Eastern European/Eurasian organized crime groups, Balkan/Albanian Organized crime groups, Middle Eastern criminal enterprises, Asian criminal enterprises and Nigerian/West African criminal enterprises. Each of these groups is engaged in a myriad of criminal activities.

<u>Gangs/Criminal Enterprises</u>
The mission of the FBI's Gangs/Criminal Enterprise Program is to disrupt and dismantle the domestic cells (local, regional, national, and transnational) of criminal enterprises with ethnic ties to North, Central, and South America that pose the greatest threats to the economic and national security of the U.S. This is accomplished through the FBI's Violent Gang and Drug Programs, Major Theft initiatives, increased involvement in the Organized Crime Drug Enforcement Task Forces (OCDETF) Program, and support and leadership of high-intensity drug trafficking area initiatives. In recent years, the FBI has concentrated anti-gang efforts in the Mara Salvatrucha (MS-13) National Gang Task Force, which supports, coordinates, and facilitates the development of local, state, federal, and international investigations of the MS-13 and 18th Street transnational criminal gangs into national and international level investigations and prosecutions.

The National Gang Intelligence Center (NGIC) supports this mission by sharing and coordinating information among both state and local law enforcement organizations, as well as among other federal law enforcement agencies. The NGIC analyzes a broad spectrum of gang information to identify migration patterns and current trends.

The Gang Targeting and Coordination Center focuses on enhancing gang investigations conducted by federal agencies by acting as a deconfliction and case coordination center. It facilitates operations across agency lines and promotes the complete dismantlement of national and transnational violent gangs. Tactical and strategic intelligence is shared between law enforcement agencies in conjunction with the NGIC.

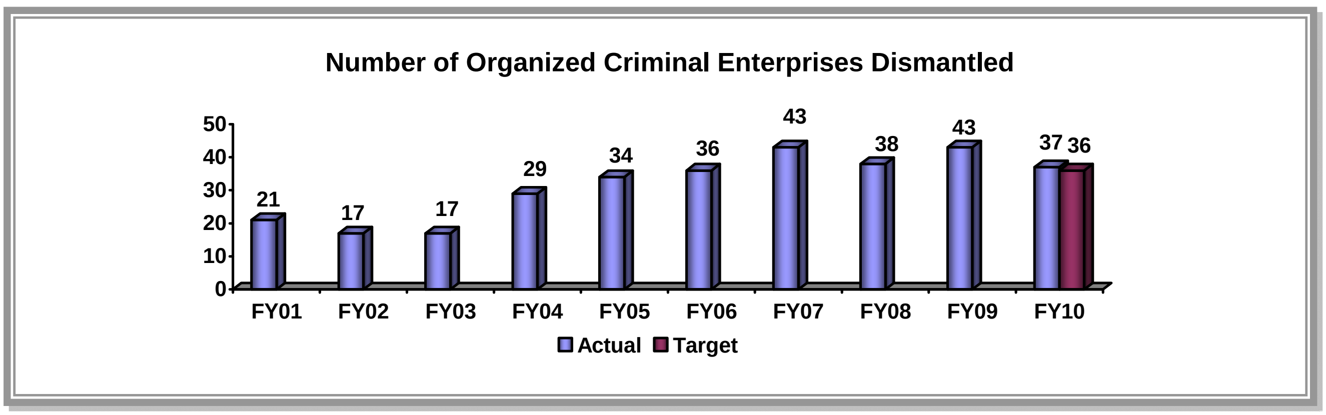
Performance Measure: Number of Organized Criminal Enterprises Dismantled
FY 2009 Revised Actual: 43 (Previous Actual: 39)
FY 2010 Target: 36
FY 2010 Actual: 37

Discussion of FY 2010 Results: The FBI met its performance target for FY 2010. Three notable dismantlements are listed below.

The FBI's Dallas Field Office and the Denton County Sheriff's Office conducted an OCDETF investigation entitled Operation Bad Dream which targeted the Albanian Organized Crime (AOC) group of Benny Lusha. The Benny Lusha Organization (BLO) was involved in international narcotics trafficking, human smuggling, interstate transportation of stolen property, public corruption, money laundering, mortgage fraud, and income tax fraud. Operation Bad Dream was closely coordinated with other investigations of AOC associates of the BLO. The BLO obtained narcotics from Mexican sources and distributed narcotics throughout the United States and Europe. Drug proceeds were laundered through front businesses and real estate. To date, $170,000 in bribe money and $610,000 of narcotics proceeds have been seized. The trial of the two alleged BLO leaders is set for January 2011.

The Cleveland Field Office of the FBI, along with the Toledo Police Department, executed search warrants on three Toledo area clothing and shoe retail locations. The purpose of the search warrants was to seize counterfeit merchandise sold from these locations. Approximately $1.1 million worth of counterfeit merchandise was seized from the three locations. Several Ohio, Michigan, New York and China distributors were identified as being suppliers of counterfeit goods. The investigation concluded with four federal informations and four federal convictions.

The FBI, DEA, Secret Service and Cambodian National Police (CNP) jointly conducted an investigation targeting an Asian Criminal Enterprise involved in distributing heroin, ecstasy, and North Korean counterfeit U.S. currency known as "Supernotes." In October 2009, the FBI conducted a buy/bust in Phnom Penh, Cambodia, of two kilograms of heroin. Subsequently, the CNP conducted search warrants at five separate locations, including a "Mega Lab" for the production of crystal methamphetamine. Agents seized an additional fifteen kilograms of Asian heroin, two kilograms of crystal methamphetamine, over one ton of precursor chemicals and the equipment to manufacture crystal methamphetamine. Eleven indictments were issued in Cambodia and eight arrests were made, including the head of the CNP Anti-Narcotics Division. The source of the Supernotes was identified and indicted, but remains a fugitive.



Data Definition: Dismantlement means destroying the targeted organization's leadership, financial base, and supply network such that the organization is incapable of operating and/or reconstituting itself.

Data Collection and Storage: The data source is the FBI's Integrated Statistical Reporting and Analysis Application (ISRAA) database that tracks accomplishments from inception to closure.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager, and subsequently verified through inspection. Inspections occur at least once annually, tracing sampled data to source documents contained in FBI files.

Data Limitations: FBI field personnel are required to enter accomplishment data within 30 days of the accomplishment or a change in the status of an accomplishment, such as those resulting from appeals. Data for this report are compiled less than 30 days after the end of the fiscal year, and thus may not fully represent the accomplishments during the reporting period.

FY 2012 Outcome Goal: Target a cumulative total of 793 children depicted in child pornography identified by the FBI.
FY 2010 Progress: The Department is on track to achieve this long-term goal.

Background/Program Objectives: Facilitation of crimes against children through the use of a computer and the Internet is a national crime problem that is growing dramatically. The Innocent Images National Initiative (IINI), a component of the FBI's Cyber Crimes Program, is an intelligence-driven, proactive, multi-agency investigative initiative to combat the proliferation of child pornography and/or child sexual exploitation using online computers. The mission of the IINI is to: identify, investigate, and prosecute sexual predators who use the Internet and other online services to sexually exploit children; identify and rescue witting and unwitting child victims; and establish a law enforcement presence on the Internet as a deterrent to subjects who seek to exploit children.

Performance Measure: Number of Children Depicted in Child Pornography Identified by the FBI
FY 2010 Target: 130
FY 2010 Actual: 246

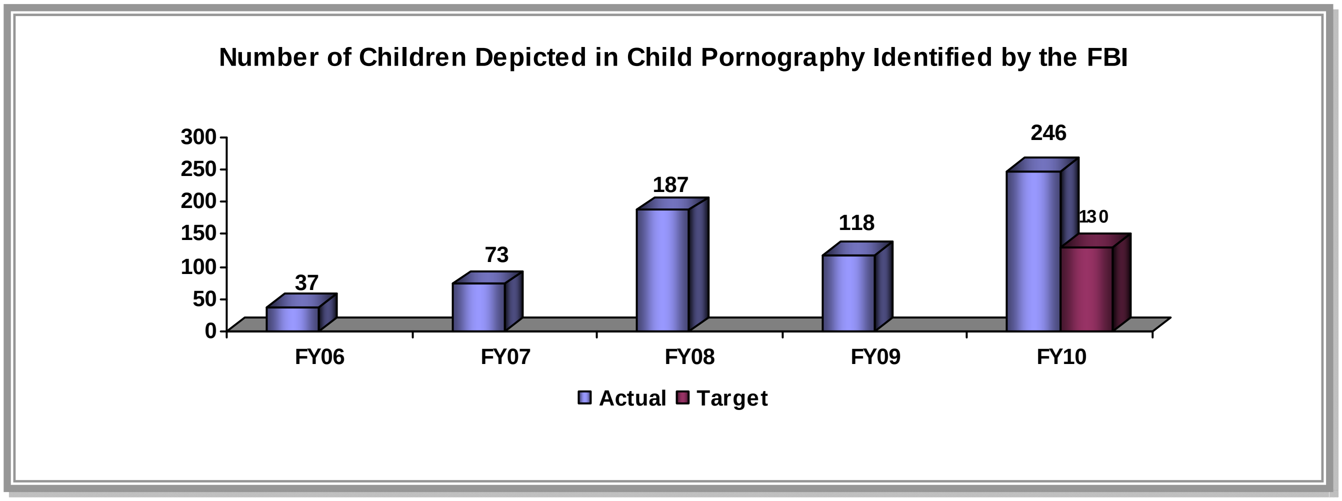
Discussion of FY 2010 Results: The FBI significantly surpassed its target for this measure. The FBI continues its collaboration with the National Center for Missing & Exploited Children's (NCMEC) Child Victim Identification Program (CVIP) and CyberTipline as well as successful FBI initiatives such as the Innocent Images International Task Force and the Endangered Child Alert Program (ECAP).

CVIP serves as the national clearinghouse for child pornography cases and the main point of contact to international agencies regarding victims of child pornography. CyberTipline operates a Congressionally-mandated reporting website for child sexual exploitation, including child pornography and online enticement.

A major contributor to IINI's FY 2010 performance is IINI's presence at NCMEC. Currently, IINI details one agent and three investigative specialists to NCMEC. An actionable lead relayed to the Jacksonville Division in late FY 2010 from a NCMEC CyberTipline Report has lead to the identification of 24 child victims.

In 2004, the FBI initiated the Innocent Images International Task Force (IIITF) to promote and develop a coordinated international law enforcement response against Online Child Sexual Exploitation (OCSE). The IIITF is intended to develop a cadre of international law enforcement experts to formulate and deliver a unified global response against OCSE. Since its inception, IIITF has been instrumental to the successful initiation and resolution of several high profile, complex OCSE investigations with a global footprint. The expanding IIITF is comprised of 70 task force officers from 33 countries.

ECAP, an aggressive approach to identify unknown individuals involved in the sexual abuse of children and the production of child pornography, became operational in February 2004. ECAP uses national and international media exposure of unknown adults featured in child pornography and displays their faces on the "Seeking Information" section of the FBI website in hopes that someone can identify them. To date, exposure of these subjects has led to the successful identification and arrest of several previously-unknown child pornography subjects and the identification of more than 30 child victims.



Data Definition: These data record the number of children found in child pornography materials who have their identities determined as a result of FBI child pornography investigations.

Data Collection and Storage: Data are collected and stored in a database at NCMEC. Subsequent analysis of these data is reported in communications stored in the FBI's Automated Case Support (ACS) system.

Data Validation and Verification: Law enforcement personnel nationwide are required to submit data on child pornography materials and victims to CVIP, managed by FBI Cyber Division personnel assigned to the NCMEC. Submissions of child pornography material must include a law enforcement point-of-contact, who will be willing to testify as to the identification of the child in any investigation. As investigations identify specific children within submitted materials, they are listed in electronic communications (ECs) reported in the FBI's ACS system.

Data Limitations: The FBI cannot directly control the number of children identified at any given time through investigative techniques and/or any other methodology, due to the reactive nature of this measure. The FBI always makes every effort to identify and rescue victimized children. Historical data (prior to FY 2008) for this measure had to be retrieved from a manual count of identified victims in ECs during the years reviewed.

FY 2012 Outcome Goal: Increase the percentage of firearms criminal investigations resulting in referrals for prosecution to 62% (FY 2007-2012)
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Violent firearms crime remains a significant and complex domestic problem, fueled by a variety of causes that vary from region to region. The common element, however, is the relationship between firearms violence and the unlawful diversion of firearms out of commerce into the hands of prohibited persons. ATF's unique statutory responsibilities and assets, including technology and information, are focused under the agency's Integrated Violence Reduction Strategy (IVRS) to remove violent offenders, including gang members, from our communities; keep firearms from those who are prohibited by law from possessing them; discourage, prohibit, and interrupt illegal weapons transfers in accordance with the law; and prevent firearms violence through community outreach.

The violence fueled by firearms trafficking is demonstrated in the crisis on our Southwest Border. Our firearms trafficking interdiction strategy complements our continued focus on the deployment of resources to specific localities where there is a high incidence of gang and gun violence. Through firearms trafficking interdiction efforts, ATF decreases the availability of illicit firearms and recommends for prosecution those who illegally supply firearms to prohibited possessors. Violent gang members are often involved in firearms trafficking, both for potential profit and in furtherance of drug trafficking and other crimes. Recent trends have shown an increase in the number of firearms recovered in Mexico, and these firearms fuel the growing violence along the border, including the brutal murders of hundreds of law enforcement officers and government officials. ATF's efforts to reduce violent firearms crime include:

- ATF's Southwest Border initiative, Project Gunrunner, is a focused subset of ATF's broader firearms trafficking initiative, addressing U.S.-based firearms trafficking that is fueling the violence along the Southwest Border and nationwide. Project Gunrunner attacks the prevalence of illegal firearms available in the Southwest Border region and stems the flow of firearms to criminal organizations in Mexico. Additionally, ATF enhances its efforts along the Southwest Border with an integrated violent crime and gang reduction program with initiatives like the Violent Crime Impact Teams and Regional Area Gang Enforcement Teams.

- Partnering with law enforcement agencies and prosecutors at all levels to develop focused strategies to investigate, arrest, and prosecute violent offenders, persons prohibited from possessing firearms, domestic and international firearms traffickers, violent gangs, and others who attempt to illegally acquire or misuse firearms.

- Assisting the law enforcement community in identifying firearms trafficking trends and resolving violent crimes by providing automated firearms ballistics technology, tracing guns used in crimes, and developing advanced firearms investigative techniques.

- Ensuring that only qualified applicants who meet the eligibility requirements of the law enter the regulated firearms industry by employing appropriate screening procedures prior to licensing.

- Inspecting firearms dealers to identify any illegal purchases or diversion of firearms to criminals and to ensure the accuracy of records used in tracing firearms. ATF ensures that firearms industry members comply with the Gun Control Act, the National Firearms Act, and the Arms Export Control Act.

- Keeping restricted firearms such as machine guns out of the hands of prohibited persons by performing criminal records checks on applicants. ATF maintains the accuracy and integrity of the

National Firearms Registration and Transfer Record so that the location and ownership of restricted firearms are kept current.

- Ensuring that only firearms that are legally importable under ATF and State Department rules are imported into the United States and are properly marked and recorded by the importer for sale domestically.

- Collaborating with schools, law enforcement agencies, community organizations, and the firearms industry to implement educational programs which help to reduce firearms violence.

- Informing the public and firearms industry about ATF policies, regulations, and product safety and security, so that they can better comply with the law. To do so, ATF uses a variety of communication methods such as the Internet, trade and community publications, seminars, and industry meetings.

Performance Measure: Percentage of Firearms Investigations Resulting in a Referral for Criminal Prosecution

FY 2010 Target: 60%
FY 2010 Actual: 56%

Discussion of FY 2010 Results: ATF's target goal of referring for criminal prosecution 60% percent of its investigations within the firearms programs area fell short by 4 percentage points (56%). However, during this reporting period ATF increased its commitment to Southwest Border firearms interdiction initiatives, detailing 80 special agents, investigators, and intelligence personnel to the Phoenix/Tucson Gunrunner Impact Teams (GRIT) from May to August 2010. ATF is the Federal law enforcement agency with unique expertise and statutory authority to enforce Federal firearms laws. Nearly meeting the 60% goal while simultaneously expanding its commitment to investigating and disrupting Southwest border firearms trafficking and related violent crime demonstrates that ATF has a significant impact on reducing firearms violence through investigations and the referral of criminals for prosecution.

ATF has been at the forefront of efforts across the country to reduce violent crime involving firearms. ATF is the lead Federal agency in these efforts, actively initiating investigations against violent offenders and firearms traffickers and providing key services to its law enforcement partners. The following case examples highlight ATF's FY 2010 efforts:

- **Phoenix Field Division**: A subset of ATF's broader firearms enforcement program, Project Gunrunner is ATF's comprehensive firearms trafficking interdiction strategy to disrupt the illegal flow of firearms into Mexico, and to impact the firearms violence along the Southwest border associated with Mexican drug trafficking organizations and cartels. In May 2010, ATF launched a GRIT, an initiative under Project Gunrunner, involving a 100-day deployment of supplemental ATF resources to the Phoenix Field Division to disrupt and dismantle the southbound supply of firearms to Mexican drug trafficking organizations.

  The GRIT initiative brought more than 80 experienced ATF personnel from around the country to Arizona and New Mexico. GRIT special agents initiated 174 firearms trafficking-related criminal investigations and seized approximately 1,300 illegally-trafficked firearms and 71,000 rounds of ammunition, along with drugs and currency. ATF's industry operations investigators conducted more than 800 federal firearms licensee compliance inspections.

  The Phoenix GRIT was concluded in September 2010. As of September 17, 2010, 96 defendants have been arrested, charged, convicted or sentenced since June 2010 on gun-related charges. The majority of defendants include violent felons, drug traffickers who use weapons, and those trafficking firearms to Mexico. Cases involved more than 370 guns, many of them AK-47 style rifles and other "weapons of choice" of drug cartels, and hundreds of thousands of rounds of ammunition smuggled into or destined for Mexico.

- **Tampa Field Division**: Orlando, Florida – In September 2010, ATF, U.S. Immigration and Customs Enforcement (ICE) and the U.S. Attorney, Middle District of Florida, announced the initial results of Operation Castaway, an intensive and wide-ranging OCDETF firearms trafficking investigation conducted by ATF, ICE, the Orange County Sheriff's Office, the Osceola County Sheriff's Office, the Brevard County Sheriff's Office, and the Miami-Dade Police Department. This was an ATF led investigation initiated from analysis conducted by the ATF Field Intelligence Group, based on information derived from ATF Industry Operations referrals, and National Tracing Center trace and multiple sales data. ATF describes Operation Castaway as the most significant firearms trafficking investigation in Central Florida history.

  According to court documents, a group of defendants connected to Hugh Crumpler, III, were involved in a major international gun trafficking operation. Crumpler has trafficked, for several years, more than 1,000 firearms to various groups and defendants who exported these weapons all over Central and South America and to Puerto Rico. The defendants trafficked in Glock semi-automatic handguns, Fabrique Nationale Herstal 5.7x28 mm semi-automatic handguns, and AR-15 styled short-barreled rifles, among other firearms.

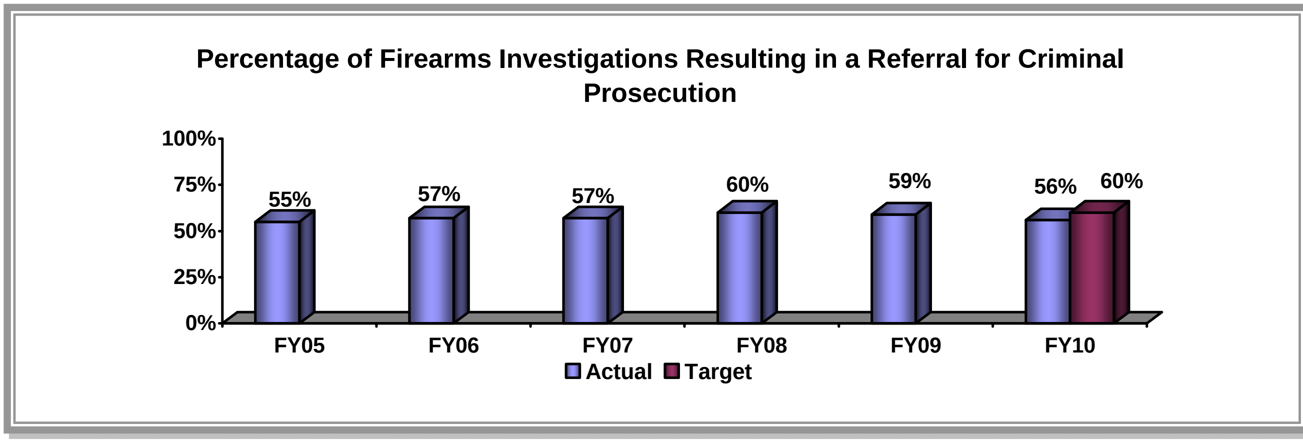
  Recently, several of the Operation Castaway defendants were sentenced. Hugh Crumpler, III (age 63, of Palm Bay) was sentenced to 30 months in federal prison for dealing firearms without a license and unlawfully possessing short barreled rifles; Ramon Lopez, Jr. (age 29, of Kissimmee) was sentenced to 74 months in federal prison for dealing firearms without a license and unlawfully possessing short barreled rifles; Carlos Humberto Guillen-Rivera (age 29, of Honduras) was sentenced to 84 months in federal prison for conspiring to possess and illegally possessing short barreled rifles; Cesar Augusto Guillen-Rivera (age 31, of Honduras) was sentenced to 65 months in federal prison for conspiring to possess and illegally possessing short barreled rifles; Erlin Javier Guillen-Rivera (age 25, of Honduras) was sentenced to 63 months in federal prison for conspiring to possess and illegally possessing short barreled rifles; and Hector Saenz (age 38, of Honduras) was sentenced to 46 months for conspiracy.

  Operation Castaway defendant Jesus Puentes pleaded guilty on August 31, 2010 to conspiring to possess and illegally possessing short barreled rifles and will be sentenced on November 18, 2010. Defendant Jorge Acosta has pleaded guilty to conspiring to possess and illegally possessing short barreled rifles. Acosta will be sentenced at a future date. Two additional defendants, Antonia Ruiz-Varela and Manuel Dejesus Carrasco-Ruiz, are still at large and have yet to be arrested by authorities. Operation Castaway remains an ongoing investigation.

- **Atlanta Field Division**: Brunswick, Georgia – Recently, 34 federal indictments unsealed in federal court, have charged 57 defendants with federal firearms, drug trafficking or other federal offenses. Thirty-two additional defendants were charged by Glynn County authorities on related state firearms and drug charges. The federal and state charges follow a 9-month undercover investigation dubbed "Operation Thunderbolt."

  The U.S. Attorney's Office, ATF, the Glynn County Police Department and the Glynn County-Brunswick Narcotics Enforcement Team initiated Operation Thunderbolt in the fall of 2009. Additional investigative support was provided by ICE and the U.S. Secret Service. Undercover ATF agents posed as members of the Brunswick community interested in purchasing guns and drugs from the criminal element. During the operation, undercover agents purchased 245 firearms, including handguns, rifles, assault rifles and sawed-off shotguns, and approximately $200,000 worth of illegal drugs, including more than 3 pounds of cocaine, over 1,500 ecstasy pills, over 800 oxycodone pills, and a quantity of methadone. Many of the individuals who sold firearms and drugs to the undercover agents are allegedly convicted felons. In addition, a number of the guns purchased by undercover agents were allegedly stolen.

Following numerous arrests, initial appearances for several of the federally indicted defendants were held in U.S. District Court, Brunswick, Georgia, on August 12, 2010. In summary, a total of 55 federal defendants were indicted, with two additional subjects yet to be identified also charged federally; and 29 adult defendants and three juveniles were arrested or being sought on state charges.



Data Definitions: This measure reflects the percentage of investigations within ATF's firearms program area in which a defendant was referred for criminal prosecution. This measure is based on the premise that ATF is the Federal law enforcement agency with unique expertise and statutory authority to enforce Federal firearms laws, and that ATF reduces firearms violence through investigations and their resulting law enforcement consequences (specifically the referral for criminal prosecution and the ensuing incapacitation of criminals under these statutes).[1] More effective enforcement of Federal firearms laws contributes to disrupting criminal activity, deterring violent crime, and safeguarding the legitimate firearms industry from exploitation by criminals. This measure allows ATF to gauge the impact of applying its Federal statutory authority and resources to a national strategy to fight violent crime in our communities – targeting those who commit the violence and those who facilitate their commission by supplying firearms through straw purchases, unlicensed dealing, theft from Federal firearms licensees and interstate carriers, and other illegal means.

Data Collection and Storage: The data source is ATF's National Field Office Case Information System, which is ATF's integrated and centralized data management solution allowing real time monitoring and oversight of all criminal enforcement activities in the field.

Data Validation and Verification: There is an ongoing quality assurance and case management program in place within ATF which includes the required review and approval of case information by ATF field managers. The data are subsequently verified through ATF's inspection process, performed internally by the Office of Professional Responsibility and Security Operations. The internal inspections occur on a four year cycle and are performed at each ATF field office and division.

Data Limitations: ATF investigations are often complex and time consuming in nature, and often span multiple years from initiation through closure. The data used to calculate this percentage are based on the date investigations are closed, and are therefore likely to include investigations that have spanned previous time periods.

[1] "Although studies that focus exclusively on violent offenders are rare, empirical evidence about violent offending can be found in cross-sectional and longitudinal studies of general offending careers. The results from this research generally support the conclusion that incapacitation has nontrivial consequences for the control of violent crime." Commission on Behavioral and Social Sciences and Education: <u>Understanding and Preventing Violence, Volume 4: Consequences and Control</u> (1994).

FY 2012 Outcome Goal: Develop meaningful baselines for the supply of drugs available for consumption in the United States (FY 2007-2009). Achieve a 6% reduction in the supply of illegal drugs (FY 2010-2012) available for consumption in the United States using the baseline established by the close of FY 2010.
FY 2010 Progress: N/A

Performance Measure: DISCONTINUED MEASURE: DOJ's Reduction in the Supply of Illegal Drugs Available for Consumption in the United States

FY 2010 Target: Progress toward establishing baseline
FY 2010 Actual: See Discussion of FY 2010 Results

Discussion of FY 2010 Results: The Department will no longer report on this measure. Measuring reduction in the drug supply is a complex process because supply reduction is a reflection of a number of factors. Drug seizures, eradication efforts, precursor chemical interdictions, cash and asset seizures, increased border/transportation security, international military operations, social and political forces, climatic changes, and even natural disasters all impact the drug supply at any given time. The Department's strategy focuses on incapacitating entire drug networks by targeting their leaders for arrest and prosecution, by disgorging the profits that fund the continuing drug operations, and by eliminating the international supply sources. Although the Department's efforts ultimately have a lasting impact upon the flow of drugs in the United States, it is not possible to confidently gauge base amounts for the supply of illegal drugs available for consumption in the United States in order to estimate a valid reduction percentage due to the numerous factors involved. Therefore, the Department is no longer planning to report the percentage amount of its reduction of the supply of illegal drugs available for consumption in the United States.

FY 2012 Outcome Goal: Dismantle 810 Consolidated Priority Organization Target-linked drug trafficking organizations (FY 2007-2012). Disrupt 1,260 CPOT-linked drug trafficking organizations (FY 2007-2012).
FY 2010 Progress: The Department is on target to achieve the long-term goal of dismantling 810 CPOT-linked drug organizations (FY 2007-2012). The Department is also on target to achieve the long-term goal of disrupting 1,260 CPOT-linked drug trafficking organizations by FY 2012. The Department remains committed to target, disrupt and dismantle these priority organizations in the future.

Background/Program Objectives: The Department focuses its drug law enforcement efforts on reducing the availability of drugs by disrupting and dismantling the largest drug trafficking organizations and related money laundering networks operating internationally and domestically, including those on the Attorney General's Consolidated Priority Organization Target (CPOT) List. The first CPOT List was issued in September 2002 and is reviewed and updated bi-annually. The List identifies the most significant international drug trafficking and money laundering organizations and those primarily responsible for the nation's drug supply. The Attorney General has designated the OCDETF Program as the centerpiece of DOJ's drug supply reduction strategy. The Program coordinates multi-agency and multi-jurisdictional investigations targeting the most serious drug trafficking threats. The OCDETF Program is responsible for coordinating the annual formulation of the CPOT list. The OCDETF Program functions through the efforts of the United States Attorneys; elements of the Department's Criminal Division; the investigative, intelligence, and support staffs of the DEA; FBI; ATF; USMS; ICE; the U.S. Coast Guard; and the Internal Revenue Service (IRS). The OCDETF agencies also partner with numerous State and local law enforcement agencies.

The goal of each OCDETF investigation is to determine connections among related investigations nationwide in order to identify and dismantle the entire structure of the drug trafficking organizations, from international supply and national transportation cells, to regional and local distribution networks. A major emphasis of the Department's drug strategy is to disrupt the traffickers' financial dealings and to dismantle the financial infrastructure that supports these organizations. The OCDETF Program has the greatest impact upon the flow of drugs through this country when it successfully incapacitates the entire drug network by targeting and prosecuting its leadership and seizing the profits that fund continued operations.

Performance Measure: CPOT-Linked Drug Trafficking Organizations Disrupted and Dismantled

Revised FY 2009 Actual:
Dismantled: 143
Disrupted: 276

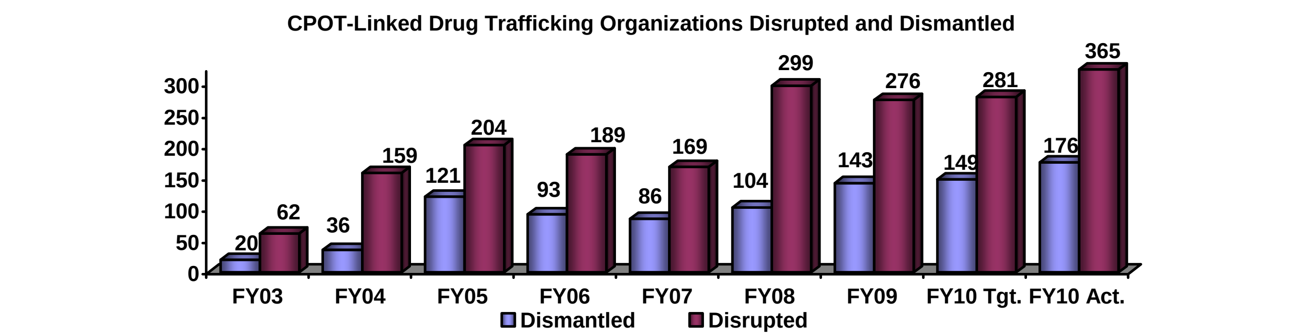
FY 2010 Target:
Dismantled: 149
Disrupted: 281

FY 2010 Actual:
Dismantled: 176
Disrupted: 365

Discussion of FY 2010 Results: The Department achieved unprecedented results during FY 2010 in dismantling and disrupting CPOT-linked drug trafficking organizations. The Department dismantled 176 CPOT-linked organizations in FY 2010, exceeding its target by 18%. This is a 23% increase over the 143 dismantled in FY 2009, the highest number reported prior to FY 2010. The Department disrupted 365 CPOT-linked organizations in FY 2010, exceeding its target by 30%. This is a 32% increase over the 276 reported in FY 2009 and a 22% increase over the 299 reported in FY 2008, the highest number reported prior to FY 2010.

During FY 2010, in addition to making important gains against CPOT-linked organizations, the Department continued to achieve significant successes against the CPOTs themselves. These results against CPOT targets have included the dismantlement of a dangerous Colombian drug kingpin who ruled a vast drug empire and moved millions of dollars worth of cocaine and heroin intended for the United States and Europe and disruptions to leadership of the Sinaloa Cartel, Los Zetas, a significant global heroin drug trafficker in Afghanistan known to fund the terrorist activities of the Taliban, and a major Jamaican Narcotic trafficker. Law enforcement activity targeting these CPOTs involved complex and coordinated intelligence driven investigations, with the exceptional cooperation of U.S. law enforcement agencies and international governments.

The Department's FY 2010 unprecedented successes dismantling or disrupting 541 CPOT-linked drug trafficking organizations, a 29% increase over the 419 dismantled or disrupted in FY 2009, the highest number reported prior to FY 2010, as well as the significant enforcement actions against CPOTs themselves have resulted in keeping multi-ton quantities of illegal drugs such as cocaine, heroin, marijuana and methamphetamine from ever entering the United States.



Note: FY 2009 actual numbers have been updated and reflect data reported in FY 2011 Budget and Performance Summary.

Data Definition: An organization is considered linked to a CPOT, if credible evidence exists of a nexus between the primary investigative target and a CPOT target, verified associate, or component of the CPOT organization. Disrupted means impeding the normal and effective operation of the targeted organization, as indicated by changes in the organizational leadership and/or changes in methods of operation. Dismantled means destroying the organization's leadership, financial base, and supply network such that the organization is incapable of reconstituting itself.

Data Collection and Storage: For this measure, OCDETF reviews all of the cases worked by FBI and DEA. When there are cases that both agencies work, they are counted as one case in the consolidated numbers reported in the Department's Performance and Accountability Report. This procedure is in place to prevent double counting in Department-level reports.

Investigations may be linked to a CPOT organization at any time during the investigation. Once the link is verified, a specific code or other identifier is assigned to the investigation. Accordingly, data on this performance measure may lag behind actual identification of the link by the investigative agency. The investigation is tracked as "CPOT-linked" by the agency and within the OCDETF Management Information System.

Data Validation and Verification: The CPOT List is updated bi-annually. Each OCDETF agency has an opportunity to nominate targets for addition to/deletion from the List. Nominations are considered by the CPOT Working Group (made up of mid-level managers from the participating agencies). Based upon the Working Group's recommendations, the OCDETF Operations Chiefs decide which organizations will be added to/deleted from the CPOT List.

Once a CPOT is added to the List, OCDETF investigations can be linked to that organization. The links are reviewed and confirmed by OCDETF field managers using the OCDETF Fusion Center, agency databases, and intelligence information. Field recommendations are reviewed by the OCDETF Executive Office. In instances where a link is not fully substantiated, the sponsoring agency is given the opportunity to follow-up. Ultimately, the OCDETF Executive Office "un-links" any investigation for which sufficient justification has not been provided. When evaluating disruptions/dismantlements of CPOT-linked organizations, OCDETF verifies reported information with the investigating agency's headquarters.

Data Limitations: Investigations of CPOT-level organizations are complex and time-consuming, and the impact of disrupting/dismantling such a network may not be apparent immediately. In fact, data may lag behind enforcement activity. For example, a CPOT-linked organization may be disrupted in one FY and subsequently dismantled in a later year when law enforcement permanently destroys the organization's ability to operate.

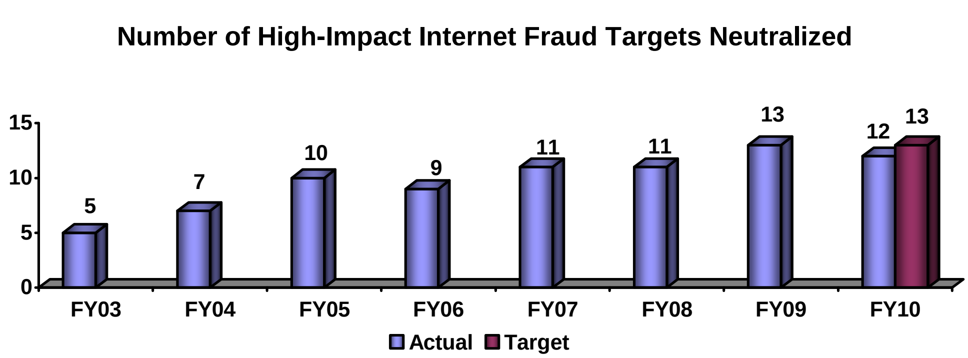
FY 2012 Outcome Goal: Neutralize a cumulative total of 78 high-impact Internet fraud targets (FY 2007-2012)
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Internet fraud is defined as any scam that uses one or more components of the Internet to present fraudulent solicitations to prospective victims, conduct fraudulent transactions, or transmit the proceeds of fraud to financial institutions or others that are connected with the scheme. Identity theft, Internet auction fraud, and unauthorized electronic funds transfers are problems that plague millions of U.S. victims.

The FBI and the National White Collar Crime Center (NW3C) partnered in May 2000 to support the Internet Crime Complaint Center (IC3). NW3C is a non-profit membership organization funded by Office of Justice programs (OJP) Bureau of Justice Assistance (BJA) and dedicated to supporting law enforcement in the prevention, investigation, and prosecution of economic and high-tech crime. For victims of Internet crime, IC3, which is a partnership between FBI, NW3C, and BJA, provides a convenient and easy way to alert authorities of a suspected violation. For law enforcement and regulatory agencies, IC3 offers a central repository for complaints related to Internet crime, uses the information to quantify patterns, and provides timely statistical data of current trends. In addition, the FBI uses synchronized, nationwide takedowns (i.e., arrests, seizures, search warrants, and indictments) to target the most significant perpetrators of on-line schemes.

Performance Measure: Number of High-Impact Internet Fraud Targets Neutralized
FY 2010 Target: 13
FY 2010 Actual: 12

Discussion of FY 2010 Results: The FBI did not reach the target for this measure in FY 2010, due to the extent of IC3 resources needed to support high profile cases throughout the national and international law enforcement communities. Throughout FY 2010, many arrests were made in at least two very large investigations; one of which involved 390 FBI-wide investigations. Due to the 390 investigations conducted throughout the field, the resources of several analysts were required. While this was a large focus for the IC3 this fiscal year, it is anticipated that less time will be allocated to this initiative in the future given that the arrests have already been made.



Data Definition: Case data are reviewed by the IC3 staff to determine if investigative targets meet certain "high impact" criteria: Total loss amount greater than $100,000; Internal nexus; White-Collar Crime-related fraud; Money Laundering scheme; Pharmaceutical Fraud; Phishing; Attack/Identity Theft; and High volume of victims. The IC3 evaluates and tracks the progress of investigations meeting these criteria throughout the year.

Data Collection and Storage: The data source is a record system maintained by the IC3. The list of targets is updated each year.

Data Validation and Verification: Targets are determined by subject matter expert teams at the IC3 and approved by the Unit Chief. IC3 staff maintains the list and determines when a target has been the subject of an action.

Data Limitations: There are no requirements for the IC3 to receive feedback from FBI field offices or state and local law enforcement regarding neutralizations that were a result of IC3 case referrals. Due to this lack of feedback, the IC3 may under-report the number of neutralizations.

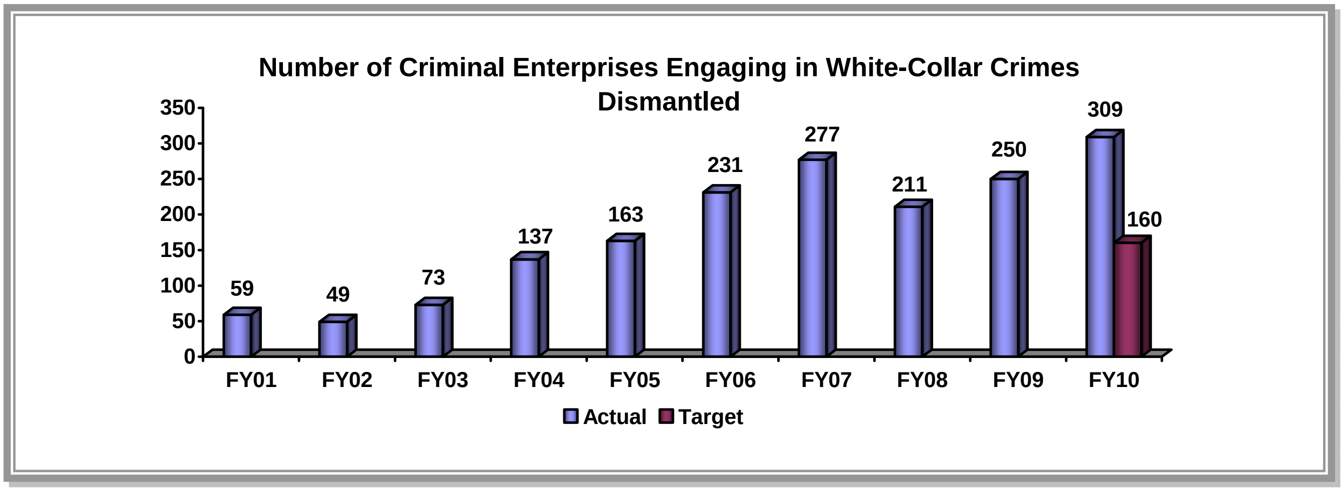
FY 2012 Outcome Goal: Dismantle a cumulative total of 745 criminal enterprises engaging in white-collar crime (FY 2007-2012)
FY 2010 Progress: The Department has achieved this long-term goal.

Background/Program Objectives: Through the White-Collar Crime (WCC) Program, the FBI investigates criminals and criminal enterprises that seek illicit gains through fraud and guile. Corporate fraud, health care fraud, financial institution fraud, government fraud (housing, defense procurement, and other areas), insurance fraud, securities and commodities fraud, mass marketing fraud, bankruptcy fraud, environmental crimes, and money laundering are among the illegal activities investigated.

U.S. citizens and businesses lose billions of dollars each year to criminals engaged in non-violent fraudulent enterprises. Technological advances, the globalization of economic and financial systems, the sophistication of criminal organizations, and declining corporate and individual ethics, have resulted in annual increases in the number of illegal acts characterized by deceit, concealment, or violations of trust. Losses incurred as a result of these crimes are not merely monetary; these crimes also contribute to a loss of confidence and trust in financial institutions, public institutions, and industry.

Performance Measure: Number of Criminal Enterprises Engaging in White-Collar Crimes Dismantled
FY 2009 Revised Actual: 250 (Previous Actual: 234)
FY 2010 Target: 160
FY 2010 Actual: 309

Discussion of FY 2010 Results: Congressional enhancements, improved use of intelligence and forensic accountant resources, and the coordinated efforts of the Financial Fraud Enforcement Task Force have contributed to a 24 percent increase in dismantlements over the previous year. In FY 2010, 21 percent of the dismantlements (66) were related to corporate and securities fraud, including high yield investment and Ponzi schemes; 25 percent (76) related to financial institution fraud, including mortgage fraud; and 29 percent (90) related to health care fraud.



Data Definition: Dismantlement means destroying the organization's leadership, financial base, and supply network such that the organization is incapable of operating and/or reconstituting itself.

Data Collection and Storage: The data source is the FBI's ISRAA database that tracks accomplishments from inception to closure.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager, and subsequently verified through inspection. Inspections occur at least once annually, tracing sampled data to source documents contained in FBI files.

Data Limitations: FBI field personnel are required to enter accomplishment data within 30 days of the accomplishment or a change in the status of an accomplishment, such as those resulting from appeals. Data for this report are compiled less than 30 days after the end of the fiscal year, and thus may not fully represent the accomplishments during the reporting period.

FY 2012 Outcome Goal: Favorably resolve 90% of Criminal Cases (litigating divisions)
FY 2012 Outcome Goal: Favorably resolve 80% of Civil Cases (litigating divisions)
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Representing the rights and interests of the American people is a top priority for the Department of Justice. Among the DOJ components sharing responsibilities to achieve this goal are the Executive Office of the U.S. Attorneys, the Antitrust, Civil, Civil Rights, Criminal, Environment and Natural Resources and Tax Divisions.

There are 94 U.S. Attorney Offices located throughout the United States and its territories. Each U.S. Attorney serves as the chief federal law enforcement officer within his or her judicial district and, as such, is responsible for the prosecution of criminal cases brought by the federal government; the litigation and defense of civil cases in which the United States is a party; the handling of criminal and civil appellate cases before United States Courts of Appeal; and the collection of civil and criminal debts and restitutions owed the federal government which are administratively uncollectable.

Additionally, the Department has litigators that specialize in the areas of: preserving a competitive market structure; defending the public fisc against unwarranted claims; protecting civil rights; enforcing federal civil and criminal statutes; safeguarding the environment; and administrating internal revenue laws.

The Antitrust Division (ATR) promotes and protects the competitive process – and the American economy – through the enforcement of antitrust laws. These laws apply to virtually all industries and to every level of business, including manufacturing, transportation, distribution, and marketing.

The Civil Division (CIV) defends challenges to Presidential actions; national security issues; benefit programs; energy policies; commercial issues such as bankruptcy, contract disputes, banking, insurance, patents, fraud, and debt collection; all manner of accident and liability claims; and criminal violations of the immigration and consumer protection laws.

The Civil Rights Division (CRT) enforces federal statutes prohibiting discrimination in education, employment, credit, housing, public accommodations and facilities, voting, and certain federally funded and conducted programs. Additionally, CRT enforces criminal civil rights responsibilities for human trafficking and involuntary servitude statutes, acts of racial, ethnic or religious violence, “color of law” offenses by local and federal law enforcement officials, and conspiracies to interfere with federally protected rights.

The Criminal Division (CRM) develops, enforces, and supervises the application of all federal criminal laws (except those specifically assigned to other divisions). The mission of the Criminal Division is to identify and respond to critical and emerging national and international criminal threats, and to lead the enforcement, regulatory, and intelligence communities in a coordinated, nationwide response to reduce those threats. The Division engages in several functions vital to achieving its mission: investigating and prosecuting significant criminal cases and matters; providing expert legal advice and training; providing critical law enforcement tools (i.e., Title III wiretaps); and forging global law enforcement partnerships.

The Environment and Natural Resources Division (ENRD) brings cases against those who violate the nation's civil and criminal pollution-control and wildlife protection laws. Additionally, the Division defends environmental challenges to government programs and activities and represents the U.S. in matters concerning the stewardship of the nation's natural resources and public lands. In addition, the Division litigates cases concerning Indian rights and claims.

And finally, the Tax Division's (TAX) mission is to enforce the nation's tax laws fully, fairly, and consistently, through both criminal and civil litigation, in order to promote voluntary compliance with the tax laws, maintain public confidence in the integrity of the tax system, and promote the sound development of the law.

Performance Measure: Percent of Cases Favorably Resolved

FY 2010 Target:
Criminal Cases: 90%
Civil Cases: 80 %

FY 2010 Actual:
Criminal Cases: 94%
Civil Cases: 85%

Discussion of FY 2010 Results: The collaboration of the U.S. Attorneys' Offices in each of the FBI's Mortgage Fraud Task Forces and Working Groups, together with the targeted mortgage fraud training provided at the National Advocacy Center resulted in significant accomplishments. For example, in the Northern District of Georgia, Edward William Farley, was sentenced to 25 years in federal prison on charges of bank fraud and conspiracy involving mortgage fraud, a real estate investment "Ponzi" scheme with over 100 victims, a check-kiting scheme, and bankruptcy fraud. As a result of the defendant's lies and manipulations, the lenders lost millions of dollars in this flip scheme. In an example of investment fraud, in the Southern District of Florida, Scott Rothstein was sentenced to 50 years in prison in connection with the operation of a $1.2 billion Ponzi scheme through his defunct law firm Rothstein Rosenfeldt and Adler, P.A (RRA). At the time of his guilty plea, Rothstein had agreed to forfeit $1.2 billion, including 24 pieces of real property, numerous luxury cars, boats, and other vessels, jewelry, sports memorabilia, business interests, bank accounts, and more. In a health care fraud settlement in the Eastern District of Pennsylvania, Novartis Pharmaceuticals Corporation (NPC) will pay $422.5 million for off-label drug marketing. Criminal information was filed against NPC for the off-label marketing of the anti-epileptic drug Trileptal. In a separate civil settlement agreement, NPC agreed to pay the United States and participating states $237.5 million, plus interest, to settle allegations that it caused invalid claims for payment for Trileptal, Diovan, Tekturna, Exforge, Sandostatin, and Zelnorm to be submitted to government programs such as Medicare, Medicaid, TRICARE, and the Federal Employees Health Benefits Program.

The Criminal Division prosecuted and achieved favorable dispositions in FY 2010 in cases covering a wide range of complex case law. Examples of this work include the successful resolution of a long-running investigation of Credit Suisse AG for its efforts to help sanctioned countries avoid U.S. banking regulations (resulting in the forfeiture of $536 million, representing the largest forfeiture ever entered against an entity for violations of what is known as the International Emergency Economic Powers Act); the sentencing of a MS-13 gang leader to life in prison for racketeering offenses including the murder of a witness; the indictment of 18 defendants and 95 defendants who pleaded guilty in healthcare fraud cases.

The Antitrust Division assessed $554.8 million in criminal fines in FY 2010 against antitrust violators. The Division's investigations into the liquid crystal display panel and air transportation industries yielded significant fines which help to fund the Department's Crime Victims Fund. In addition, the Division continued its Economic Recovery Initiative efforts to provide nationwide training and public outreach to ensure successful results from the implementation of the American Recovery and Reinvestment Act of 2009. On the civil side, the Division was successful in protecting competition and U.S. consumers by challenging proposed mergers and agreements in areas as diverse as entertainment event ticketing, digital e-books, credit and debit card networks, and air transportation.

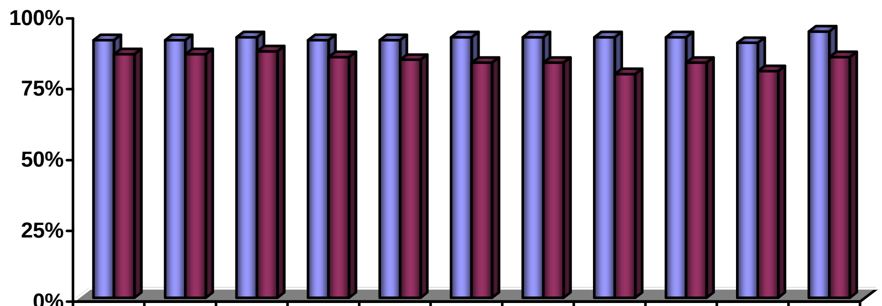
The Civil Division exceeded its target by defeating billions of dollars in unmeritorious claims, in addition to the successful defense of suits filed against the government as a result of the government's policies, laws, and involvement in commercial activities, domestic and foreign operations and entitlement programs, as well as law enforcement initiatives, military actions, and counterterrorism efforts. The Division also pursued affirmative litigation, bringing suits on behalf of the United States, which resulted in the return of nearly three billion dollars to the Treasury, Medicare, and other entitlement programs.

The Civil Rights Division has made significant strides in fulfilling its mission to vigorously enforce the civil rights of all Americans. The cornerstone of this effort is the Division's commitment to fair, vigorous, and evenhanded enforcement of all of the laws within its authority, including: in the wake of the foreclosure crisis, CRT substantially increased efforts to enforce the fair lending laws, including through the establishment of a new fair lending unit, and obtained a $6.1 million settlement with AIG subsidiaries resolving allegations of discrimination against African-American borrowers—the largest fair lending settlement ever secured by DOJ; filed 52 Fair Housing Act (FHA) lawsuits and entered into 54 consent decrees, including the largest monetary settlement of rental-discrimination claims DOJ has ever obtained under the FHA; vigorously enforced the Supreme Court's 1999 decision in *Olmstead v. L.C,* which prohibits the unnecessary institutionalization of people with disabilities; robustly implemented the Project Civic Access (PCA) initiative, a wide-ranging effort to ensure that all public facilities and programs in cities, counties, towns, and villages throughout the United States are accessible to people with disabilities; obtained significant settlements affecting thousands of institutionalized inmates and youth in juvenile justice facilities, including a landmark settlement of conditions in one of the largest jails in the country; opened more than 80 investigations under the newly enacted Hate Crimes Prevention Act, filed record numbers of labor trafficking cases including cases of unprecedented scope and impact, and filed numerous cases alleging police abuse and other official misconduct; and promoted the expeditious resolution of service members' employment discrimination complaints through the Uniformed Services Employment and Reemployment Rights Act (USERRA) fast-track program.

The Environment and Natural Resources Division made significant progress in addressing civil litigating activities involving the enforcement of environmental statutes such as the Comprehensive Environmental Response, Compensation, and Liability Act. Specifically, the Division secured the largest recovery ever of funds for hazardous waste cleanup and environmental restoration through the bankruptcy reorganization of American Smelting and Refining Company LLC, known as ASARCO. The Company and its predecessors operated in the mining, milling, and smelting industries for more than 100 years, leaving a legacy of environmental contamination at more than 80 sites in 19 states. ASARCO's 2005 bankruptcy is the largest environmental bankruptcy in history, in terms of both number of sites and the amount of the company's liability. The ASARCO reorganization plan includes total payments of $1.67 billion to the United States, various trusts, and 14 different states. Much of the money paid to the U.S. will be placed in special accounts in the Superfund for the Environmental Protection Agency to pay for future cleanup work. It also will be placed into accounts at the Departments of Agriculture and the Interior to pay for natural resource restoration.

The Tax Division continues to work hand-in-hand with the IRS to combat the serious problem of non-compliance with our tax laws by US taxpayers using secret offshore accounts – a problem that a 2008 Senate report concluded costs the US Treasury at least $100 billion annually. As part of the deferred prosecution agreement the Tax Division negotiated in 2009 with UBS AG, Switzerland's largest bank, as well as a 2009 agreement negotiated among the US, UBS, and the Swiss government to settle a civil summons enforcement proceeding brought by the Tax Division, the IRS is receiving, from UBS and from the Swiss, account information about thousands of the most significant tax cheats among the US taxpayers who maintain secret Swiss bank accounts. The prosecution results so far have been encouraging: To date, approximately 150 grand jury investigations of UBS clients have been initiated, six cases have been charged and are awaiting trial, 12 guilty pleas have been entered and a number of facilitators who helped clients hide assets offshore have been indicted. In addition, grand jury investigations have been opened into six additional offshore banks across the world. Moreover, the IRS credits these two agreements with prompting a huge increase in the number of taxpayers – nearly 18,000 in the past year, in contrast to fewer than 100 in a typical year – who have "come in from the cold" and voluntarily disclosed to the IRS their previously hidden foreign accounts and who have also agreed to pay hundreds of millions of dollars to the US Treasury.

Percent of Cases Favorably Resolved



	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10 Tgt.	FY10 Act.
Criminal	91%	91%	92%	91%	91%	92%	92%	92%	92%	90%	94%
Civil	86%	86%	87%	85%	84%	83%	83%	79%	83%	80%	85%

Data Definition: Cases favorably resolved include those cases that resulted in court judgments favorable to the government, as well as settlements. For merger cases, favorably resolved data includes: abandoned mergers, mergers "fixed," or mergers with consent decrees. Non-merger cases favorably resolved also includes instances where practices changed after the investigation and complaints filed with consent decrees. The data set includes non-appellate cases closed during the fiscal year.

Data Collection and Storage: Data are currently captured within each component's automated case management system and companion interface systems. The following information about the data should be noted. Cases worked on by more than one component are included in the totals from CRM, CRT, ENRD, and EOUSA. The court's disposition date is used for reporting purposes for ATR, CIV, CRM, CRT, and ENRD; however, EOUSA and TAX use the date it is entered into their current case management system. Additionally, CIV counts at the party level; CRM, ENRD, and the Executive Office for United States Attorneys (EOUSA) count cases at the defendant level; CRT and TAX count Civil and Criminal cases. Lastly, ATR includes Criminal, Civil Merger, and Civil Non-Merger; ENRD includes affirmative, defensive, criminal, and condemnation cases in their totals.

Data Validation and Verification: Each component implements their individual methodology for verifying data; however, in general, case listings and reports are reviewed by attorney managers for data completeness and accuracy on a routine basis. Batch data analysis and ad hoc reviews are also conducted.

Data Limitations: The quality of the data is limited because each component captures its respective data within its own system and may use different methodology in capturing the data. Due to the inherent variances in data collection and management, cases may refer to cases or individuals. In addition, due to reporting lags, case closures for any given year may be under or over-reported. Furthermore, Criminal Division data for FYs 2001 through 2002 are estimates. Actual data are not available due to technical and policy improvements that were not implemented until FY 2003. Lastly, EOUSA data do not include information for the month of September 2005 for the Eastern District of Louisiana due to Hurricane Katrina.

FY 2012 Outcome Goal: Return 58% of assets/funds to creditors in Chapter 7 cases
FY 2012 Outcome Goal: Return 85% of assets/funds to creditors in Chapter 13 cases
FY 2009 Progress: Although the Department missed its 2009 Chapter 7 and 13 targets, the Department is on track to achieve both long-term goals.

Background/Program Objectives: The U.S. Trustee Program (USTP) was established nationwide (except in North Carolina and Alabama) in 1986 to separate the administrative functions from the judicial responsibilities of the bankruptcy courts and to bring accountability to the bankruptcy system. The USTP protects and preserves the integrity of the bankruptcy system by ensuring that parties comply with the law and that bankruptcy estate assets are properly handled. The USTP appoints Trustees who serve as fiduciaries for bankruptcy estates and administer cases filed under Chapter 7 and Chapter 13. The U.S. Trustee regulates and monitors the activities of these private trustees and ensures their compliance with fiduciary standards. To promote the effectiveness of the bankruptcy system and maximize the return to creditors, the Department targets and reports the percent of assets/funds returned to creditors.

Performance Measure: Percent of Assets/Funds Returned to Creditors for Chapter 7 and Chapter 13

FY 2009 Target: Chapter 7: 58%
Chapter 13: 86%

FY 2009 Actual: Chapter 7: 56%
Chapter 13: 82%

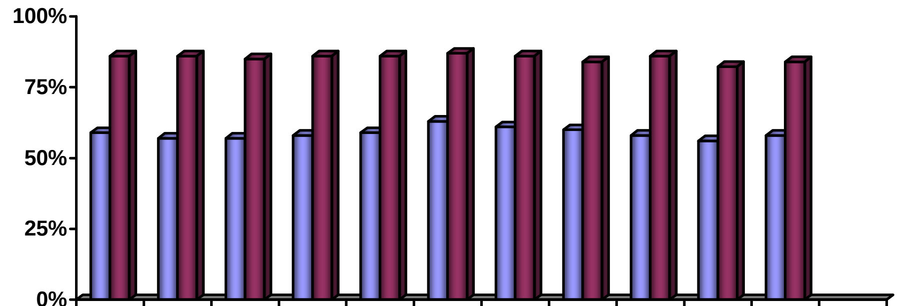
FY 2010 Target: Chapter 7: 58%
Chapter 13: 84 %

FY 2010 Actual: Data will not be available until FY 2011 because of the need to audit data submitted by private trustees prior to reporting.

Discussion of FY 2010 Results: The USTP's goal is to return to creditors the maximum amount possible, recognizing that certain legitimate expenses must be paid, and that returning 100 percent of assets will never be possible. Funds not distributed may include private trustee compensation, professional fees and costs associated with administering the bankruptcy case. These costs directly impact on the amount of assets that are available to be returned.

The USTP periodically reviews and reevaluates its performance targets and the Program's efforts toward reaching them. Beginning in FY 2008, the percentage of assets returned to creditors for chapter 13 bankruptcy filings was increased to 86 percent to reflect a more aggressive target. The actual percentage of funds returned to creditors was 84 percent in FY 2008 and 82 percent in FY 2009. A detailed analysis revealed that the lower percentage of assets returned is due to a decrease in assets available for disbursement while fees paid to debtor attorneys increased by approximately 15 percent over FY 2008, reducing amounts that otherwise could be distributed to creditors. The increased attorney fees account for the majority of the decrease in the amount available for distribution to creditors. Upon reevaluation of this measure, the target for FY 2010 and subsequent years was revised to 84 percent, reflecting a more realistic percentage of returns.

Percent of Assets/Funds Returned to Creditors for Chapter 7 and Chapter 13



	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09 Tgt.	FY09 Act.	FY10 Tgt.	FY10 Act.
Chapter 7	59%	57%	57%	58%	59%	63%	61%	60%	58%	56%	58%	TBD
Chapter 13	86%	86%	85%	86%	86%	87%	86%	84%	86%	82%	84%	TBD

Data Definition: Chapter 7 bankruptcy proceedings are those where assets that are not exempt from creditors are collected and liquidated (reduced to money). Chapter 7 percentages are calculated by dividing the disbursements to secured creditors, priority creditors, and unsecured creditors by the total disbursements for the fiscal year. In Chapter 13 cases, debtors repay all or a portion of their debts over a three to five year period. Chapter 13 percentages are based on the Chapter 13 audited annual reports by dividing the disbursements to creditors by the total Chapter 13 disbursements.

Data Collection and Storage: The data are collected on an annual or semi-annual basis. For Chapter 7 cases, the USTP receives trustee distributions reports as part of the Final Account on each Chapter 7 case closed during the year. The Chapter 7 data are aggregated on a nationwide basis and reported twice a year in January and July. Chapter 13 data are gathered from the standing Chapter 13 trustees' annual reports on a fiscal year basis.

Data Validation and Verification: Data on these annual reports are self-reported by the trustees. However, each trustee must sign the reports certifying their accuracy. In Chapter 7 cases, independent auditors periodically review the annual reports, in addition to the USTP's on-site field examinations. Additionally, USTP Field Office staff review the trustee distribution reports. The Field Office and Executive Office staff performs spot checks on the audited reports to ensure that the coding for the distributions is accurate. They also verify whether there have been any duplicate payments. Finally, the USTP conducts bi-annual performance reviews for all Chapter 7 trustees. In Chapter 13 cases, independent auditors must audit each report. This indirectly provides an incentive for trustees to accurately report data. In addition, the Executive Office staff reviews the combined distribution spreadsheet to ensure that the amounts stated coincide with what is reported in the audit reports.

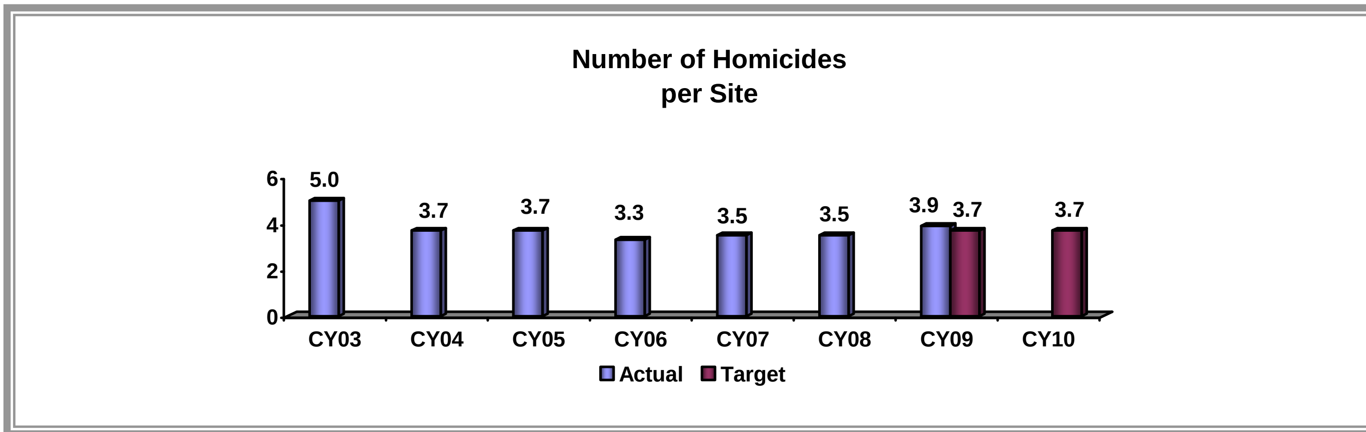
Data Limitations: Out-year performance cannot be accurately projected, as the USTP has no reliable method of calculating the disbursements of future bankruptcy cases. Additionally, data are not available until January (Chapter 7) and April (Chapter 13) following the close of the fiscal year because of the need to audit data submitted by private trustees prior to reporting.

FY 2012 Outcome Goal: Reduce homicides at Weed and Seed Program sites from 4.4 (CY 2005) to a maximum of 4.0 per Weed and Seed site by 2012
FY 2009 Progress: The FY 2011 President's Budget does not request funding for this program.

Background/Program Objectives: The Office of Justice Programs' Community Capacity Development Office (CCDO) administers the Weed and Seed program, an innovative, comprehensive multiagency approach to law enforcement, crime prevention, and community revitalization. The Weed and Seed program assists communities with linking federal, state, and local law enforcement and criminal justice efforts with private sector and community efforts. The Weed and Seed program assists communities in "weeding out" violent crime, gang activity, drug use, and drug trafficking in targeted neighborhoods and "seeding" with programs that lead to social and economic rehabilitation and revitalization. In addition, the Weed and Seed sites engage in community policing activities that foster proactive police and community engagement and problem solving.

Performance Measure: Number of Homicides per Site (funded under the Weed and Seed Program)
CY 2009 Target: Reduction to 3.7 homicides per site
CY 2009 Actual: 3.9 homicides per site
CY 2010 Target: Reduction to 3.7 homicides per site
CY 2010 Actual: Data for this measure are collected on a calendar year basis and will be available in September 2011.

Discussion of Calendar Year (CY) 2009 Results: The target for CY 2009 was to reduce the average number of homicides per site to 3.7. In CY 2009 there was an average of 3.9 homicides per site. While this result missed the target, almost the entire difference can be attributed to a single site, which reported 45 homicides or almost 10 percent of the 459 homicides reported by 117 active Weed and Seed sites nationwide. Excluding this one site, the average number of homicides was 3.6, which is below the target.



Data Definition: Although sites are affected by a range of criminal activities, such as drugs and vandalism, CCDO selected homicide statistics as the indicator of the severity of sites' crimes. The number of homicides per site is an average calculated by summing the number of homicides reported for all sites and dividing by the number of sites reporting.

Data Collection and Storage: Weed and Seed grantees report performance measure data on an annual basis via web submissions to the Justice Research and Statistics Association (JRSA) and OJP's Grants Management System.

Data Validation and Verification: CCDO validates and verifies performance measure data through site visits and follow-up phone calls conducted by the JRSA. Additionally, homicide statistics reported by jurisdictions are verified against the Uniform Crime Report published annually by the FBI.

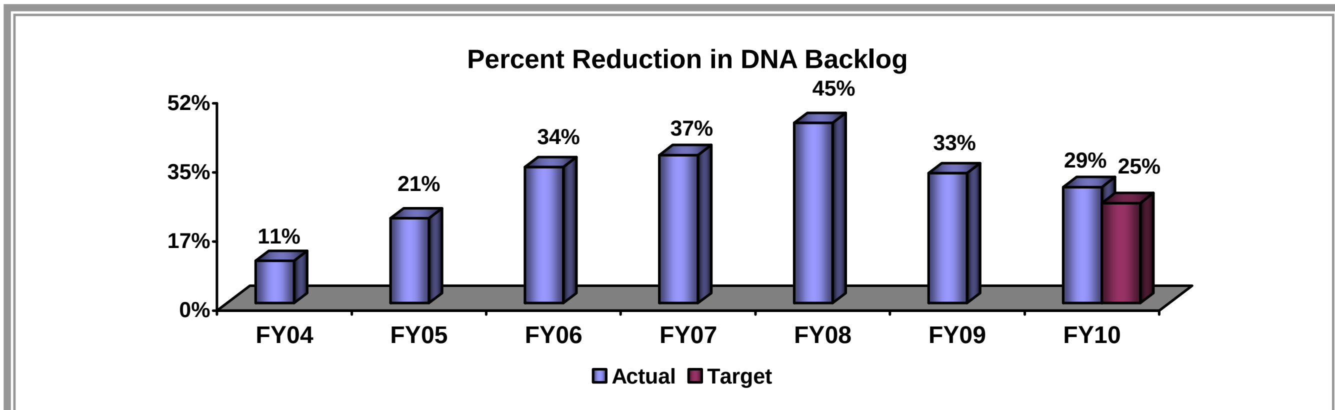
Data Limitations: Data for this performance measure are only reported by calendar year to coincide with submissions to the FBI Uniform Crime Reports. The data are not comparable across years because dissimilar sites are added and graduated (continue to use the Weed and Seed strategy without additional federal funding) each year and, due to the small number of sites overall, these changes can greatly affect performance data.

FY 2012 Outcome Goal: Realize a 31% reduction in the Casework DNA backlog by FY 2012.
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The National Institute of Justice (NIJ) funds and administers the DNA Backlog Reduction Program to increase the capacity of the nation's public DNA laboratories and to reduce the number of backlogged casework DNA samples awaiting analysis and entry into the Combined DNA Index System (CODIS). The goals of both of these efforts are to reduce the size of the backlog so that more DNA samples profiles are available in CODIS for matching to forensic cases, offenders, and arrestees. CODIS matches offer powerful investigative leads that can solve past crimes and prevent new crimes from occurring. In the past, funds awarded for analysis of backlogged forensic casework DNA samples were only available for the analysis of violent offense samples (i.e., murder, non-negligent manslaughter and forcible rape); however, from FY 2008 to date, funds can be used for any criminal DNA case. OJP's role in reducing the DNA backlog is to provide additional funding to qualified labs that apply for federal funding to assist in analyzing cases.

Performance Measure: Percent Reduction in DNA Backlog
FY 2010 Target: Casework: 25%
FY 2010 Actual: Casework: 29%

Discussion of FY 2010 Results: OJP's FY 2010 target for reducing the DNA casework backlog was set at 25 percent in 2009. In FY 2010, NIJ-funded crime labs reduced the DNA backlog by 29 percent, which exceeded the target, due to a funding increase of $2.6 million over the FY 2009 amount. OJP is now collecting updated national backlog data each year, and the trend shows the backlog to be increasing.



Data Definition: The NIJ computes this measure by calculating the cumulative number of backlogged DNA cases federally-funded for analysis as part of the FY 2010 solicitation process (32,400). This number is then divided by the total number of backlogged DNA cases as of December 31 of the year prior to when the solicitations are released (111,649).

Data Collection and Storage: Data for this measure are collected by NIJ program managers and are maintained in office files.

Data Validation and Verification: The number of cases funded for analysis in FY 2010 is computed from applications submitted by grantees to the FY 2010 DNA Backlog Reduction Program.

Data Limitations: None known at this time.

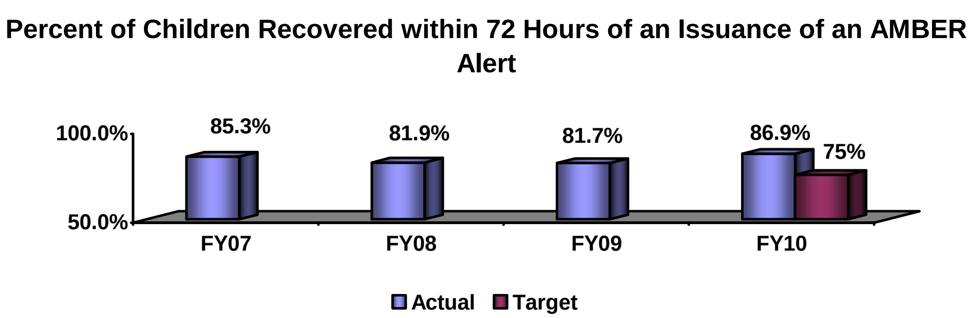
FY 2012 Outcome Goal: Continue to ensure a 75% or greater recovery rate in the number of children recovered within 72 hours of the issuance of an AMBER alert through FY 2012
FY 2010 Progress: The Department is on target to achieve this long-term goal.

***Background/Program Objectives*:** Research shows that it is critical to post and resolve AMBER alerts as soon as possible because abductors who murder children are most likely to do so within four hours following the abduction. The Office of Juvenile Justice and Delinquency Prevention (OJJDP) administers OJP's AMBER Program, which supports best practices training and technical assistance for state and regional AMBER alert teams. At the end of 2001, there were only four statewide AMBER alert plans. Today, all 50 states and twelve Indian tribes have plans in place. The AMBER alert strategy focuses on: (1) strengthening the existing AMBER alert system; (2) expanding the scope of AMBER alert; and (3) enhancing communication and coordination.

Performance Measure: Percent of Children Recovered within 72 Hours of an Issuance of an AMBER Alert
FY 2010 Target: 75%
FY 2010 Actual: 86.9%

Discussion of FY 2010 Results: The total recovery rate within 72 hours of the issuance of an AMBER alert was 86.9 percent for FY 2010. This result exceeds the target of 75 percent by 11.9 percentage points. This is attributable to better coordination and training; increased public awareness of the AMBER program; technological advances; and greater cooperation among law enforcement, transportation officials, and broadcasters.

Additionally, in FY 2010, AMBER alert completed a number of activities. Below are actual AMBER alert accomplishments:
- Number of participants provided AMBER alert training: 2,700
- Number of requestors provided technical assistance: 1,343



Data Definition: Recovery rate is determined by taking the total number of AMBER Alerts cancelled within 72 hours of issuance because the subject child/children are recovered divided by the total number of alerts issued. The result is expressed as a percentage.

Data Collection and Storage: Data are collected from law enforcement and the National Crime Information Center database. This database stores abducted children's names and other critical data elements.

Data Validation and Verification: Data for this measure are validated and verified through a review of progress reports submitted by grantees, telephone contact, and monitoring.

Data Limitations: None known at this time.

III STRATEGIC GOAL 3: Ensure the Fair and Efficient Administration of Justice

36% of the Department's Net Costs support this Goal.

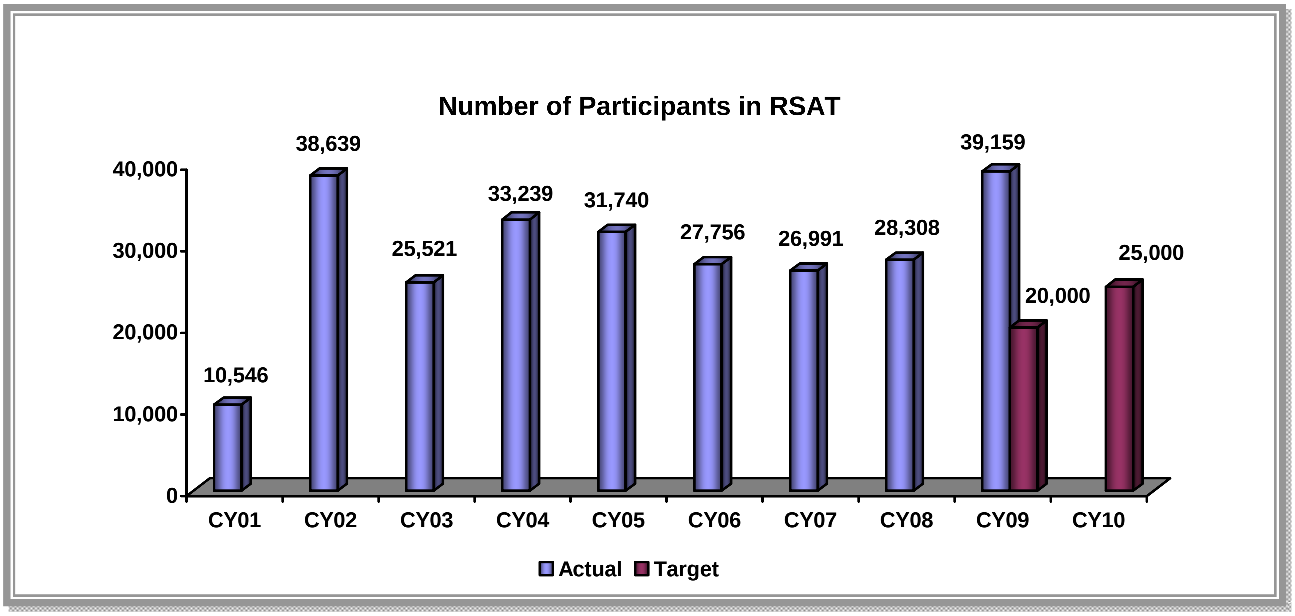
An integral role of the Department of Justice is to help in the administration of our federal justice system. To ensure the goal of the fair and efficient operation of our federal system, the Department must provide for a proper federal court proceeding by protecting judges, witnesses, and other participants; ensure the appearance of criminal defendants for judicial proceedings or confinement; and ensure the apprehension of fugitives from justice. The Department also provides safe, secure, and humane confinement of defendants awaiting trial or sentencing and those convicted and sentenced to prison. In order to improve our society and reduce the burden on our justice system, the Department provides services and programs to facilitate inmates' successful reintegration into society, consistent with community expectations and standards. The Department strives to adjudicate all immigration cases promptly and impartially in accordance with due process. Additionally, the Department works to promote and strengthen innovative strategies in the administration of state and local justice systems and uphold the rights and improve services to victims of crime.

Revised FY 2012 Outcome Goal: 11,200 offenders remain arrest free 1 year following release from aftercare (FY 2007-2012)
FY 2009 Progress: The Department is on target to achieve this long-term goal.

***Background/Program Objectives*:** Residential Substance Abuse Treatment (RSAT) Program formula grant funds are used to implement four types of programs: 1) residential substance abuse treatment programs that provide individual and group treatment activities for offenders in residential facilities operated by state correctional agencies; 2) jail-based substance abuse programs that provide individual and group treatment activities for offenders in jails and local correctional facilities; 3) post-release treatment components that provide treatment following inmates' release from custody; and 4) aftercare components that require states to give preference to subgrant applicants that provide aftercare services to program participants. For all programs, at least 10 percent of the total state allocation is made available to local correctional and detention facilities for either residential substance abuse treatment programs or jail-based substance abuse treatment programs.

***Performance Measure*:** Number of Participants in RSAT
2009 Target: 20,000
2009 Actual: 39,159
2010 Target: 25,000
2010 Actual: Data for this measure is collected on a calendar year basis and will be available in September 2011

Discussion of CY 2009 Results: The target for CY 2009 is to have 20,000 participants in RSAT-funded programs. In CY 2009, there were 39,159 participants in RSAT. In past years, grantees may have undercounted the number of participants, given that they were accustomed to report one entry for all of their open and active awards. In FY 2010, the Bureau of Justice Assistance (BJA) remedied that data collection flaw, and grantees are now reporting on the number of participants for each open and active award. BJA believes these data to be more reliable.



Data Definitions: The number of RSAT Program participants is the count of program participants during the reporting period. The number of participants is collected from grantees.

Data Collection and Storage: Program managers obtain data from reports submitted by grantees into BJA's Performance Measurement Tool (PMT).

Data Validation and Verification: Data are validated and verified through program managers' programmatic monitoring. This oversight includes a review of all relevant material to determine grant performance, desk reviews of grantee support documentation, telephone contacts, and on-site grant monitoring.

Data Limitations: Because of previous data collection limitations regarding the variations in reporting period for the grantees, BJA migrated the collection of RSAT performance measures to the PMT, an online data collection tool. The grantees began reporting the RSAT data in the PMT for the reporting period January 1-June 30, 2009 and have reported on a quarterly basis since then. The number of RSAT participants for 2009 reflects the 2009 calendar year, but in the future, because grantees are reporting on a quarterly basis, BJA will be able to report these numbers on a fiscal or calendar year basis. The issue of variations in grantee reporting periods has been resolved.

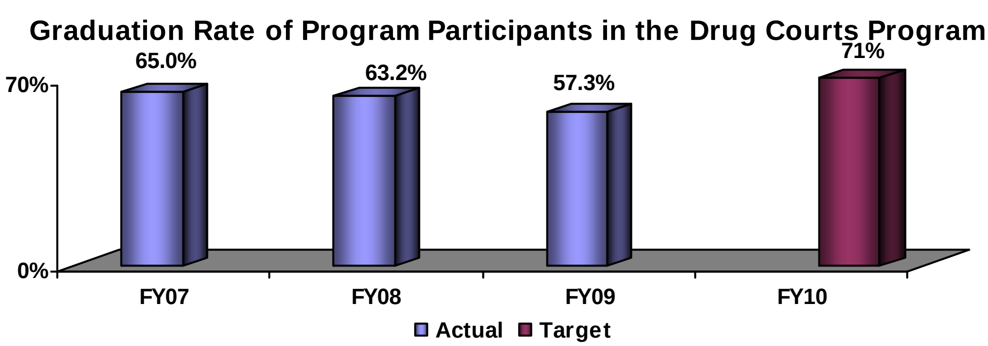
FY 2012 Outcome Goal: Increase the graduation rate of drug court participants from 21% (FY2005) to 32% by FY 2012
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: OJP's Drug Court Program is administered by BJA and OJJDP. The Drug Court Program was established in 1995 to provide financial and technical assistance to states, state courts, local courts, units of local government, and tribal governments in order to establish drug treatment courts. Drug courts employ an integrated mix of treatment, drug testing, incentives, and sanctions to break the cycle of substance abuse and crime. Since 1989, more than 2,200 jurisdictions have established or are planning to establish a drug court. Currently, every state and two U.S. Territories have one or more drug courts in operation.

The need for drug treatment services is tremendous and OJP has a long history of providing resources to break the cycle of drugs and violence by reducing the demand, use, and trafficking of illegal drugs. Twenty-seven percent of the 6.1 million people who reported to the 2008 National Crime Victimization Survey that they had been a victim of violence believed that the perpetrator was using drugs, or drugs in combination with alcohol. Further, 54 percent of jail inmates were abusing or dependent on drugs, according to Bureau of Justice Statistics (BJS) 2002 Survey of Inmates in Local Jails. Correspondingly, 53 percent of state inmates, and 45 percent of federal inmates abused or were dependent on drugs in the year before their admission to prison, according to the BJS 2004 Survey of Inmates in State and Federal Correctional Facilities.

Performance Measure: Graduation Rate of Program Participants in the Drug Courts Program (Adult drug court participants only) (see Data Limitations)
2010 Target: 71%
2010 Actual: TBD

Discussion of 2010 Results: The target for FY 2010 is a graduation rate for graduation-eligible participants of 71 percent. FY 2010 data will be available at the end of calendar year 2010.



Data Definitions: The graduation rate is calculated by dividing the number of graduates during the reporting period (numerator) by the total number of drug court participants that exit the drug court program during the reporting period due to graduating (completing program requirements) or failing to graduate as a result of noncompliance with program requirements (denominator).

Data Collection and Storage: Program managers obtain data from reports submitted by grantees into BJA's PMT.

Data Validation and Verification: Data are validated and verified through program managers' programmatic monitoring. This oversight includes a review of all relevant material to determine grant performance, desk reviews of grantee support documentation, telephone contacts, and on-site grant monitoring.

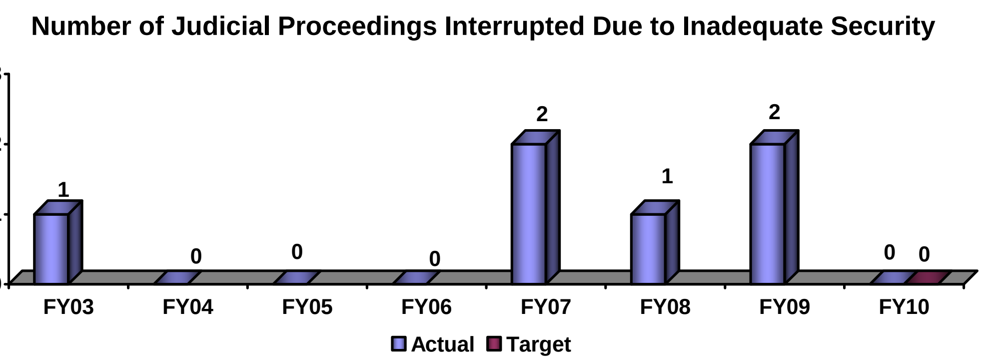
Data Limitations: Graduation rates are not reported for years prior to FY 2007 because the formula for calculating the rate was changed that year to make it more accurate. Graduation rates from 2007 forward are calculated by dividing the number of drug court participants that graduate during the reporting period by the total number of drug court participants that exit the program during the reporting period due to graduating or failing to graduate as a result of noncompliance with program requirements. Prior to FY 2007, the formula divided the number of graduates by the total number of drug court participants, regardless of eligibility for graduation and continued program participation and compliance, which resulted in lower graduation rates.

FY 2012 Outcome Goal: Ensure that no judicial proceedings are interrupted due to inadequate security
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The USMS maintains the integrity of the Federal judicial process by: 1) ensuring that each Federal judicial facility is physically safe and free from any intrusion intended to subvert court proceedings; 2) guaranteeing that all Federal judges, prosecutors, government witnesses, jurors, and other participants are secure during court proceedings; and 3) maintaining the custody, protection and safety of prisoners brought to court for any type of criminal court proceeding.

Performance Measure: Number of Judicial Proceedings Interrupted Due to Inadequate Security
FY 2010 Target: 0
FY 2010 Actual: 0

Discussion of FY 2010 Results: The USMS met its FY 2010 target of zero interrupted judicial proceedings due to inadequate security. The USMS revised the figure for the FY 2009 performance measure to two interruptions from one interruption reported at the end of last year. The change is a result of a subsequent review of courtroom incidents within the definition of "interruption" as defined below.



Data Definition: An "interruption" occurs when a judge is removed as a result of a potentially dangerous incident and/or where proceedings are suspended until the USMS calls on additional deputies to guarantee the safety of the judge, witness, and other participants.

Data Collection and Storage: The USMS uses Weekly Activity Reports and Incident Reports collected at Headquarters as the data source.

Data Validation and Verification: Before data are disseminated via reports, they are checked and verified by the program managers. These reports are collected manually.

Data Limitations: This measure has been updated with the changes to be reported in the FY 2011 PAR. Since 2007 when this measure was instituted, the USMS has changed its operating procedures whereby Judges are instructed to leave the courtroom in the face of any security threat. As a result limiting the number of interrupted proceedings is counter to our protection measures. Because protection is by nature a zero-tolerance goal, any measurement above zero is a failure in mission.

Revised FY 2012 Outcome Goal: Apprehend or clear 56% or 33,192 primary fugitives
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The USMS has seven Regional Fugitive Task Forces (RFTF) and approximately 82 district-based warrant squads that handle the warrant workload. The RFTFs and district warrant squads rely on interagency fugitive task forces involving hundreds of Federal, state, and local law enforcement officers. Combining resources enables the USMS to focus on the most violent fugitives. In addition to domestic activities, the USMS is the lead agency responsible for extraditing U.S. fugitives that have fled to foreign countries back into this country. The USMS is also responsible for apprehending and deporting foreign fugitives within the U.S. who are wanted abroad.

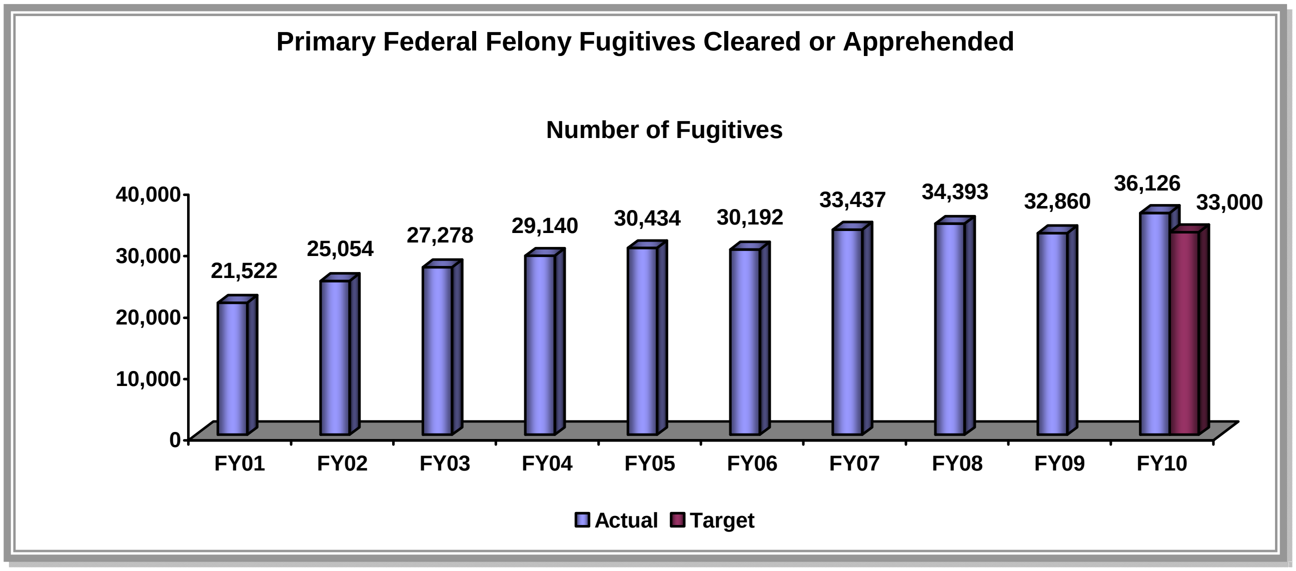
As part of the fugitive apprehension mission, the USMS has been designated by the Attorney General as the lead agency for locating and apprehending non-compliant sex offenders and others who violate the provisions of the Adam Walsh Child Protection and Safety Act. A non-compliant sex offender is any person who fails to comply with Federal registration requirements.

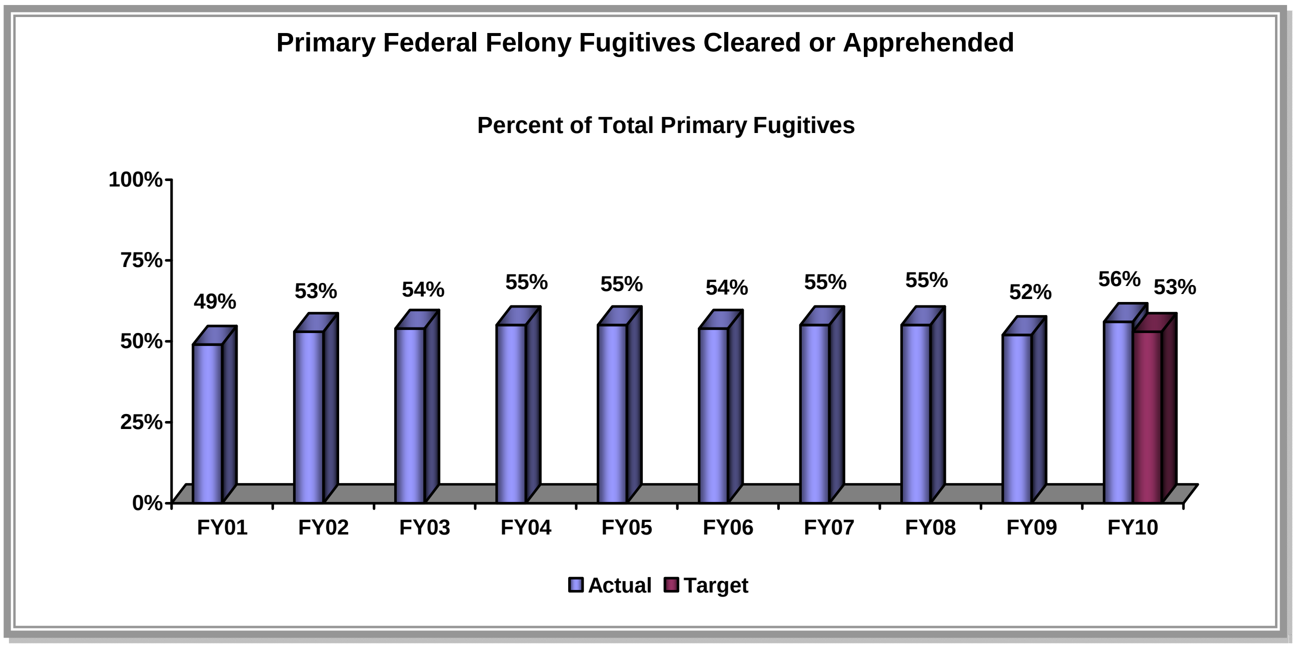
Performance Measure: Number and Percent of Primary Federal Felony Fugitives Cleared or Apprehended
Revised 2009 Actual: 32,860 or 52%
FY 2010 Target: 33,000 or 53%
FY 2010 Actual: 36,126 or 56%

Discussion of FY 2010 Results: The USMS exceeded its target of 33,000 primary Federal felony fugitives apprehended or cleared by apprehending or clearing 36,126 primary Federal felony fugitives in FY 2010. This resulted in 56% of total primary Federal felony fugitives apprehended or cleared which is more than half of all warrants on hand or received during FY 2010. Among those arrested, 3,610 were for crimes of homicide, 4,857 were gang members, and 11,072 were sex offenders. In addition, the USMS extradited or deported 805 fugitives in FY 2010.

The seven operating RFTF, in addition to the 75 district task forces, are directing their investigative efforts toward reducing the number of violent crimes. These crimes include terrorist activities, organized crime, drugs, and gang violence. The RFTF and District Fugitive Task Forces combined led to the arrest of 81,919 state and local fugitive felons in FY 2010. The USMS initiated 3,025 Federal investigations into the failure of sex offenders to meet their registration requirements.

The USMS revised the actual figure for the FY 2009 performance measure to 32,860 from the 31,119 reported at the end of last year. This adjustment is a result of the data lag as district offices continuously review and update new information as it is collected.





Data Definition: A "primary" Federal felony fugitive means that the USMS has the lead apprehension responsibility. The USMS has primary jurisdiction to investigate fugitive matters involving escaped Federal prisoners; probation, parole, and bond default violators; warrants generated by DEA and referred to the USMS; any other Federal warrant referred by another Federal agency without arrest powers; and any warrant referred by state and local agencies. A fugitive is considered "apprehended" or "cleared" if the fugitive is physically arrested or a detainer is lodged against a prisoner in state or local custody. The percent cleared is calculated by dividing the number of cleared fugitives by the sum of received fugitives (fugitives who had a warrant issued during the fiscal year) and on-hand fugitives (fugitives who had an active warrant at the beginning of the fiscal year).

Data Collection and Storage: The USMS maintains a centralized Warrant Information Network (WIN) within the Justice Detainee Information System (JDIS) to collect warrant information, investigative leads, and other criminal information. Upon receipt of a warrant from a Federal judge, Deputy U.S. Marshals query the FBI's National Crime Information Center (NCIC) through WIN to look for previous criminal information.

Data Validation and Verification: Warrant and fugitive data are verified by a random sampling of NCIC records generated by the FBI. The USMS coordinates with district offices to verify that warrants are validated against the signed court records. The USMS is able to enhance fugitive investigative efforts by sharing data with other agencies, such as the Social Security Administration, DEA, Department of Agriculture, Department of Defense, Department of State, and a variety of state and local task forces around the country.

Data Limitations: WIN data is accessible to all USMS district offices and is continuously updated as new information is collected, thus there may be a lag in the reporting of data.

Revised FY 2012 Outcome Goal: Hold the average per day jail cost for federal detention at or below inflation.
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The mandate of the Office of the Federal Detention Trustee (OFDT) is to manage resource allocations, exercise financial supervision of detention operations, and set government-wide detention policy. OFDT has overall management and responsibility for federal detention services relating to the detention of federal prisoners in the custodial jurisdiction of the USMS.

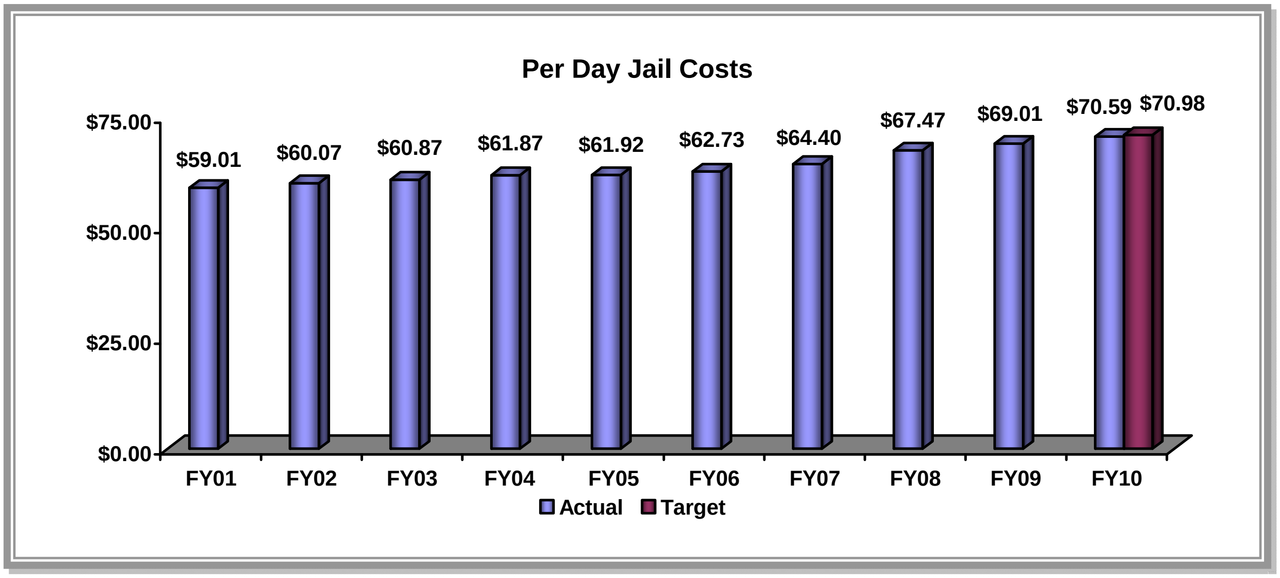
Costs begin at the time a prisoner is brought into USMS custody and extend through termination of the criminal proceeding and/or commitment to the Bureau of Prisons (BOP). Detention bed space for federal detainees is acquired as effectively and efficiently as possible through: (1) federal detention facilities, where the government pays for construction and operation of the facility through the BOP; (2) Intergovernmental Agreements (IGA) with State and local jurisdictions who have excess prison/jail bed capacity and where a daily rate is paid for the use of the bed; and (3) private jail facilities where a daily rate is paid.

In recent years, DOJ has not been able to rely as much on IGAs and federal facilities to meet the surge in the detention population as State and local governments are increasingly using their facilities for their own detention requirements. With space unavailable in areas where more federal bed-space is needed, DOJ has increasingly turned to the private sector.

Ensuring safe, secure, and humane confinement for federal detainees is critically important. To address the variance between federal, State and local government, and privately owned and managed facilities, the federal Performance-Based Detention Standards were developed. To ensure compliance, federal contract vehicles are written or modified to reflect federal Performance-Based Detention Standards with private contractor performance compensation based on their ability to demonstrate compliance. The comprehensive Quality Assurance Review Program provides various methodologies for assessing a facility's operations to ensure that the safe, secure, and humane confinement criteria are met, as well as addressing Congress' concerns for public safety as it relates to violent prisoners (e.g., Interstate Transportation of Dangerous Criminals Act, also known as Jenna's Act).

Performance Measure: Per Day Jail Costs
FY 2010 Target: $70.98
FY 2010 Actual: $70.59

Discussion of FY 2010 Results: Performance was in line with expectation. There were no anomalies that caused increases in the per diem rate.



Data Definition: Per Day Jail Cost is actual price paid (over a 12-month period) by the USMS to house federal prisoners in non-federal detention facilities. Average price paid is weighted by actual day usage at individual detention facilities.

Data Collection and Storage: Data describing the actual price charged by State, local, and private detention facility operators is maintained by the USMS in their Prisoner Tracking System (PTS) and it is updated on an as-needed, case-by-case basis when rate changes are implemented. Rate information for specific facilities is maintained by USMS headquarters staff. For those private facilities where OFDT has a direct contract for bed space, the effective per diem is calculated using information obtained from OFDT's Procurement Division. In conjunction with daily reports to OFDT of prisoners housed, OFDT compiles reports describing the price paid for non-federal detention space on a weekly and monthly basis. Data are reported on both district and national levels.

Data Validation and Verification: Data reported to OFDT are validated and verified against monthly reports describing district-level jail utilization and housing costs prepared by the USMS. For direct contracts, contract terms are verified by OFDT Procurement staff.

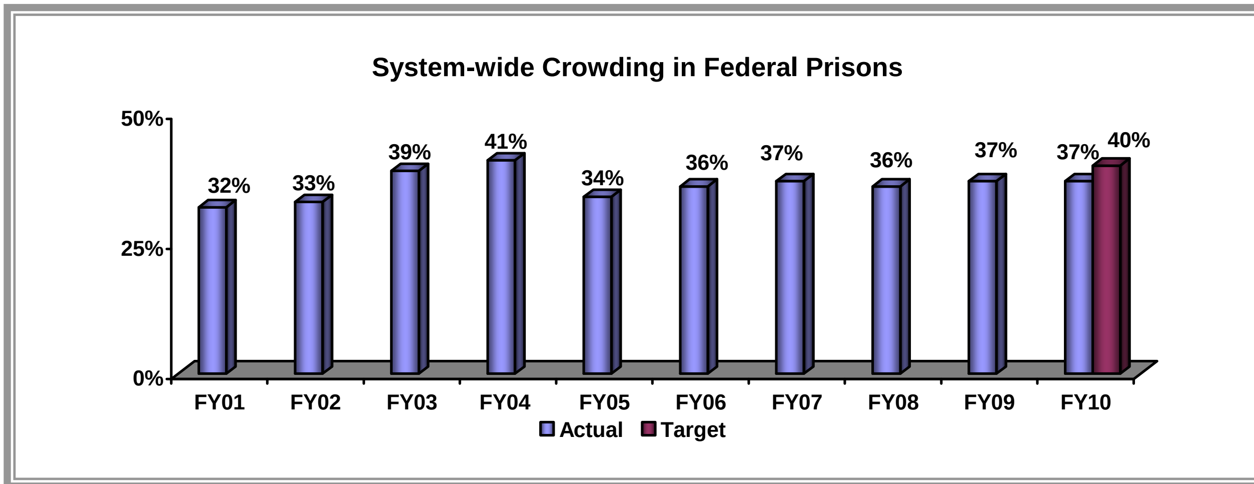
Data Limitations: The limitation is ensuring that USMS district level input into PTS occurs in a timely and correct manner.

Revised FY 2012 Outcome Goal: Reduce system-wide crowding in federal prisons to 28% by 2012.
FY 2010 Progress: The Department will not meet this long-term goal target by FY 2012.

Background/Program Objectives: The BOP constantly monitors and reports weekly on facility capacity, population growth, and prisoner crowding. As Federal inmate population levels are projected to increase and continue to exceed the rated capacity of the BOP, every possible action is being taken to protect the community, while keeping institutional crowding at manageable proportions to ensure that Federal inmates continue to serve their sentences in a safe and humane environment.

Performance Measure: System-wide Crowding in Federal Prisons
FY 2010 Target: 40%
FY 2010 Actual: 37%

Discussion of FY 2010 Results: During FY 2010, the BOP population increased by a net of 1,468 inmates. Capacity was added as a result of the final phase of activation at Federal Correctional Institution (FCI) Pollock, LA and the start of the activation at FCI McDowell, WV. As a result, the BOP was able to reach the target for rated capacity and system-wide crowding.



Data Definitions: The crowding levels are based on a mathematical ratio of the number of inmates divided by the rated capacity of the institutions at each of the specific security levels. The percent of crowding represents the rate of crowding that is over rated capacity. For example, if an institution had a number of inmates that equaled the rated capacity, this would represent 100% occupancy, which equals 0% crowding. Any occupancy above 100% represents a percentage of crowding. System-wide: represents all inmates in BOP facilities and all rated capacity, including secure and non-secure facilities, low, medium, and high security levels, as well as administrative maximum, detention, medical, holdover, and other special housing unit categories. Minimum security facilities: non-secure facilities that generally house non-violent, low risk offenders with shorter sentences. These facilities have limited or no perimeter security fences or armed posts. Low security facilities: double-fenced perimeters, mostly dormitory housing, and strong work/program components. Medium security facilities: strengthened perimeters, mostly cell-type housing, work and treatment programs and a lower inmate-to-staff ratio than low security facilities. High security facilities: also known as U.S. Penitentiaries, highly secure perimeters, multiple and single cell housing, lowest inmate-to-staff ratio, close control of inmate movement.

Data Collection and Storage: Data are gathered from several computer systems. Inmate data are collected on the BOP on-line system (SENTRY). The BOP also utilizes a population forecast model to plan for future contracting and construction requirements to meet capacity needs.

Data Validation and Verification: Subject matter experts review and analyze population and capacity levels daily, both overall and by security level. BOP institutions print a SENTRY report, which provides the count of inmates within every institution cell house. The report further subdivides the cell houses into counting groups, based on the layout of the institution. Using this report, institution staff conduct an official inmate count five times per day to confirm the inmate count within SENTRY. The BOP Capacity Planning Committee (CPC), comprised of top BOP officials, meets bi-monthly to review, verify, and update population projections and capacity needs for the BOP. Offender data are collected regularly from the Administrative Office of the U.S. Courts by the BOP Office of Research and Evaluation in order to project population trends. The CPC reconciles bed space needs and crowding trends to ensure that all available prison space is fully utilized, both in Federal prisons and in contract care.

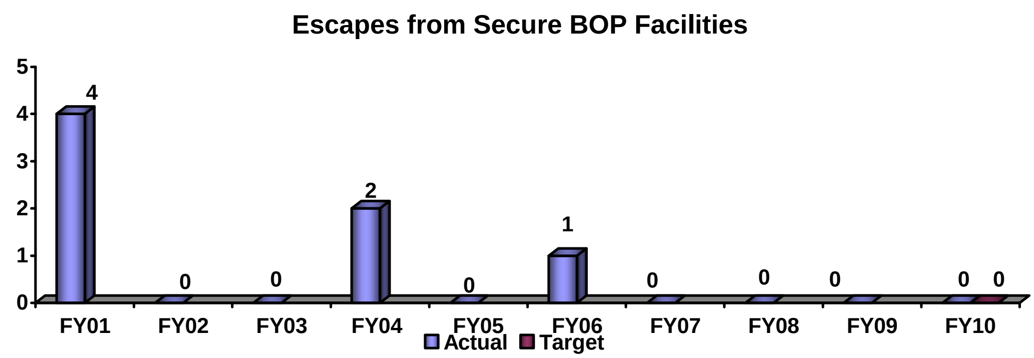
Data Limitations: None known at this time.

Revised FY 2012 Outcome Goal: Ensure that there will be no escapes from secure Bureau of Prison facilities
FY 2010 Progress: The Department is on target to achieve this long-term goal.

***Background/Program Objectives**:* The BOP significantly reduces the possibility of escape with long-term emphasis on security enhancements, physical plant improvements, enhanced training, and increased emphasis on staff supervision of inmates. In the event an escape does occur, the BOP will initiate immediate apprehension activities (escape posts, etc.) within the community, until the outside agency having jurisdiction assumes investigative and apprehension responsibilities.

Performance Measure: Escapes from Secure BOP Facilities
FY 2010 Target: 0
FY 2010 Actual: 0

Discussion of FY 2010 Results: During FY 2010, the BOP had no escapes from secure BOP facilities.



Data Definitions: All BOP institutions are assigned a security classification level based in part on the physical design of each facility. There are four security levels: minimum; low; medium; and high. Additionally, there is an administrative category for institutions that house a variety of specialized populations such as pre-trial, medical, mental health, sex offenders, and U.S. Department of Homeland Security, ICE detainees. Low, medium, and high security levels and administrative institutions are defined as "secure," based on increased security features and type of offenders designated.

Data Collection and Storage: Data for this measure are taken from the Significant Incident Reports submitted by the institution where the incident occurred. This has become an automated process, which went nationwide in August of 2009, known as the TruIntel system. The data is captured in data sets and made available to the Office of Research and Evaluation, which analyzes the data and makes the escape information available through the Management Analysis Portal, specifically the Institution Management Dashboard.

Data Validation and Verification: The most senior managers in the agency conduct annual reviews of institution performance including escapes. Additionally, during Program Reviews (which are conducted at least every three years), annual operational reviews, and Institution Character Profiles (which are conducted every three years), reviews of escapes (including attempts) are conducted, along with other inmate misconduct.

Data Limitations*:* None known at this time.

Revised FY 2012 Outcome Goal: Comparative recidivism rates for Federal Prison Industry (FPI) inmates: 15% 3 years following release, and 10% 6 years following release
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: An objective of FPI is to reduce recidivism by providing job training and helping inmates develop a basic work ethic and marketable skills, thereby allowing them to become productive law-abiding citizens. The finding of the initial performance measurement in FY 2005 was consistent with an earlier well designed evaluation of the effects of the prison industries experience. Both evaluations found that inmates who had participated in FPI were less likely to recidivate after release from prison than similarly situated non-participants. This replication will assess group differences 3 years and 6 years after release for recidivism defined as return to federal prison for a new offense. The targets for inmates released in FY 2004-2007 are: Inmates who participate in FPI will remain 15% less likely to recidivate at 3 years, and 10% less likely to recidivate at 6 years, after release from a secure facility, compared to similarly situated inmates who did not participate.

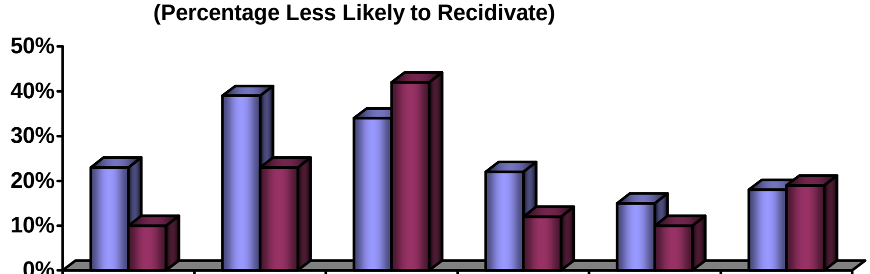
Performance Measure: Comparative Recidivism for FPI Inmates vs. Non-FPI Inmates (Percentage less likely to recidivate)

FY 2010 Target: 3 years: 15%
6 years: 10%

FY 2010 Actual: 3 years: 18%
6 years: 19%

Discussion of FY 2010 Results: FPI exceeded the FY 2010 targets of 15% less likely to recidivate at 3 years and 10% less likely to recidivate at 6 years with actual results of 18% and 19% respectively.

Comparative Recidivism for FPI vs. Non-FPI Inmates
(Percentage Less Likely to Recidivate)



	FY06	FY07	FY08	FY09	FY10 Tgt.	FY10 Act.
3 Years Post Release	23%	39%	34%	22%	15%	18%
6 Years Post Release	10%	23%	42%	12%	10%	19%

Data Definition: Recidivism means a tendency to relapse into a previous mode of behavior, such as criminal activity resulting in arrest and incarceration. For the FY 2010 analysis, recidivism over the 6-years following release from federal prison is defined as return to BOP custody due to a conviction for a new offense and recidivism over the 3 years following release is defined as return to BOP custody for a supervised release violation or a new arrest. Adoption of the more inclusive 3-year definition for the 6-year measure would require extensive resources for obtaining and coding FBI NCIC Criminal History Records. Resources are unavailable to allow the more resource intensive recidivism definition for both the 3- and 6-year follow-up periods. The BOP will only report on the 3-year measure beginning in FY 2011.

Data Collection and Storage: Data are gathered from the BOP's operational computer system (SENTRY), and is analyzed by the BOP's Office of Research and Evaluation.

Data Validation and Verification: The data from the BOP SENTRY system is subject to verification and validation on a nearly daily basis; field staff modifies offenders' status on an on-going basis and updates the files as appropriate. The BOP data undergoes a number of quality control procedures ensuring its accuracy.

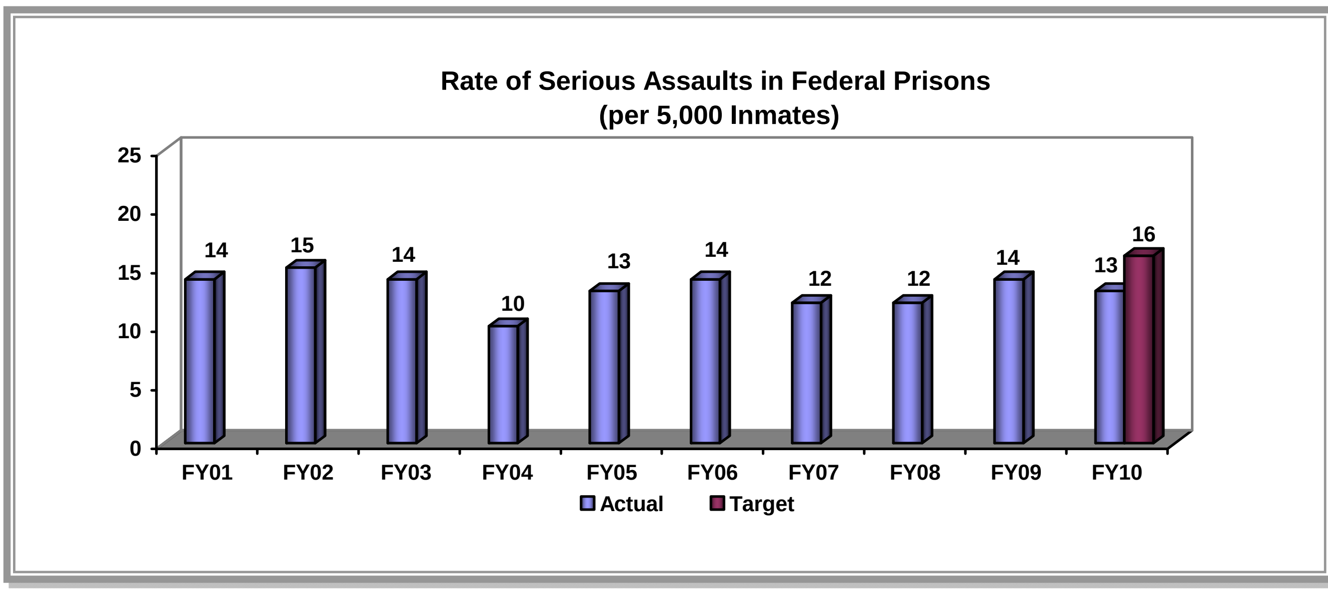
Data Limitations: Although non-citizens make up a large minority of the BOP population, they are excluded from analyses because many of them are deported following release from prison, and it is not known if they recidivate. Projected targets are based on an earlier study of recidivism by FPI participating inmates and their similarly situated non-participating counterparts. The results of this ongoing research may differ from earlier findings due to changes in the program, improved research methods, changes in the composition of the inmate population, and changes in the quality and comprehensiveness of data.

Revised FY 2012 Outcome Goal: Limit the rate of serious assaults in federal prisons to 14 assaults per 5,000 inmates
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Every reasonable precaution is taken to ensure that inmates are provided with a safe and secure environment in facilities according to their needs. While it is the objective of the DOJ and BOP to eliminate all assaults, the target reflects projections based on historical data and observed trends. This data represents the rate of adjudicated, inmate on inmate serious assaults over a twelve month period, per 5,000 inmates. Due to the time required to adjudicate allegations of assault, there is a lag between the occurrence of the incident and reporting guilty findings. Accordingly, the figure reported represents guilty findings for incidents that occurred during the twelve month period ending the last month of the previous quarter.

Performance Measure: Rate of Serious Assaults in Federal Prisons (per 5,000 Inmates)
  FY 2010 Target: 16
  FY 2010 Actual: 13

Discussion of FY 2010 Results: The FY 2010 target was met. The actual rate of serious assaults was 13 per 5,000 inmates, lower than the target rate of 16 per 5,000 inmates for FY 2010.



Data Definition: Reported assault rate is based on guilty findings of serious assaults. Serious assaults involve serious physical injury being attempted or carried out by an inmate. They include sexual assaults as well as armed assaults on the institution's secure perimeter.

Data Collection and Storage: Data is collected from BOP's operational computer system (SENTRY), specifically the Chronological Disciplinary Record (CDR) module, which records all disciplinary measures taken with respect to individual inmates. This data is maintained and stored in the BOP's management information system (Key Indicators and the Institution Management Dashboard), which permits retrieval of data in an aggregated manner. The data represents guilty findings of serious inmate on inmate assaults.

Data Validation and Verification: The most senior managers in the agency conduct annual reviews of institution performance including assaults and other misconduct. Additionally, during Program Reviews (which are conducted at least every three years), annual operational reviews, and Institution Character Profiles (which are conducted every three years), reviews of assaults and other misconduct patterns are accomplished. The SENTRY system is BOP's operational data system, whereas Key Indicators aggregates the SENTRY data and provides an historical perspective.

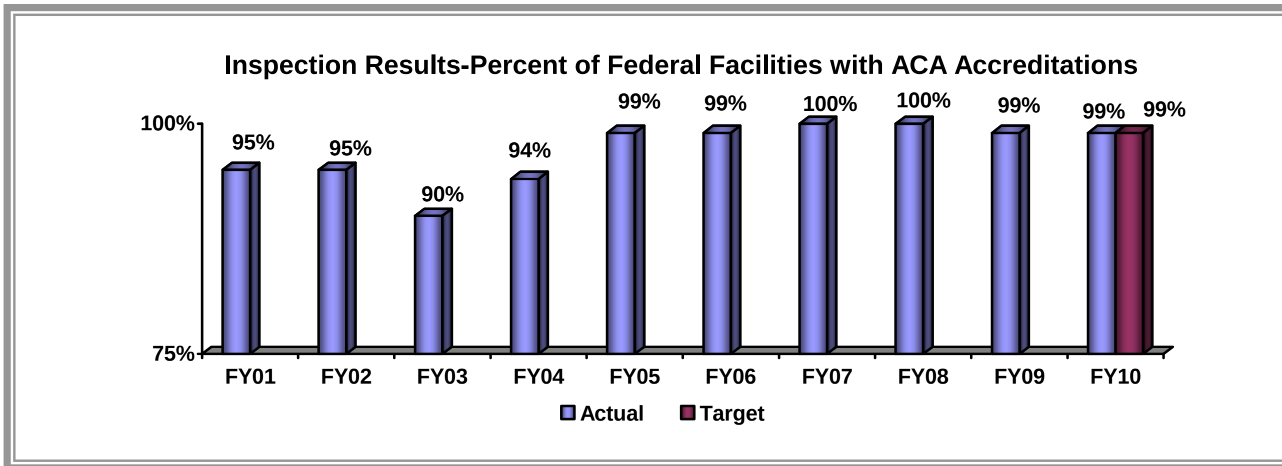
Data Limitations: The data represents the number of guilty findings for assaults over a twelve-month period per 5,000 inmates. Due to the time required to adjudicate allegations of assault, there is a lag between the occurrence of the assault and reporting of guilty findings. Due to accelerated reporting requirements (within 15 days of quarter and fiscal year end) and to provide a more accurate assault rate, the BOP is using 12 months of completed/adjudicated CDR data for each quarter and end of fiscal year reporting, showing 12 month periods ending the last month of the previous quarter.

Revised FY 2012 Outcome Goal: Achieve a 99% positive rate in inspection/accreditation results for federal prison facilities (FY 2007-2012)
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The BOP has the highest regard for human rights and public safety. Therefore, it strives to maintain facilities that meet the accreditation standards of several professional organizations including the American Correctional Association (ACA). ACA auditors conduct on-site visits to BOP institutions during initial accreditation and re-accreditations. Institutions' ACA accreditation must be renewed tri-annually.

Performance Measure: Inspection Results—Percent of Federal Facilities with ACA Accreditations
FY 2010 Target: 99%
FY 2010 Actual: 99%

Discussion of FY 2010 Results: One hundred fourteen of the BOP's 115 prisons eligible to participate in the reaccreditation program maintained their accreditation. FCI Loretto, PA participated in an accreditation audit in September 2010, and is expected to be granted re-accreditation at ACA's January 2011 Winter Conference. In the latter part of September 2010, FCI McDowell, WV began activating but is not yet eligible for initial accreditation. New institutions are not considered eligible for accreditation status until approximately two years after initial activation.



Data Definitions: Initial ACA Accreditation is awarded when an institution demonstrates 100% compliance with mandatory ACA standards and substantial compliance with nonmandatory ACA standards. The BOP's policy requires all institutions to maintain ACA Accreditation.

Data Collection and Storage: Once an audit is completed, an electronic report is received from ACA. These reports are maintained in GroupWise shared folders by institutions, and in WordPerfect files.

Data Validation and Verification: On an annual basis, Program Review personnel develop a schedule for initial accreditation and re-accreditation of all eligible BOP facilities to ensure reviews are conducted on a regular and consistent basis. BOP policy requires institutions to initially be ACA accredited within two years of activation. Therefore, non-accredited institutions that have been activated for less than two years are excluded from calculations regarding this performance measure.

Subject matter experts review report findings to verify accuracy and develop any necessary corrective measures. The ACA accreditation meeting minutes, identifying the institutions receiving accreditation and re-accreditation, are now on file and maintained by the BOP Accreditation Manager.

Data Limitations: None known at this time.

Revised FY 2012 Outcome Goal: Complete 90% of Executive Office for Immigration Review priority cases within established timeframes.
FY 2010 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The Executive Office for Immigration Review (EOIR) has jurisdiction over various immigration matters relating to the Department of Homeland Security (DHS), aliens, and other parties. EOIR comprises three adjudicating components: the Board of Immigration Appeals (BIA), the Immigration Courts, and the Office of the Chief Administrative Hearing Officer. EOIR's mission is to be the best administrative tribunal possible, rendering timely, fair, and well-considered decisions in the cases brought before it. EOIR's ability to achieve its mission is critical to the guarantee of justice and due process in immigration proceedings, and public confidence in the timeliness and quality of EOIR adjudications. Included in this context are the timely grants of relief from removal in meritorious cases, the expeditious removal of criminal and other inadmissible aliens, and the effective utilization of limited detention resources. To assure mission focus, EOIR has identified adjudication priorities and set specific time frames for most of its proceedings. These priorities include court cases involving criminal and other detained aliens, and adjudicative time frames for all detained appeals filed with the BIA. These targets are related to percentages of cases actually completed.

Performance Measure: Percent of EOIR Priority Cases Completed Within Established Time Frames

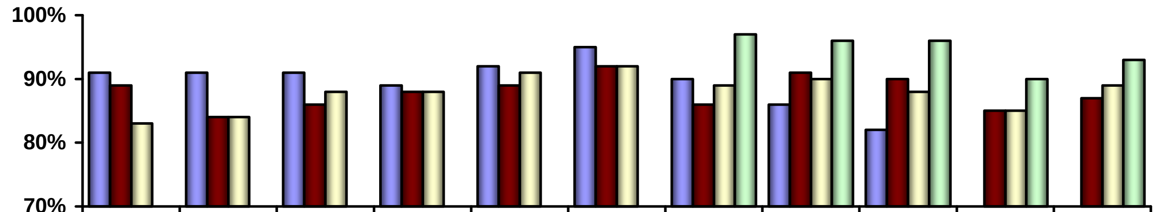
FY 2010 Target: 85% for International Hearing Program (IHP) and detained immigration court cases and 90% for detained appeals

FY 2010 Actual:

Immigration Court IHP Cases Completed Prior to Release from Incarceration: 87%
Immigration Court Detained Cases Completed Within 60 Days: 89%
Immigration Court Detained Appeals Completed Within 150 Days: 93%

Discussion of FY 2010 Results: Through careful management of EOIR's resources, the agency exceeded all three of its goals for FY 2010. As part of the Department's high priority performance goal initiative, EOIR has placed its focus on hiring immigration judges so that the agency is able to continue to meet its large detained caseload. EOIR also used video teleconferencing when appropriate to handle the detained immigration court docket, including Institutional Hearing Program cases. The BIA also continued to manage its resources carefully to ensure that it exceeded its goal of completing 90 percent of detained appeals within 150 days. EOIR will continue to look at innovative ways to manage its detained docket, including close coordination with DHS.

Percent of EOIR Priority Cases Completed Within Established Time Frames



	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10 Tgt.	FY10 Act.
Asylum	91%	91%	91%	89%	92%	95%	90%	86%	82%	N/A	N/A
IHP	89%	84%	86%	88%	89%	92%	86%	91%	90%	85%	87%
Detained Cases	83%	84%	88%	88%	91%	92%	89%	90%	88%	85%	89%
Detained Appeals	N/A	N/A	N/A	N/A	N/A	N/A	97%	96%	96%	90%	93%

Data Definition: The EOIR has defined its priority caseload as two types of immigration court cases (Institutional Hearing Program, and detained cases) and one type of Board of Immigration Appeals case (detained appeals). The Institutional Hearing Program (IHP) is a collaborative effort between EOIR, DHS and various federal, State, and local corrections agencies. The program permits immigration judges to hold removal hearings inside correctional institutions prior to the alien completing his or her criminal sentence. Detained aliens are those in the custody of DHS or other entities.

Data Collection and Storage: Data are collected from the Case Access System for EOIR (CASE), a nationwide case-tracking system at the trial and appellate levels.

Data Validation and Verification: All data entered by courts nationwide are instantaneously transmitted and stored at EOIR headquarters, which allows for timely and complete data. Data are verified by on-line edits of data fields. Headquarters and field office staff have manuals that list the routine daily, weekly, and monthly reports that verify data. Data validation is also performed on a routine basis through data comparisons between EOIR and DHS databases.

Data Limitations: None known at this time.

Performance Measure: Discontinued Measure: Immigration Court Expedited Asylum Cases Completed Within 180 Days

FY 2010 Target: N/A
FY 2010 Actual: N/A

Discussion for FY 2010 Results: At the end of FY 2009, EOIR discontinued this measure. The agency shifted its highest priority to the detained caseload. These cases are the highest priority for EOIR because individuals involved in these proceedings are being detained at the expense of the United States government.

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SECTION III
Financial Section

Section III Financial Section

Overview

While Section II of this Report provided performance data (required by GPRA), Section III provides financial information required by the Chief Financial Officers Act. This data outlines not only the costs of programs, but also the costs of achieving individual results by strategic goal. As required by OMB Circular A-136, the following section provides the Statements of Net Cost by major program for the Department of Justice, and it is aligned directly with the goals and objectives in the Department's Strategic Plan and Annual Performance Plan.

Following the Chief Financial Officer's message, the Office of the Inspector General's Commentary and Summary, and our Report of Independent Auditors, are the following statements:

Consolidated Balance Sheets – Presents resources owned or managed by the Department that are available to provide future economic benefits (assets); amounts owed by the Department that will require payments from those resources or future resources (liabilities) and residual amounts retained by the Department, comprising the difference (net position) as of September 30, 2010 and 2009.

Consolidated Statements of Net Cost – Presents the net cost of Department operations for the fiscal years ended September 30, 2010 and 2009. The Department's net cost of operations includes the gross costs incurred by DOJ less any exchange revenue earned from Department activities.

Consolidated Statements of Changes in Net Position – Presents the change in the Department's net position resulting from the net cost of operations, budgetary financing sources other than exchange revenues and other financing sources for the fiscal years ended September 30, 2010 and 2009.

Combined Statements of Budgetary Resources – Presents the budgetary resources available to the Department, the status of those resources, and the outlay of budgetary resources for the fiscal years ended September 30, 2010 and 2009.

Combined Statements of Custodial Activity – Presents the sources and disposition of non-exchange revenues collected or accrued by the Department on behalf of other recipient entities for the fiscal years ended September 30, 2010 and 2009.

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A Message From the Chief Financial Officer

November 9, 2010

The Department of Justice made measurable progress during the past year in continuing to improve our financial management practices. We recognize our important financial stewardship responsibilities, and prudent financial management and accountability are at the core of our programs and operations.

I am pleased to report that the Department has earned an unqualified audit opinion on its FY 2010 consolidated financial statements. More importantly, for the fourth straight year, the auditor's report on internal controls identified no material weaknesses at the consolidated level, and no Department-level material weaknesses in financial reporting. Overall, we were able to substantially reduce significant deficiencies across our components, yet another positive accomplishment. Where we have remaining deficiencies, we will continue our work to improve our operations, reporting, and information systems controls.

There is no question that difficult financial times bring with them an even greater responsibility for agencies to demonstrate their commitment to financial accountability. In July of 2010, the Attorney General inaugurated the Department's SAVE Council, a cross-component group of senior managers dedicated to identifying savings and efficiencies in our operations and programs. From conference expenditures to information technology projects, we have taken a critical eye to ensuring our efforts provide good value for their cost, and we've taken action to curtail costs where projects do not meet our standards. Importantly, while we look for opportunities to save, we also look for opportunities to improve our systems and internal controls. The Drug Enforcement Administration (DEA) completed its second year on the Department's Unified Financial Management System (UFMS) and again had no major findings associated with their financial audit. The Bureau of Alcohol, Tobacco, Firearms and Explosives prepared this year to go live on UFMS at the start of Fiscal Year 2011, joining DEA, the Federal Bureau of Investigation, the Bureau of Prisons, and United States Marshals Service as UFMS customers in whole or part on this important systems improvement effort.

I believe the talent and dedication of the Department's financial managers nationwide can be seen in the positive audit results earned this year. We look forward in FY 2011 to building upon these achievements for our nation and our taxpayers.

Lee Lofthus
Chief Financial Officer

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U.S. DEPARTMENT OF JUSTICE
ANNUAL FINANCIAL STATEMENT
FISCAL YEAR 2010

OFFICE OF THE INSPECTOR GENERAL
COMMENTARY AND SUMMARY

This audit report contains the Annual Financial Statement of the U.S. Department of Justice (Department) for the fiscal years (FY) ended September 30, 2010, and September 30, 2009. Under the direction of the Office of the Inspector General (OIG), KPMG LLP performed the Department's audit in accordance with U.S. generally accepted government auditing standards. The audit resulted in an unqualified opinion on the FY 2010 financial statements. An unqualified opinion means that the financial statements present fairly, in all material respects, the financial position and the results of the entity's operations in conformity with U.S. generally accepted accounting principles. For FY 2009, the Department also received an unqualified opinion on its financial statements (OIG Report No. 10-05).

KPMG LLP also issued reports on internal control and on compliance and other matters. For FY 2010, the *Independent Auditors' Report on Internal Control over Financial Reporting* identified one significant deficiency, which is an improvement over the prior year, where the auditors reported two significant deficiencies. The FY 2010 significant deficiency related to a few serious, but isolated, financial reporting issues, including the U.S. Marshals Service's funds management controls; the Assets Forfeiture Fund and Seized Asset Deposit Fund's seized and forfeited property reporting controls; and the Bureau of Alcohol, Tobacco, Firearms and Explosives' funds management controls. The chart at the end of our discussion illustrates the FYs 2010 and 2009 financial statement results for the Department and the nine reporting components.

As reflected in the chart, the Department has continued to show improvement in addressing major weaknesses identified in the OIG's previous annual financial statement audits. For example, at the component level the number of significant deficiencies has decreased from eight in FY 2009 to four in FY 2010. Nevertheless, it is important to note that the Department still does not have a unified financial management system to readily support ongoing accounting operations and preparation of financial statements. As discussed in past years, we believe the most important challenge facing the Department in its financial management is to successfully implement an integrated financial management system to replace the disparate and, in some cases, antiquated financial systems used by Department components.

In the FY 2010 *Independent Auditors' Report on Compliance and Other Matters*, the auditors identified no instances of non-compliance with applicable laws and regulations, and the *Federal Financial Management Improvement Act of 1996.*

The OIG reviewed KPMG LLP's reports and related documentation and made necessary inquiries of its representatives. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on the Department's financial statements, conclusions about the effectiveness of internal control, conclusions on whether the Department's financial management systems substantially complied with the *Federal Financial Management Improvement Act of 1996*, or conclusions on compliance with laws and regulations. KPMG LLP is responsible for the attached auditors' reports dated November 9, 2010, and the conclusions expressed in the reports. However, our review disclosed no instances where KPMG LLP did not comply, in all material respects, with U.S. generally accepted government auditing standards.

Comparison of FY 2010 and FY 2009 Audit Results

Reporting Entity	Auditors' Opinion On Financial Statements		Number of Material Weaknesses[1]				Number of Significant Deficiencies[2]			
			Financial		Information Systems		Financial		Information Systems	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Consolidated DOJ	U[3]	U	0	0	0	0	1	1	0	1
AFF/SADF	U	U	0	0	0	0	1	1	0	0
OBDs	U	U	0	0	0	0	0	1	0	0
USMS	U	U	1	1	0	0	0	0	0	1
OJP	U	U	0	0	0	0	0	1	0	0
DEA	U	U	0	0	0	0	0	1	0	0
FBI	U	U	0	0	0	0	0	0	1	0
ATF	U	U	0	0	0	0	1	0	0	0
BOP	U	U	0	0	0	0	0	0	0	1
FPI	U	U	0	0	0	0	0	1	0	0
Component Totals			1	1	0	0	2	5	1	2

Consolidated Department of Justice (Consolidated DOJ); Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF); Offices, Boards and Divisions (OBDs); U.S. Marshals Service (USMS); Office of Justice Programs (OJP); Drug Enforcement Administration (DEA); Federal Bureau of Investigation (FBI); Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); Federal Bureau of Prisons (BOP); Federal Prison Industries, Inc. (FPI)

[1] A material weakness is a deficiency (see below), or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented , or detected and corrected on a timely basis.

[2] A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis.

[3] Unqualified opinion – An auditor's report that states the financial statements present fairly, in all material respects, the financial position and results of operations of the reporting entity, in conformity with U.S. generally accepted accounting principles.

KPMG LLP
2001 M Street, NW
Washington, DC 20036-3389

Independent Auditors' Report on Financial Statements

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the accompanying consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2010 and 2009, and the related consolidated statements of net cost and changes in net position, and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended. These consolidated financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), which statements reflect total assets of $2.4 billion and total net costs of $2.8 billion, as of and for the year ended September 30, 2010. Additionally, we did not audit the financial statements of the USMS, which statements reflect total assets of $945.7 million and total net costs of $1.3 billion as of and for the year ended September 30, 2009. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those components, is based solely on the reports of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the U.S. Department of Justice as of September 30, 2010 and 2009, and its net costs, changes in net position, budgetary resources, and custodial activity for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in Note 26 to the consolidated financial statements, the Department changed its method of accounting for temporary rescissions of budgetary authority in fiscal year 2010.

The information in the *Management's Discussion and Analysis* and *Required Supplementary Stewardship Information* sections is not a required part of the consolidated financial statements, but is supplementary information required by U.S. generally accepted accounting principles. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of this information. However, we and the other auditors did not audit this information and, accordingly, we express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating and combining information in the *Consolidating and Combining Financial Statements* section is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, net costs, changes in net position, budgetary resources, and custodial activity of the Department's components individually. The consolidating and combining information has been subjected to the auditing procedures applied by us and the other auditors in the audits of the consolidated financial statements and, in our opinion, based on our audits and the reports of the other auditors, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The information in the *Introduction*, *FY 2010 Performance Report*, *Management Section*, and *Appendices* is presented for purposes of additional analysis and is not required as part of the consolidated financial statements. This information has not been subjected to the auditing procedures applied by us and the other auditors in the audits of the consolidated financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 9, 2010, on our consideration of the Department's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audits.

KPMG LLP

November 9, 2010

KPMG LLP
2001 M Street, NW
Washington, DC 20036-3389

Independent Auditors' Report on Internal Control over Financial Reporting

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2010 and 2009, and the related consolidated statements of net cost and changes in net position and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended, and have issued our report thereon dated November 9, 2010. We did not audit the financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as of and for the year ended September 30, 2010. Additionally, we did not audit the financial statements of the USMS as of and for the year ended September 30, 2009. Those financial statements were audited by other auditors whose reports have been furnished to us, and our report, insofar as it related to the amounts included for those components, was based solely on the reports of the other auditors. As discussed in Note 26 to the consolidated financial statements, the Department changed its method of accounting for temporary rescissions of budgetary authority in fiscal year 2010.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

As stated above, we did not audit the fiscal year 2010 financial statements of the USMS, FPI, and ATF. Those financial statements were audited by other auditors whose reports thereon, including the other auditors' *Independent Auditors' Report on Internal Control over Financial Reporting*, have been furnished to us. Accordingly, our report on the Department's internal control over financial reporting, insofar as it relates to those components, is based solely on the reports and findings of the other auditors.

The Department's management is responsible for establishing and maintaining effective internal control. In planning and performing our fiscal year 2010 audit, we considered the Department's internal control over financial reporting by obtaining an understanding of the Department's internal control, determining whether internal controls had been placed in operation, assessing control risk, and performing tests of controls as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the fourth paragraph of this report and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. In our fiscal year 2010 audit, we did not, nor did the reports of the other auditors, identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses for the Department, as defined above. However, we noted, and the reports of the other auditors identified, a deficiency in internal control over financial reporting described in Exhibits I and II that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Exhibit I is an overview of the significant deficiencies identified in the Department's component auditors' *Independent Auditors' Reports on Internal Control over Financial Reporting*, and includes an explanation of how these component-level significant deficiencies are reported at the Department level. Exhibit II provides the details of the Department-wide significant deficiency. Exhibit III presents the status of prior years' findings and recommendations.

The Department's responses to the finding identified in our audit are presented in Exhibit II. We did not audit the Department's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the management of the U.S. Department of Justice, the U.S. Department of Justice Office of the Inspector General, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 9, 2010

EXHIBIT I

OVERVIEW OF SIGNIFICANT DEFICIENCY

The following table summarizes the four significant deficiencies identified by the Department's component auditors during fiscal year 2010. The component auditors considered one of these significant deficiencies to be a material weakness. We analyzed the component-level material weakness and significant deficiencies to determine their effect on the Department's internal control over financial reporting and concluded that they comprise one Department-wide significant deficiency.

Significant Deficiencies Noted During Fiscal Year 2010		DOJ	AFF	OBDS	USMS (1)	OJP	DEA	FBI	ATF (1)	BOP	FPI (1)
Improvements are needed in the Department's component financial systems' general controls.								S			
Improvements are needed in the components' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles.		S	S		M				S		
Total Material Weaknesses Reported by Components' Auditors	FY 2010	1	0	0	1	0	0	0	0	0	0
	FY 2009	1	0	0	1	0	0	0	0	0	0
Total Significant Deficiencies Reported by Components' Auditors	FY 2010	3	1	0	0	0	0	1	1	0	0
	FY 2009	7	1	1	1	1	1	0	0	1	1

Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF); Offices, Boards and Divisions (OBDs); United States Marshals Service (USMS); Office of Justice Programs (OJP); Drug Enforcement Administration (DEA); Federal Bureau of Investigation (FBI); Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); Federal Bureau of Prisons (BOP); and Federal Prison Industries, Inc. (FPI).

Legend:
(1) The financial statements of the ATF and the FPI were audited by other auditors in FY 2010, and those of the USMS were audited by other auditors in FYs 2010 and 2009.

M – Material weakness
S – Significant deficiency

In Exhibit II we discuss in detail the Department-wide significant deficiency noted above.

EXHIBIT II

SIGNIFICANT DEFICIENCY

IMPROVEMENTS ARE NEEDED IN THE COMPONENTS' INTERNAL CONTROLS TO PROVIDE REASONABLE ASSURANCE THAT TRANSACTIONS ARE PROPERLY RECORDED, PROCESSED, AND SUMMARIZED TO PERMIT THE PREPARATION OF FINANCIAL STATEMENTS IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

The Department and its component entities have made significant progress in addressing previously reported material weaknesses and significant deficiencies. However, three of the component entities' auditors continue to report a material weakness and significant deficiencies in internal controls that inhibit the preparation of financial statements in accordance with U.S. generally accepted accounting principles. As detailed below, further improvement is needed in the following component entities' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles.

Funds Management Controls. The USMS does not have adequate financial and compliance controls to ensure that obligation transactions are executed and recorded in accordance with laws and regulations and the related undelivered orders and accounts payable balances are accurate and complete. The component auditors identified accounting errors and instances of noncompliance with accounting standards, OMB Circular No. A-11, *Preparation, Submission and Execution of the Budget*, and the United States Standard General Ledger, as follows:

Undelivered Orders (UDOs). As a result of their interim and year-end testing, the component auditors identified errors related to the accuracy of undelivered orders balances. Included in the errors identified by the component auditors were: (1) UDOs that were overstated due to the failure to establish an accounts payable upon receipt of the goods or services, (2) UDOs that were found to be invalid due to accounts payable accruals or deobligations not having been recorded after the period of performance had expired, (3) UDOs that were misstated due to the failure to record approved modification increases or deobligations not having been recorded, (4) UDOs that were misstated because the recorded amounts did not agree with the underlying source documents or unsupported because supporting documentation could not be provided, and (5) UDOs that were misstated due to errors having been made in the calculation of accounts payable accruals. As a result of these accounting errors, the USMS's undelivered orders balances were misstated at quarter-end, as follows:

Sample Population	Likely Misstatement
Headquarters and District Offices (March 31, 2010)	$20.5 million net overstatement
Headquarters (June 30, 2010)	$861 thousand net understatement
Headquarters and District Offices (September 30, 2010)	$18.7 million net overstatement

EXHIBIT II

Delivered Orders – Obligations Unpaid (Accounts Payable). As a result of their interim and year-end testing, the component auditors identified accounting and recordkeeping errors related to the USMS's accounts payable accrual estimates. Included in the errors identified by the component auditors were accounts payable that were incorrect or unsupported due to: (1) the failure to accrue for services received before quarter-end, (2) the accrual methodology failing to take into consideration accruals that were already posted, and (3) lack of supporting documentation . As a result of these accounting errors, the USMS's accounts payable balance was misstated at quarter-end, as follows:

Sample Population	Likely Misstatement
Headquarters and District Offices (March 31, 2010)	$9.9 million net overstatement
Headquarters (June 30, 2010)	$6.3 million net understatement
Headquarters and District Offices (September 30, 2010)	$15.8 million net understatement

Prisoner Medical Obligations and Accounts Payable. The component auditors noted that the USMS does not have consistent procedures or policies in place for estimating and recording medical obligations incurred by the district offices. During the fiscal year, the USMS established Medical Services Procedures that were scheduled to be implemented in July 2010 under a pilot program. These procedures were not implemented at the time the component auditors conducted district office site visits during June and July. Based on discussions with district office personnel during the site visits, the component auditors determined that district offices were applying the same inconsistent procedures that the USMS has used in prior years.

Unauthorized Commitments. The component auditors noted that the USMS made unauthorized commitments during the fiscal year in connection with projects related to security system monitoring, court security officers, guard services, and prisoner medical services and prescriptions. These unauthorized commitments resulted in 16 contract ratifications totaling $2.3 million. In addition, 24 ratifications totaling $2.2 million were in process pending receipt of additional documentation from the program offices. The *Federal Acquisition Regulation* prohibits agencies from entering into contracts unless the contracting officer ensures that all requirements of law, executive orders, regulations, and other applicable procedures have been satisfied. Unauthorized commitments could result in Anti-Deficiency Act violations or other funds management concerns if sufficient funds are not available to cover the unauthorized commitments.

Undelivered Orders and Accounts Payable. ATF's internal controls need improvement to ensure that undelivered orders are valid, accounts payable transactions are calculated correctly, and related account balances are accurate and complete. The component auditors noted that ATF personnel are not adequately reviewing and approving transactions before posting them to the general ledger, validating posted results to ensure data accuracy, or monitoring undelivered orders to determine their validity.

As a result of their interim and year-end testing of undelivered orders and accounts payable balances, the component auditors identified accounting errors and instances of noncompliance with accounting standards, OMB Circular No. A-11, and the United States Standard General Ledger, including: (1) UDOs that were misstated because accruals were calculated improperly, in duplicate, or not at all, (2) capital lease-related UDOs that were overstated because the amount related to the capital lease liability should have been classified as a budgetary accounts payable, (3) capital lease-related accounts payable that were overstated because "receivers" were posted in the accounting system, creating accounts payable that duplicated the capital lease liability that had already been recorded, and (4) UDOs and accounts payable that were incorrectly recorded because vendor accruals were calculated incorrectly.

EXHIBIT II

As a result of these accounting errors, ATF's undelivered orders and accounts payable balances were misstated at quarter-end, as follows**:**

Sample Population	Likely Misstatement
March 31, 2010	Undelivered Orders - $2.0 million net overstatement Accounts Payable - $550 thousand net overstatement
June 30, 2010	Undelivered Orders - $4.3 million net overstatement Accounts Payable - $7 thousand net overstatement
September 30, 2010	Undelivered Orders - $404 thousand understatement Accounts Payable - $2.6 million overstatement

Seized and Forfeited Property. The component auditors noted that the AFF's internal controls are in need of improvement with respect to the: (1) status and valuation of seized and forfeited assets, and (2) deletion of property records from the asset tracking system, as described below.

Internal Controls Related to Status and Valuation. In conducting interim and year-end tests of transactions recorded in the Consolidated Asset Tracking System (CATS), the component auditors identified various valuation and classification errors, including: (1) forfeited property items that were either misclassified or improperly valued, (2) seized property items that were either misclassified or improperly valued, and (3) FIRE assets that were improperly included in the seized asset footnote item count and dollar value disclosures (FIRE assets are assets that have been Frozen, Indicted, Restrained, or Encumbered as part of a federal investigation and are entered into CATS upon receipt of an indictment or temporary restraining order but have not yet been seized by the investigative agency).

As a result of the valuation and classification errors noted above, the seized and forfeited property balances were misstated as follows:

Sample Area		Likely Misstatement
June 30, 2010		
	Seized property (cash and monetary instruments)	$2.3 million net overstatement
	Seized property (non-cash)	$9.9 million net overstatement
August 31, 2010		
	Forfeited property	$6.8 million net overstatement
	Seized property (non-cash)	$7.9 million net overstatement
September 30, 2010		
	Seized property (non-cash)	$5.9 million net overstatement

Internal Controls Related to the Deletion of Records from CATS. In conducting tests related to the deletion of property records from CATS, the component auditors noted that 8 out of 80 records were not supported by evidence of authorization prior to their removal from CATS. If not properly authorized, such deletions could result in misstatements in the notes to the AFF's financial statements. In the cases at hand, there was no financial statement (footnote) effect because valid explanations were provided; however, these explanations were not supported by documentation authorizing the deletion of the records from CATS.

EXHIBIT II

Recommendations:

We recommend the Department:

1. Monitor the corrective actions taken by the USMS to improve the condition of its funds management controls, in response to the specific recommendations made in the component auditor's *Independent Auditors' Report on Internal Control over Financial Reporting* issued in connection with the audit of the USMS's financial statements as of and for the year ended September 30, 2010. *(Updated)*

Management Response:

DOJ management concurs. The Justice Management Division will continue to work with the USMS to document and improve processes related to external reporting to include continued evaluation of their business processes and financial activities associated with accounts payable and undelivered orders. In FY 2011, the USMS' Office of the Chief Financial Officer will continue to coordinate with relevant offices, external and internal, to ensure that advance reconciliations and analyses are performed at least quarterly and discrepancies resolved timely. The Audit Coordination and Remediation (ACR) team will continue to serve as an audit liaison, recommend and implement improvements in the funds management process, and advises the OCFO on remediation strategies. The USMS will continue its training efforts in FY 2011 to ensure staff and contractors understand their responsibilities for timely recording of obligations.

2. Assess the adequacy of the Department's accounting, internal control, and financial reporting policies in the areas of: (1) seized and forfeited property, and (2) undelivered orders/accounts payable. Based on the results of this assessment, determine the need to issue new guidance and/or reiterate to the AFF and ATF the existing policies for those areas in which the components' auditors identified significant deficiencies related to the recording of transactions and the preparation of financial statements in accordance with U.S. generally accepted accounting principles. Monitor the AFF's and ATF's adherence to the Department's accounting and financial reporting policies and procedures throughout the year. *(Updated)*

Management Response:

DOJ management concurs. AFF will continue to work closely with asset forfeiture components to strengthen data entry and period end closing procedures to ensure that property and accounting systems reflect accurate information. In addition, data quality control teams will be used to help validate and review the accuracy of the entries. ATF is establishing stronger oversight to validate and review accounts payable, obligation, and deobligation transactions. Specifically, ATF is enhancing financial management policies and procedures to address the above finding and reiterate all transaction review and documentation requirements.

3. Continue efforts to implement a Department-wide integrated financial management system that is in compliance with the United States Government Standard General Ledger, conforms to the financial management system requirements established by OMB Circular A-127, *Financial Management Systems*, and can accommodate the requirements of applicable federal accounting standards. *(Updated)*

Management Response:

DOJ management concurs. The UFMS initiative is a keystone to the Department's financial systems improvement planning for the future. UFMS is replacing the Department's multiple core financial management and procurement systems with an integrated Commercial-Off-The-Shelf (COTS) solution, Momentum, provided by CGI, Federal Inc. Implementation of the UFMS will improve financial management and procurement operations through streamlining and standardizing business processes and procedures across all components. As of September 2010, UFMS supported more than 2,000 users worldwide, including the DEA (fully implemented), BOP (UFMS Acquisitions), Marshals Service (UFMS Acquisitions), and Asset Forfeiture Program (pilot program). October 2010 the ATF went live on schedule and within budget with a full UFMS implementation. JMD and DOJ senior leadership meets on a regular basis to discuss and address the challenges and risks associated with the implementation of the UFMS across the Department (excluding FPI).

EXHIBIT III

STATUS OF PRIOR YEARS' FINDINGS AND RECOMMENDATIONS

As required by *Government Auditing Standards* issued by the Comptroller General of the United States, and by OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended, we have reviewed the status of prior years' findings and recommendations. The following table provides our assessment of the progress DOJ has made in correcting the previously identified significant deficiencies. We also provide the Office of the Inspector General report number where the deficiency was reported, our recommendation for improvement, and the status of the recommendation as of the end of fiscal year 2010:

Report	Significant Deficiency	Recommendation	Status
Annual Financial Statement Fiscal Year 2007 Report No. 08-01	Improvements are needed in the components' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with generally accepted accounting principles	**Recommendation No. 5:** Continue efforts to implement a Department-wide integrated financial management system that is in compliance with the United States Government Standard General Ledger, conforms to the financial management systems requirements established by the Financial Systems Integration Office (formerly the Joint Financial Management Improvement Program), and can accommodate the requirements of applicable Federal accounting standards.	In Process (Updated by Fiscal Year 2010 Recommendation No. 3)
Annual Financial Statement Fiscal Year 2009 Report No. 10-05	Improvements are needed in the Department's component financial management systems' general and application controls	**Recommendation No. 1:** Require the components to submit and implement corrective action plans that address the weaknesses identified above. The corrective action plans should focus on correcting the deficiencies in access controls and configuration management discussed in the component auditors' *Independent Auditors' Reports on Internal Control over Financial Reporting*, to the extent that the significant deficiencies had not been remediated prior to the end of the fiscal year. The corrective action plans should also include a timeline that establishes when major events must be completed. The Department's CIO should monitor the components' efforts to correct deficiencies, hold them accountable for meeting the action plan timelines, and ensure the corrective actions are implemented adequately to address the noted deficiencies.	Completed*

EXHIBIT III

Report	Significant Deficiency	Recommendation	Status
Annual Financial Statement Fiscal Year 2009 Report No. 10-05	Improvements are needed in the components' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with generally accepted accounting principles	**Recommendation No. 2:** Monitor the corrective actions taken by the USMS to improve the condition of its funds management controls, in response to the specific recommendations made in the component auditor's *Independent Auditors' Report on Internal Control over Financial Reporting* issued in connection with the audit of the USMS's financial statements as of and for the year ended September 30, 2009.	In Process (Updated by Fiscal Year 2010 Recommendation No. 1)
		Recommendation No. 3: Assess the adequacy of the Department's accounting, internal control, and financial reporting policies in the areas of: (1) seized and forfeited property, (2) budgetary upward and downward adjustments, (3) deobligation of funds, (4) inventory controls, and (5) consideration of economic factors in the funding analysis journal entry process. Based on the results of this assessment, determine the need to issue new guidance and/or reiterate to components the existing policies for those areas in which the components' auditors identified significant deficiencies related to the recording of transactions and the preparation of financial statements in accordance with generally accepted accounting principles. Monitor the components' adherence to the Department's accounting and financial reporting policies and procedures throughout the year.	In Process (Updated by Fiscal Year 2010 Recommendation No. 2)

**Sufficient progress has been made in addressing this finding and the related recommendation such that the remaining risk of misstatement is inconsequential. Therefore, the condition has been downgraded to a control deficiency.*

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Independent Auditors' Report on Compliance and Other Matters

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2010 and 2009, and the related consolidated statements of net cost and changes in net position and the combined statements of budgetary resources and custodial activity (hereinafter referred to as the "consolidated financial statements") for the years then ended, and have issued our report thereon dated November 9, 2010. We did not audit the financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as of and for the year ended September 30, 2010. Additionally, we did not audit the financial statements of the USMS as of and for the year ended September 30, 2009. Those financial statements were audited by other auditors whose reports have been furnished to us, and our report, insofar as it related to the amounts included for those components, was based solely on the reports of the other auditors. As discussed in Note 26 to the consolidated financial statements, the Department changed its method of accounting for temporary rescissions of budgetary authority in fiscal year 2010.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

As stated above, we did not audit the fiscal year 2010 financial statements of the USMS, FPI, and ATF. Those financial statements were audited by other auditors whose reports thereon, including the other auditors' *Independent Auditors' Report on Compliance and Other Matters*, have been furnished to us. Accordingly, our report on the Department's compliance and other matters, insofar as it relates to those components, is based solely on the reports and findings of the other auditors.

The management of the Department is responsible for complying with laws, regulations, contracts, and grant agreements applicable to the Department. As part of obtaining reasonable assurance about whether the Department's fiscal year 2010 consolidated financial statements are free of material misstatement, we and the other auditors performed tests of the Department's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the consolidated financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 07-04, including the provisions referred to in

Section 803(a) of the *Federal Financial Management Improvement Act of 1996* (FFMIA). We and the other auditors limited our tests of compliance to the provisions described in the preceding sentence, and we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to the Department. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our and the other auditors' tests of compliance described in the preceding paragraph, exclusive of those referred to in FFMIA, disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 07-04.

The results of our and the other auditors' tests of FFMIA disclosed no instances in which the Department's financial management systems did not substantially comply with the (1) Federal financial management system requirements, (2) applicable Federal accounting standards, and (3) application of the United States Government Standard General Ledger at the transaction level.

This report is intended solely for the information and use of the management of the U.S. Department of Justice, the U.S. Department of Justice Office of the Inspector General, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 9, 2010

Principal Financial Statements and Related Notes

See Independent Auditors' Report on Financial Statements

U. S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2010 and 2009

Dollars in Thousands		2010		2009
ASSETS (Note 2)				
Intragovernmental				
Fund Balance with U.S. Treasury (Note 3)	$	23,596,587	$	20,857,015
Investments, Net (Note 5)		4,061,733		3,842,785
Accounts Receivable, Net (Note 6)		302,310		326,410
Other Assets (Note 10)		122,664		130,988
Total Intragovernmental		28,083,294		25,157,198
Cash and Monetary Assets (Note 4)		245,283		229,794
Accounts Receivable, Net (Note 6)		87,260		79,824
Inventory and Related Property, Net (Note 7)		237,347		298,701
Forfeited Property, Net (Note 8)		189,122		226,843
General Property, Plant and Equipment, Net (Note 9)		9,741,154		9,215,026
Advances and Prepayments		1,501,404		1,415,521
Other Assets (Note 10)		5,826		4,921
Total Assets	**$**	**40,090,690**	**$**	**36,627,828**
LIABILITIES (Note 11)				
Intragovernmental				
Accounts Payable	$	273,619	$	309,072
Accrued Federal Employees' Compensation Act Liabilities		243,446		236,258
Custodial Liabilities (Note 22)		331,172		136,106
Other Liabilities (Note 15)		958,914		545,205
Total Intragovernmental		1,807,151		1,226,641
Accounts Payable		2,520,022		2,253,013
Accrued Grant Liabilities		530,823		431,219
Actuarial Federal Employees' Compensation Act Liabilities		1,314,105		1,233,899
Accrued Payroll and Benefits		594,981		522,704
Accrued Annual and Compensatory Leave Liabilities		826,881		782,177
Environmental and Disposal Liabilities (Note 12)		71,657		22,316
Deferred Revenue		502,119		498,308
Seized Cash and Monetary Instruments (Note 14)		1,470,383		1,491,660
Contingent Liabilities (Note 16)		101,760		172,653
Capital Lease Liabilities (Note 13)		33,649		42,221
Radiation Exposure Compensation Act Liabilities		541,784		343,835
Other Liabilities (Note 15)		259,822		175,865
Total Liabilities	**$**	**10,575,137**	**$**	**9,196,511**
NET POSITION				
Unexpended Appropriations - Earmarked Funds (Note 17)	$	19,585	$	22,207
Unexpended Appropriations - All Other Funds		13,791,272		13,902,525
Cumulative Results of Operations - Earmarked Funds (Note 17)		7,636,045		5,631,023
Cumulative Results of Operations - All Other Funds		8,068,651		7,875,562
Total Net Position	**$**	**29,515,553**	**$**	**27,431,317**
Total Liabilities and Net Position	**$**	**40,090,690**	**$**	**36,627,828**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Net Cost
For the Fiscal Years Ended September 30, 2010 and 2009

Dollars in Thousands

	FY	Gross Costs: Intra-governmental	Gross Costs: With the Public	Gross Costs: Total	Less: Earned Revenues: Intra-governmental	Less: Earned Revenues: With the Public	Less: Earned Revenues: Total	Net Cost of Operations (Note 18)
Goal 1	**2010**	$ 1,358,260	$ 4,187,272	$ 5,545,532	$ 474,421	$ 32,042	$ 506,463	$ 5,039,069
	2009	$ 1,133,358	$ 3,392,193	$ 4,525,551	$ 533,229	$ 26,729	$ 559,958	$ 3,965,593
Goal 2	**2010**	3,464,016	13,201,427	16,665,443	751,806	736,287	1,488,093	15,177,350
	2009	3,482,029	11,395,987	14,878,016	769,559	620,025	1,389,584	13,488,432
Goal 3	**2010**	2,113,376	10,436,797	12,550,173	801,044	480,246	1,281,290	11,268,883
	2009	1,969,386	9,901,438	11,870,824	921,473	443,580	1,365,053	10,505,771
Total	**2010**	**$ 6,935,652**	**$ 27,825,496**	**$ 34,761,148**	**$ 2,027,271**	**$ 1,248,575**	**$ 3,275,846**	**$ 31,485,302**
	2009	**$ 6,584,773**	**$ 24,689,618**	**$ 31,274,391**	**$ 2,224,261**	**$ 1,090,334**	**$ 3,314,595**	**$ 27,959,796**

Goal 1: Prevent Terrorism and Promote the Nation's Security
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People
Goal 3: Ensure the Fair and Efficient Administration of Justice

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Changes in Net Position
For the Fiscal Year Ended September 30, 2010

Dollars in Thousands

	2010			
	Earmarked Funds	All Other Funds	Eliminations	Total
Unexpended Appropriations				
Beginning Balances	**$ 22,207**	**$ 13,902,525**	**$ -**	**$ 13,924,732**
Budgetary Financing Sources				
Appropriations Received	90,312	28,251,841	-	28,342,153
Appropriations Transferred-In/Out	-	510,516	-	510,516
Other Adjustments	(9,001)	(144,750)	-	(153,751)
Appropriations Used	(83,933)	(28,728,860)	-	(28,812,793)
Total Budgetary Financing Sources	**(2,622)**	**(111,253)**	**-**	**(113,875)**
Unexpended Appropriations	**$ 19,585**	**$ 13,791,272**	**$ -**	**$ 13,810,857**
Cumulative Results of Operations				
Beginning Balances	**$ 5,631,023**	**$ 7,875,562**	**$ -**	**$ 13,506,585**
Adjustments (Note 26)				
Changes in Accounting Principles	-	(46,588)	-	**(46,588)**
Beginning Balances, as Adjusted	**5,631,023**	**7,828,974**	**-**	**13,459,997**
Budgetary Financing Sources				
Appropriations Used	83,933	28,728,860	-	28,812,793
Nonexchange Revenues	2,366,521	932	-	2,367,453
Donations and Forfeitures of Cash and Cash Equivalents	1,502,466	-	-	1,502,466
Transfers-In/Out Without Reimbursement	-	75,097	-	75,097
Other Financing Sources				
Donations and Forfeitures of Property	70,864	340	-	71,204
Transfers-In/Out Without Reimbursement	(31,173)	29,284	-	(1,889)
Imputed Financing from Costs Absorbed by Others (Note 19)	12,161	918,164	(27,448)	902,877
Total Financing Sources	**4,004,772**	**29,752,677**	**(27,448)**	**33,730,001**
Net Cost of Operations	**(1,999,750)**	**(29,513,000)**	**27,448**	**(31,485,302)**
Net Change	2,005,022	239,677	-	2,244,699
Cumulative Results of Operations	**$ 7,636,045**	**$ 8,068,651**	**$ -**	**$ 15,704,696**
Net Position	**$ 7,655,630**	**$ 21,859,923**	**$ -**	**$ 29,515,553**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Changes in Net Position
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands

	2009			
	Earmarked Funds	All Other Funds	Eliminations	Total
Unexpended Appropriations				
Beginning Balances	**$ 44,902**	**$ 9,169,075**	**$ -**	**$ 9,213,977**
Budgetary Financing Sources				
Appropriations Received	125,076	30,327,827	-	30,452,903
Appropriations Transferred-In/Out	-	535,342	-	535,342
Other Adjustments	-	(231,068)	-	(231,068)
Appropriations Used	(147,771)	(25,898,651)	-	(26,046,422)
Total Budgetary Financing Sources	**(22,695)**	**4,733,450**	**-**	**4,710,755**
Unexpended Appropriations	**$ 22,207**	**$ 13,902,525**	**$ -**	**$ 13,924,732**
Cumulative Results of Operations				
Beginning Balances	**$ 4,052,221**	**$ 7,462,291**	**$ -**	**$ 11,514,512**
Budgetary Financing Sources				
Appropriations Used	147,771	25,898,651	-	26,046,422
Nonexchange Revenues	1,756,595	1,171	-	1,757,766
Donations and Forfeitures of Cash and Cash Equivalents	1,376,423	-	-	1,376,423
Transfers-In/Out Without Reimbursement	-	89,948	-	89,948
Other Budgetary Financing Sources	-	(100,000)	-	(100,000)
Other Financing Sources				
Donations and Forfeitures of Property	68,145	68	-	68,213
Transfers-In/Out Without Reimbursement	(42,202)	51,599	-	9,397
Imputed Financing from Costs Absorbed by Others (Note 19)	10,573	721,476	(28,349)	703,700
Total Financing Sources	**3,317,305**	**26,662,913**	**(28,349)**	**29,951,869**
Net Cost of Operations	**(1,738,503)**	**(26,249,642)**	**28,349**	**(27,959,796)**
Net Change	1,578,802	413,271	-	1,992,073
Cumulative Results of Operations	**$ 5,631,023**	**$ 7,875,562**	**$ -**	**$ 13,506,585**
Net Position	**$ 5,653,230**	**$ 21,778,087**	**$ -**	**$ 27,431,317**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Budgetary Resources
For the Fiscal Years Ended September 30, 2010 and 2009

Dollars in Thousands		2010		2009
Budgetary Resources				
Unobligated Balance, Net, Brought Forward, October 1	$	4,046,852	$	3,549,862
Recoveries of Prior Year Unpaid Obligations		766,846		956,534
Budget Authority				
Appropriations Received		32,769,570		34,394,369
Spending Authority from Offsetting Collections				
Earned				
Collected		7,071,984		6,833,760
Change in Receivables from Federal Sources		(133,650)		121,266
Change in Unfilled Customer Orders				
Advance Received		(46,906)		(245,721)
Without Advance from Federal Sources		(31,324)		(32,542)
Subtotal Budget Authority		39,629,674		41,071,132
Nonexpenditure Transfers, Net, Anticipated and Actual		585,613		625,290
Temporarily not Available Pursuant to Public Law		(2,041,625)		(1,295,083)
Permanently not Available		(154,303)		(331,080)
Total Budgetary Resources (Note 20)	**$**	**42,833,057**	**$**	**44,576,655**
Status of Budgetary Resources				
Obligations Incurred				
Direct	$	32,257,303	$	34,077,757
Reimbursable		6,536,456		6,452,046
Total Obligations Incurred (Note 20)		38,793,759		40,529,803
Unobligated Balance - Available				
Apportioned		2,739,193		2,646,548
Exempt from Apportionment		120,016		101,425
Total Unobligated Balance - Available		2,859,209		2,747,973
Unobligated Balance not Available		1,180,089		1,298,879
Total Status of Budgetary Resources	**$**	**42,833,057**	**$**	**44,576,655**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Budgetary Resources - Continued
For the Fiscal Years Ended September 30, 2010 and 2009

Dollars in Thousands		2010		2009
Change in Obligated Balance				
Obligated Balance, Net - Brought Forward, October 1				
Unpaid Obligations	$	17,646,368	$	13,268,917
Less: Uncollected Customer Payments from Federal Sources		1,918,071		1,829,346
Total Unpaid Obligated Balance, Net - Brought Forward, October 1		15,728,297		11,439,571
Obligations Incurred		38,793,759		40,529,803
Less: Gross Outlays		37,913,953		35,195,818
Less: Recoveries of Prior Year Unpaid Obligations, Actual		766,846		956,534
Change in Uncollected Customer Payments from Federal Sources		164,974		(88,725)
Obligated Balance, Net - End of Period				
Unpaid Obligations		17,759,329		17,646,368
Less: Uncollected Customer Payments from Federal Sources		1,753,098		1,918,071
Total Unpaid Obligated Balance, Net - End of Period	$	16,006,231	$	15,728,297
Net Outlays				
Gross Outlays	$	37,913,953	$	35,195,818
Less: Offsetting Collections		7,025,077		6,588,035
Less: Distributed Offsetting Receipts (Note 20)		941,368		539,325
Total Net Outlays (Note 20)	**$**	**29,947,508**	**$**	**28,068,458**

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Custodial Activity
For the Fiscal Years Ended September 30, 2010 and 2009

Dollars in Thousands	2010	2009
Revenue Activity		
Sources of Cash Collections		
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ 4,789,655	$ 2,884,775
Fees and Licenses	28,985	29,224
Fines, Penalties and Restitution Payments - Civil	5,985	44,979
Fines, Penalties and Restitution Payments - Criminal	33,048	22,997
Miscellaneous	704	357
Total Cash Collections	4,858,377	2,982,332
Accrual Adjustments	271	188
Total Custodial Revenue	4,858,648	2,982,520
Disposition of Collections		
Transferred to Federal Agencies		
U.S. Department of Agriculture	(84,620)	(92,073)
U.S. Department of Commerce	(1,725)	(771)
U.S. Department of the Interior	(283,244)	(25,059)
U.S. Department of Justice	(510,634)	(123,787)
U.S. Department of Labor	(3,537)	(528)
U.S. Postal Service	(6,762)	(4,435)
U.S. Department of State	(199)	-
U.S. Department of the Treasury	(606,978)	(368,790)
Office of Personnel Management	(46,636)	(19,833)
National Credit Union Administration	-	(470)
Federal Communications Commission	(2,693)	(9,773)
Social Security Administration	(3,558)	(982)
Smithsonian Institution	(209)	(8)
U.S. Department of Veterans Affairs	(35,068)	(28,710)
General Services Administration	(4,008)	(116,631)
Securities and Exchange Commission	(2)	(4)
Federal Deposit Insurance Corporation	(42)	(1,958)
Railroad Retirement Board	(143)	(335)
Tennessee Valley Authority	-	(4,207)
Environmental Protection Agency	(720,010)	(223,334)
U.S. Department of Transportation	(765)	(1,357)
U.S. Department of Homeland Security	(30,872)	(17,169)
Agency for International Development	(2,155)	-
Small Business Administration	(5,360)	(5,332)
U.S. Department of Health and Human Services	(1,528,861)	(1,367,320)
National Aeronautics and Space Administration	(2,859)	(2,957)
Export-Import Bank of the United States	(4,704)	-
U.S. Department of Housing and Urban Development	(25,985)	(18,347)
U.S. Department of Energy	(2,281)	(4,065)
U.S. Department of Education	(63,002)	(18,003)
Independent Agencies	(54,493)	(54,916)
U.S. Department of Defense	(112,640)	(113,023)
Transferred to the Public	(391,304)	(329,816)
(Increase)/Decrease in Amounts Yet to be Transferred	(210,508)	55,568
Refunds and Other Payments	(11,016)	(918)
Retained by the Reporting Entity	(101,775)	(83,177)
Net Custodial Activity (Note 22)	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Department of Justice (Department) has a wide range of responsibilities which include: detecting, apprehending, prosecuting, and incarcerating criminal offenders; operating federal prison factories; upholding the civil rights of all Americans; enforcing laws to protect the environment; ensuring healthy competition of business in the United States' free enterprise system; safeguarding the consumer from fraudulent activity; carrying out the immigration laws of the United States; and representing the American people in all legal matters involving the U.S. Government. Under the direction of the Attorney General, these responsibilities are discharged by the components of the Department.

For purposes of these consolidated/combined financial statements, the following components comprise the Department's reporting entity:

- Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF)
- Offices, Boards and Divisions (OBDs)
- U.S. Marshals Service (USMS)
- Office of Justice Programs (OJP)
- Drug Enforcement Administration (DEA)
- Federal Bureau of Investigation (FBI)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Bureau of Prisons (BOP)
- Federal Prison Industries, Inc. (FPI)

The American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5) was signed into law by President Obama on February 17, 2009. As one of its many elements, the Recovery Act provides the Department with funding for grants to assist state, local, and tribal law enforcement (including support for hiring), to combat violence against women, to fight internet crimes against children, to improve the functioning of the criminal justice system, to assist victims of crime, and to support youth mentoring.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

B. Basis of Presentation

These financial statements have been prepared from the books and records of the Department in accordance with United States generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) and presentation guidelines in the Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*. These financial statements are different from the financial reports prepared pursuant to OMB directives which are used to monitor and control the use of the Department's budgetary resources. The accompanying financial statements include the accounts of all funds under the Department's control. To ensure that the Department financial statements are meaningful at the entity level and to enhance reporting consistency within the Department, Other Assets and Other Liabilities as defined by OMB Circular A-136 have been disaggregated on the balance sheet. These include Forfeited Property, Net; Advances and Prepayments; Accrued Grant Liabilities; Accrued Federal Employees' Compensation Act Liabilities; Custodial Liabilities; Accrued Payroll and Benefits; Accrued Annual and Compensatory Leave Liabilities; Deferred Revenue; Seized Cash and Monetary Instruments; Contingent Liabilities; Capital Lease Liabilities; and Radiation Exposure Compensation Act Liabilities.

C. Basis of Consolidation

The consolidated/combined financial statements of the Department include the accounts of the AFF/SADF, OBDs, USMS, OJP, DEA, FBI, ATF, BOP, and FPI. All significant proprietary intra-departmental transactions and balances have been eliminated in consolidation. The Statements of Budgetary Resources and Statements of Custodial Activity are combined statements for FYs 2010 and 2009, and as such, intra-departmental transactions have not been eliminated.

D. Basis of Accounting

Transactions are recorded on the accrual and budgetary bases of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded when incurred, regardless of when cash is exchanged. Under the budgetary basis, however, funds availability is recorded based upon legal considerations and constraints. As a result, certain line items on the proprietary financial statements may not equal similar line items on the budgetary financial statements. FPI is non-appropriated and self-sustaining. While FPI performs budgetary accounting in preparing its financial statements, FPI does not record budgetary information at the transaction level.

Custodial activity reported on the Combined Statement of Custodial Activity is prepared on the modified cash basis. Civil and Criminal Debt Collections are recorded when the Department receives payment from debtors. Accrual adjustments are made related to collections of fees and licenses.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

D. Basis of Accounting (continued)

The financial statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity. One implication of this is that liabilities cannot be liquidated without legislation that provides resources and legal authority to do so.

E. Non-Entity Assets

Non-entity assets are not available for use by the Department and consist primarily of restricted undisbursed civil and criminal debt collections, seized cash, accounts receivable, and other monetary assets.

F. Fund Balance with U.S. Treasury and Cash

Funds with the Department of the Treasury (Treasury) represent primarily appropriated, revolving, and trust funds available to pay current liabilities and finance future authorized purchases. The Treasury, as directed by authorized certifying officers, processes cash receipts and disbursements. The Department does not, for the most part, maintain cash in commercial bank accounts. Certain receipts, however, are processed by commercial banks for deposit into individual accounts maintained at the Treasury. The Department's cash and other monetary assets consist of undeposited collections, imprest funds, cash used in undercover operations, cash held as evidence, and seized cash.

G. Investments

Investments are market-based Treasury securities issued by the Bureau of Public Debt. When securities are purchased, the investment is recorded at face value (the value at maturity). The Department's intent is to hold investments to maturity, unless securities are needed to sustain operations. No provision is made for unrealized gains or losses on these securities because, in the majority of cases, they are held to maturity. The market value of the investments is the current market value at the end of the reporting period. It is calculated by using the "End of Day" price listed in The FedInvest Price File which can be found on the Bureau of Public Debt website (http://www.fedinvest.gov/). Investments are reported on the Consolidated Balance Sheet at their net value, the face value plus or minus any unamortized premium or discount. Premiums and discounts are amortized over the life of the Treasury security. Amortization is based on the straight-line method over the term of the securities.

The AFF, the U.S. Trustee System Fund, and the Federal Prison Commissary Fund are three earmarked funds that invest in Treasury securities. The Treasury does not set aside assets to pay future expenditures associated with earmarked funds. Instead, the cash generated from earmarked funds is used by the Treasury for general Government purposes. When these earmarked funds redeem their Treasury securities to make expenditures, the Treasury will finance the expenditures in the same manner that it finances all other expenditures.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

G. Investments (continued)

Treasury securities are issued to the earmarked funds as evidence of earmarked receipts and provide the funds with the authority to draw upon the U.S. Treasury for future authorized expenditures. Treasury securities held by an earmarked fund are an asset of the fund and a liability of the Treasury, so they are eliminated in consolidation for the U.S. Government-wide financial statements.

H. Accounts Receivable

Net accounts receivable includes reimbursement and refund receivables due from federal agencies and others, less the allowance for doubtful accounts. Generally, most intragovernmental accounts receivable are considered fully collectible. The allowance for doubtful accounts for public receivables is estimated based on past collection experience and analysis of outstanding receivable balances at year end.

I. Inventory and Related Property

Inventory is maintained primarily for the manufacture of goods for sale to customers. This inventory is composed of three categories: Raw Materials, Work in Process, and Finished Goods. Raw material inventory value is based upon moving average costs. Inventories are valued at the lower of average cost or market value (LCM) and include materials, labor and manufacturing overhead. Market value is calculated on the basis of the contractual or anticipated selling price, less allowance for administrative expenses. DOJ values its finished goods and sub-assembly items at a standard cost that is periodically adjusted to approximate actual cost. DOJ has established inventory allowances to account for LCM adjustments and obsolete items that may not be utilized in future periods.

Additional inventories consist of new and rehabilitated office furniture, equipment and supplies used for the repair of airplanes, administrative supplies and materials, commissary sales to inmates (sundry items), metals, plastics, electronics, graphics, and optics.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

J. General Property, Plant and Equipment

With the exception of land, real property and leasehold improvements are capitalized when the cost of acquiring and/or improving the asset is $100 or more and the asset has a useful life of two or more years. Land is capitalized regardless of the acquisition cost. Real property is depreciated or amortized, based on historical cost, using the straight-line method over the estimated useful life of the asset.

Except for BOP and FPI, Department acquisitions of personal property, excluding internal use software, $25 and over are capitalized if the asset has an estimated useful life of two or more years. Personal property is depreciated, based on historical cost, using the straight-line method over the estimated useful life of the asset. BOP and FPI capitalize personal property acquisitions over $5.

Internal use software is capitalized when developmental phase costs or enhancement costs are $500 or more and the asset has an estimated useful life of two or more years. Except for FBI, aircraft are capitalized when the initial cost of acquiring those assets is $100 or more. FBI capitalizes aircraft over $25. Internal use software and aircraft are depreciated, based on historical cost, using the straight-line method over the estimated useful life of the asset.

K. Advances and Prepayments

Advances and prepayments, classified as assets on the Consolidated Balance Sheets, consist primarily of funds disbursed to grantees in excess of total expenditures made by those grantees to third parties, funds advanced to state and local participants in the DEA Domestic Cannabis Eradication and Suppression Program, and travel advances issued to federal employees for official travel. Travel advances are limited to meals and incidental expenses expected to be incurred by the employees during official travel. Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of payment and are recognized as expenses when the goods and services are received.

L. Forfeited and Seized Property

Forfeited property is property for which the title has passed to the U.S. Government. This property is recorded at the estimated fair market value at the time of forfeiture and is not adjusted for any subsequent increases and decreases in estimated fair market value. The value of the property is reduced by the estimated liens of record.

Property is seized in consequence of a violation of public law. Seized property can include monetary instruments, real property, and tangible personal property of others in the actual or constructive possession of the custodial agency. Most non-cash property is held by the USMS from the point of seizure until its disposition. This property is recorded at the estimated fair market value at the time of seizure.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

M. Liabilities

Liabilities represent the monies or other resources that are likely to be paid by the Department as the result of a transaction or event that has already occurred. However, no liability can be paid by the Department absent proper budget authority. Liabilities that are not funded by the current year appropriation are classified as liabilities not covered by budgetary resources in Note 11.

On October 15, 1990, Congress passed the Radiation Exposure Compensation Act (RECA), 42 U.S.C. § 2210 (1990), providing for compassionate payments to individuals who contracted certain cancers and other serious diseases as a result of their exposure to radiation released during above-ground nuclear weapons tests or as a result of their exposure to radiation during employment in underground uranium mines. The September 30, 2010 and 2009 estimated liabilities are based on activity between FYs 2006 - 2010, and management's assumptions concerning receipt and approval of claims in the future.

Key factors in determining liability are the number of claims filed, the number of claims approved, and estimates for these factors through FY 2022. These estimates are then discounted in accordance with the discount rates set by OMB.

N. Accrued Grant Liabilities

Disbursements of grant funds are recognized as expenses at the time of disbursement. However, some grant recipients incur expenditures prior to initiating a request for disbursement based on the nature of the expenditures. The OBDs and OJP accrue a liability for expenditures incurred by grantees prior to receiving grant funds for expenditures. The amount to be accrued is determined through an analysis of historic grant expenditures. These estimates are based on the most current information available at the time the financial statements are prepared.

Estimates for the grant accrual contain assumptions that have an impact on the financial statements. The key assumptions used in the grant accrual are: grantees have consistent spending patterns throughout the life of the grant, grantees will drawdown throughout the life of the grant, and the grant has a determined end date. The primary elements of these assumptions include, but are not limited to, type of grant that has been awarded, grant period, accounting basis used by the grantees, and the grant expenditure rate.

O. Contingencies and Commitments

The Department is involved in various legal actions, including administrative proceedings, lawsuits, and claims. A liability is generally recognized as an unfunded liability for those legal actions where unfavorable decisions are considered "probable" and an estimate for the liability can be made. Contingent liabilities that are considered "probable" or "reasonably possible" are disclosed in Note 16. Liabilities that are considered "remote" are not recognized in the financial statements or disclosed in the notes to the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

P. Annual, Sick, and Other Leave

Annual and compensatory leave is expensed with an offsetting liability as it is earned and the liability is reduced as leave is taken. Each year, the balance in the accrued annual leave liability account is adjusted to reflect current pay rates. To the extent current or prior year appropriations are not available to fund annual and compensatory leave earned but not taken, funding will be obtained from future financing sources. Sick leave and other types of nonvested leave are expensed as taken.

Q. Interest on Late Payments

Pursuant to the Prompt Payment Act, 31 U.S.C. § 3901-3907, the Department pays interest on payments for goods or services made to business concerns after the due date. The due date is generally 30 days after receipt of a proper invoice or acceptance of the goods or services, whichever is later.

R. Retirement Plan

With few exceptions, employees hired before January 1, 1984 are covered by the Civil Service Retirement System (CSRS) and employees hired on or after that date are covered by the Federal Employees Retirement System (FERS). For employees covered by CSRS, the Department contributes 7% of the employees' gross pay for regular and 7.5% for law enforcement officers' retirement. For employees covered by FERS, the Department contributes 11.2% of employees' gross pay for regular and 24.9% for law enforcement officers' retirement. All employees are eligible to contribute to the Federal Thrift Savings Plan (TSP). For those employees covered by the FERS, a TSP account is automatically established to which the Department is required to contribute an additional 1% of gross pay and match employee contributions up to 4%. No contributions are made to the TSP accounts established by the CSRS employees. The Department does not report CSRS or FERS assets, accumulated plan benefits, or unfunded liabilities, if any, which may be applicable to its employees. Such reporting is the responsibility of the Office of Personnel Management (OPM). Statement of Federal Financial Accounting Standards (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, requires employing agencies to recognize the cost of pensions and other retirement benefits during their employees' active years of service. Refer to Note 19, *Imputed Financing from Costs Absorbed by Others*, for additional details.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

S. Federal Employee Compensation Benefits

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. The total FECA liability consists of an actuarial and an accrued portion as discussed below.

Actuarial Liability: The Department of Labor (DOL) calculates the liability of the federal government for future compensation benefits, which includes the expected liability for death, disability, medical, and other approved costs. The liability is determined using the paid-losses extrapolation method calculated over the next 37-year period. This method utilizes historical benefit payment patterns related to a specific incurred period to predict the ultimate payments related to that period. The projected annual benefit payments are discounted to present value. The resulting federal government liability is then distributed by agency. The Department's portion of this liability includes the estimated future cost of death benefits, workers' compensation, medical, and miscellaneous cost for approved compensation cases for the Department employees. The Department liability is further allocated to component reporting entities on the basis of actual payments made to the FECA Special Benefits Fund (SBF) for the three prior years as compared to the total Department payments made over the same period.

The FECA actuarial liability is recorded for reporting purposes only. This liability constitutes an extended future estimate of cost, which will not be obligated against budgetary resources until the fiscal year in which the cost is actually billed to the Department. The cost associated with this liability cannot be met by the Department without further appropriation action.

Accrued Liability: The accrued FECA liability is the amount owed to the DOL for the benefits paid from the FECA SBF directly to Department employees.

T. Intragovernmental Activity

These transactions and/or balances result from business activities conducted between two different federal government entities.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

U. Revenues and Other Financing Sources

The Department receives the majority of funding needed to support its programs through Congressional appropriations. The Department receives annual, multi-year, and no-year appropriations that may be used, within statutory limits, for operating and capital expenditures. Additional funding is obtained through exchange revenues, nonexchange revenues, and transfers-in.

Appropriations Used are recognized as budgetary financing sources at the time the related program or administrative expenses are incurred. Exchange revenues are recognized when earned, for example, when goods have been delivered or services rendered. Nonexchange revenues are resources that the government demands or receives, for example, forfeiture revenue and fines and penalties.

The Department's exchange revenue consists of the following activities: licensing fees to manufacture and distribute controlled substances; services rendered for legal activities; space management; data processing services; sale of merchandise and telephone services to inmates; sale of manufactured goods and services to other federal agencies; and other services. Fees are set by law and are periodically evaluated in accordance with OMB guidance.

The Department's nonexchange revenue consists of forfeiture income resulting from the sale of forfeited property, penalties in lieu of forfeiture, recovery of returned asset management cost, judgment collections, and other miscellaneous income. Other nonexchange revenue includes the OJP Crime Victims Fund receipts, ATF fees from firearms and ammunition industries, and AFF/SADF interest on investments with the Treasury.

The Department's deferred revenue includes fees received for processing various applications and licenses with DEA for which the process was not completed at the end of fiscal year or for licenses that are valid for multiple years. These monies are recorded as liabilities in the financial statements. Deferred revenue also includes forfeited property held for sale. When the property is sold, deferred revenue is reversed and forfeiture revenue in the amount of the gross proceeds of the sale is recorded.

V. Earmarked Funds

SFFAS No. 27, *Identifying and Reporting Earmarked Funds*, defines 'earmarked funds' as being financed by specifically identified revenues, often supplemented by other financing sources, which remain available over time. These specifically identified revenues and other financing sources are required by statute to be used for designated activities, benefits or purposes, and must be accounted for separately from the government's general revenues. The three required criteria for an Earmarked Fund are:

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

V. Earmarked Funds (continued)

1. A statute committing the federal government to use specifically identified revenues and other financing sources only for designated activities, benefits or purposes;
2. Explicit authority for the earmarked fund to retain revenues and other financing sources not used in the current period for future use to finance the designated activities, benefits, or purposes; and
3. A requirement to account for and report on the receipt, use, and retention of the revenues and other financing sources that distinguishes the earmarked fund from the Government's general revenues.

The following funds meet the definition of an earmarked fund: AFF, UST System Fund, Antitrust Division, Crime Victims Fund, Diversion Control Fee Account, and Federal Prison Commissary Fund.

W. Tax Exempt Status

As an agency of the federal government, the Department is exempt from all taxes imposed by any governing body whether it be a federal, state, commonwealth, local or foreign government.

X. Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Y. Reclassifications

The FY 2009 financial statements were reclassified to conform to the FY 2010 Departmental financial statement presentation requirements. The reclassifications had no material effect on total assets, liabilities, net position, change in net position or budgetary resources as previously reported.

Z. Subsequent Events

Subsequent events and transactions occurring after September 30, 2010 through the date of the auditors' opinion have been evaluated for potential recognition or disclosure in the financial statements. The date of the auditors' opinion also represents the date that the financial statements were available to be issued.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 2. Non-Entity Assets

As of September 30, 2010 and 2009

	2010	2009
Intragovernmental		
Fund Balance with U.S. Treasury	$ 908,929	$ 293,403
Investments, Net	1,379,942	1,376,821
Total Intragovernmental	2,288,871	1,670,224
With the Public		
Cash and Monetary Assets	228,085	208,617
Accounts Receivable, Net	15,257	15,053
Total With the Public	243,342	223,670
Total Non-Entity Assets	2,532,213	1,893,894
Total Entity Assets	37,558,477	34,733,934
Total Assets	$ 40,090,690	$ 36,627,828

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 3. Fund Balance with U.S. Treasury

The Fund Balances with U.S. Treasury represent the unexpended balances on the Department's books for all the Department's Treasury Symbols.

As of September 30, 2010 and 2009

	2010	2009
Fund Balances		
Trust Funds	$ 84,695	$ 96,440
Special Funds	6,248,505	4,396,836
Revolving Funds	455,486	414,811
General Funds	16,746,926	15,886,777
Other Fund Types	60,975	62,151
Total Fund Balances with U.S. Treasury	$ 23,596,587	$ 20,857,015
Status of Fund Balances		
Unobligated Balance - Available	$ 2,859,209	$ 2,747,973
Unobligated Balance - Unavailable	1,180,089	1,298,879
Obligated Balance not yet Disbursed	16,006,230	15,728,297
Other Funds (With)/Without Budgetary Resources	3,551,059	1,081,866
Total Status of Fund Balances	$ 23,596,587	$ 20,857,015

Annual and multi-year budget authority expires at the end of its period of availability. During the first through the fifth expired years, the unobligated balance is unavailable and may be used to adjust obligations and disbursements that were recorded before the budgetary authority expired or to meet a legitimate or bona fide need arising in the fiscal year for which the appropriation was made. The unobligated balance for no-year budget authority may be used to incur obligations indefinitely for the purpose specified by the appropriation act. No-year budget authority unobligated balances are still subject to the annual apportionment and allotment process.

Other Funds (With)/Without Budgetary Resources primarily represent the net of 1) investments in short-term securities with budgetary resources, 2) resources temporarily not available pursuant to public law, 3) custodial liabilities, and 4) miscellaneous receipts.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 4. Cash and Monetary Assets

As of September 30, 2010 and 2009

	2010	2009
Cash		
Undeposited Collections	$ 3,132	$ 10,022
Imprest Funds	14,068	11,158
Seized Cash Deposited	106,154	135,002
Other Cash	51,476	7,691
Total Cash	174,830	163,873
Monetary Assets		
Seized Monetary Instruments	70,453	65,921
Total Cash and Monetary Assets	$ 245,283	$ 229,794

Note 5. Investments, Net

	Face Value	Unamortized Premium (Discount)	Interest Receivable	Investments, Net	Market Value
As of September 30, 2010					
Intragovernmental					
Non-Marketable Securities					
Market Based	$ 4,062,336	$ (798)	$ 195	$ 4,061,733	$ 4,061,690

	Face Value	Unamortized Premium (Discount)	Interest Receivable	Investments, Net	Market Value
As of September 30, 2009					
Intragovernmental					
Non-Marketable Securities					
Market Based	$ 3,843,066	$ (476)	$ 195	$ 3,842,785	$ 3,843,218

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 6. Accounts Receivable, Net

As of September 30, 2010 and 2009

	2010	2009
Intragovernmental		
Accounts Receivable	$ 304,000	$ 332,216
Allowance for Uncollectible Accounts	(1,690)	(5,806)
Total Intragovernmental	302,310	326,410
With the Public		
Accounts Receivable	93,552	94,791
Allowance for Uncollectible Accounts	(6,292)	(14,967)
Total With the Public	87,260	79,824
Total Accounts Receivable, Net	$ 389,570	$ 406,234

The accounts receivable with the public primarily consists of OBDs U.S. Trustee Chapter 11 quarterly fees, FBI Non-Federal User Fee Program, FBI National Name Check Program, court mandated restitution, and refunds due from the public.

Note 7. Inventory and Related Property, Net

As of September 30, 2010 and 2009

	2010	2009
Inventory		
Raw Materials	$ 116,826	$ 148,399
Work in Process	38,442	49,282
Finished Goods	53,308	55,939
Inventory Purchased for Resale	16,580	16,653
Excess, Obsolete, and Unserviceable	43,494	22,825
Inventory Allowance	(48,739)	(12,213)
Operating Materials and Supplies		
Held for Current Use	17,436	17,816
Total Inventory and Related Property, Net	$ 237,347	$ 298,701

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property

Equitable Sharing Payments:

The statute governing the use of the AFF (28 U.S.C. §524(c)) permits the payment of equitable shares of forfeiture proceeds to participating foreign governments and state and local law enforcement agencies. The statute does not require such sharing and permits the Attorney General wide discretion in determining those transfers. Actual sharing is difficult to predict because many factors influence both the amount and timing of disbursement of equitable sharing payments, such as the length of time required to move an asset through the forfeiture process to disposition, the amount of net proceeds available for sharing, the elapse of time for Departmental approval of equitable sharing requests for cases with asset values exceeding $1 million, and appeal of forfeiture judgments. Because of uncertainties surrounding the timing and amount of any equitable sharing payment, an obligation and expense are recorded only when the actual disbursement of the equitable sharing payment is imminent. The anticipated equitable sharing allocation level for FY 2011 is $400 million.

Analysis of Change in Forfeited Property:

The number of items represents quantities calculated using many different units of measure. The adjustments for FYs 2010 and 2009 include property status and valuation changes received after, but properly credited to FYs 2009 and 2008, respectively. The valuation changes include updates and corrections to an asset's value recorded in a prior year.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2010

Forfeited Property Category		Beginning Balance	Adjust-ments	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	90	-	162	(155)	97	-	97
	Value	$ 19,680	$ -	$ 10,043	$ (27,504)	$ 2,219	$ (155)	$ 2,064
Real Property	Number	496	-	358	(377)	477	-	477
	Value	$ 104,905	$ -	$ 60,739	$ (76,626)	$ 89,018	$ (3,468)	$ 85,550
Personal Property	Number	3,496	-	5,264	(5,713)	3,047	-	3,047
	Value	$ 105,038	$ -	$ 67,480	$ (70,322)	$ 102,196	$ (688)	$ 101,508
Non-Valued Firearms	Number	21,940	-	9,457	(12,019)	19,378	-	19,378
Total	Number	26,022	-	15,241	(18,264)	22,999	-	22,999
	Value	$ 229,623	$ -	$ 138,262	$ (174,452)	$ 193,433	$ (4,311)	$ 189,122

For the Fiscal Year Ended September 30, 2009

Forfeited Property Category		Beginning Balance	Adjust-ments	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	80	-	143	(133)	90	-	90
	Value	$ 1,847	$ -	$ 49,642	$ (31,809)	$ 19,680	$ -	$ 19,680
Real Property	Number	478	-	451	(433)	496	-	496
	Value	$ 103,163	$ -	$ 93,195	$ (91,453)	$ 104,905	$ (1,488)	$ 103,417
Personal Property	Number	2,899	-	5,725	(5,128)	3,496	-	3,496
	Value	$ 41,532	$ (3,252)	$ 123,799	$ (57,041)	$ 105,038	$ (1,292)	$ 103,746
Non-Valued Firearms	Number	22,607	-	11,377	(12,044)	21,940	-	21,940
Total	Number	26,064	-	17,696	(17,738)	26,022	-	26,022
	Value	$ 146,542	$ (3,252)	$ 266,636	$ (180,303)	$ 229,623	$ (2,780)	$ 226,843

These notes are an integral part of the financial statements.

Note 8. Forfeited and Seized Property (continued)

Method of Disposition of Forfeited Property:

During FYs 2010 and 2009, $103,678 and $104,883 of forfeited property were sold, $6,560 and $7,032 were destroyed or donated, $17,045 and $24,831 were returned to owners, and $47,169 and $43,557 were disposed of by other means, respectively. Other means of distribution include property transferred to other federal agencies for official use or equitable sharing, or property distributed to a state or local agency.

Analysis of Change in Seized Property:

Property seized for any purpose other than forfeiture and held by the seizing agency or a custodial agency should be disclosed by the seizing agency. All property seized for forfeiture, including property with evidentiary value, will be reported by the AFF/SADF. The Department has established a reporting threshold of $1 or more for Personal Property seized for evidentiary purposes.

A seizure is the act of taking possession of goods in consequence of a violation of public law. Seized property consists of seized cash, monetary instruments, real property and tangible personal property in the actual or constructive possession of the seizing and the custodial agencies. The Department, until judicially or administratively forfeited, does not legally own such property. Seized evidence includes cash, financial instruments, non-monetary valuables, firearms, and illegal drugs. The AFF/SADF reports property seized for forfeiture and the FBI, DEA, and ATF report property seized for evidence.

The adjustments for FYs 2010 and 2009 include property status and valuation changes received after, but properly credited to FYs 2009 and 2008, respectively. The valuation changes include updates and corrections to an asset's value recorded in a prior year.

The DEA, FBI, and ATF have custody of illegal drugs taken as evidence for legal proceedings. In accordance with Federal Financial Accounting and Auditing Technical Release No. 4, *Reporting on Non-Valued Seized and Forfeited Property*, the Department reports the total amount of seized drugs by quantity only, as illegal drugs have no value and are destroyed upon resolution of legal proceedings.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

Analyzed drug evidence represents actual laboratory tested classification and weight in kilograms (KG). Since enforcing the controlled substances laws and regulations of the United States is a primary mission of the DEA, the DEA reports all analyzed drug evidence regardless of seizure weight. However, the enforcement of these laws and regulations is incidental to the missions of the FBI and ATF and therefore they only report those individual seizures exceeding 1 KG in weight.

"Adjustments" are primarily due to the validation of drug weights that occurs after the drugs have been analyzed. "Other Drugs" are illegal substances not including cocaine, heroin, marijuana, bulk drug evidence, and methamphetamine. "Bulk Drug Evidence" is comprised of controlled substances housed by the DEA in secured storage facilities of which only a sample is taken for laboratory analysis. The actual bulk drug weight may vary from seizure weight due to changes in moisture content over time.

Unanalyzed drug evidence is qualitatively different from analyzed and bulk drug evidence because unanalyzed drug evidence includes the weight of packaging and drug categories are based on the determination of Special Agents instead of laboratory chemists. For these reasons, unanalyzed drug evidence is not reported by the Department. Seized drug evidence must be analyzed and confirmed through laboratory testing to be placed in one of the five categories of drug above. "Disposals" occur when evidence is either returned to the owner or destroyed in accordance with federal guidelines.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2010

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Forfeiture								
Seized Cash Deposited and Seized Monetary Instruments	Value	$ 1,451,259	$ -	$ 1,588,064	$ (1,614,517)	$ 1,424,806	$ (91,260)	$ 1,333,546
Financial Instruments	Number	365	-	114	(66)	413	-	413
	Value	$ 124,578	$ (37,259)	$ 28,692	$ (16,299)	$ 99,712	$ (9,045)	$ 90,667
Real Property	Number	210	-	162	(189)	183	-	183
	Value	$ 66,178	$ (5,699)	$ 56,409	$ (55,618)	$ 61,270	$ (9,675)	$ 51,595
Personal Property	Number	7,429	-	6,699	(6,809)	7,319	-	7,319
	Value	$ 158,880	$ -	$ 88,032	$ (85,360)	$ 161,552	$ (11,544)	$ 150,008
Non-Valued Firearms	Number	39,569	-	9,459	(14,747)	34,281	-	34,281

For the Fiscal Year Ended September 30, 2009

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Forfeiture								
Seized Cash Deposited and Seized Monetary Instruments	Value	$1,228,440	$ -	$1,544,033	$(1,321,214)	$ 1,451,259	$(62,683)	$ 1,388,576
Financial Instruments	Number	384	-	71	(90)	365	-	365
	Value	$ 102,209	$ -	$ 50,116	$ (27,747)	$ 124,578	$ (8,272)	$ 116,306
Real Property	Number	199	-	190	(179)	210	-	210
	Value	$ 65,663	$ -	$ 61,426	$ (60,911)	$ 66,178	$ (9,761)	$ 56,417
Personal Property	Number	7,365	3	7,501	(7,440)	7,429	-	7,429
	Value	$ 144,304	$ 389	$ 154,686	$ (140,499)	$ 158,880	$(15,238)	$ 143,642
Non-Valued Firearms	Number	42,708	-	14,919	(18,058)	39,569	-	39,569

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2010

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Evidence								
Seized Monetary Instruments	Value	$ 40,401	$ (2,164)	$ 34,425	$ (27,085)	$ 45,577	$ -	$ 45,577
Personal	Number	1,485	47	300	(230)	1,602	-	1,602
Property	Value	$ 27,943	$ (2,186)	$ 13,202	$ (12,268)	$ 26,691	$ -	$ 26,691
Non-Valued								
Firearms	Number	43,878	(230)	8,685	(7,868)	44,465	-	44,465
Drug Evidence								
Cocaine	KG	349,451	(34,698)	33,711	(70,015)	278,449	-	278,449
Heroin	KG	3,572	(20)	643	(745)	3,450	-	3,450
Marijuana	KG	19,913	(26)	5,400	(5,226)	20,061	-	20,061
Bulk Drug Evidence	KG	223,936	1,278	1,128,098	(1,125,748)	227,564	-	227,564
Methamphetamine	KG	6,791	(47)	2,154	(1,276)	7,622	-	7,622
Other Drugs	KG	47,180	386	5,359	(6,262)	46,663	-	46,663
Total Drug Evidence	KG	650,843	(33,127)	1,175,365	(1,209,272)	583,809	-	583,809

For the Fiscal Year Ended September 30, 2009

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Evidence								
Seized Monetary Instruments	Value	$ 38,171	$ (4,946)	$ 35,375	$ (28,199)	$ 40,401	$ -	$ 40,401
Personal	Number	51,693	(50,625)	740	(323)	1,485	-	1,485
Property	Value	$ 29,459	$ (18,475)	$ 25,717	$ (8,758)	$ 27,943	$ -	$ 27,943
Non-Valued								
Firearms	Number	45,259	(269)	6,807	(7,919)	43,878	-	43,878
Drug Evidence								
Cocaine	KG	393,021	540	58,114	(102,224)	349,451	-	349,451
Heroin	KG	3,489	(81)	654	(490)	3,572	-	3,572
Marijuana	KG	21,017	(1,776)	5,359	(4,687)	19,913	-	19,913
Bulk Drug Evidence	KG	216,689	2,358	1,200,533	(1,195,644)	223,936	-	223,936
Methamphetamine	KG	6,212	204	1,741	(1,366)	6,791	-	6,791
Other Drugs	KG	52,598	(370)	6,217	(11,265)	47,180	-	47,180
Total Drug Evidence	KG	693,026	875	1,272,618	(1,315,676)	650,843	-	650,843

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

Method of Disposition of Seized Property:

During FYs 2010 and 2009, $1,628,886 and $1,402,885 of seized property were forfeited, $155,022 and $136,939 were returned to parties with a bonafide interest, and $27,239 and $47,504 were disposed of by other means, respectively. Other means of disposition include seized property that is sold, converted to cash, or destroyed.

Note 9. General Property, Plant and Equipment, Net

As of September 30, 2010

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	$ 192,821	$ -	$ 192,821	N/A
Improvements to Land	4,518	(552)	3,966	15 yrs
Construction in Progress	728,617	-	728,617	N/A
Buildings, Improvements and Renovations	9,365,319	(3,679,717)	5,685,602	2-50 yrs
Other Structures and Facilities	808,964	(395,986)	412,978	10-50 yrs
Aircraft	377,329	(115,798)	261,531	5-30 yrs
Boats	9,967	(5,302)	4,665	5-25 yrs
Vehicles	549,692	(335,338)	214,354	2-25 yrs
Equipment	1,612,309	(995,050)	617,259	2-25 yrs
Assets Under Capital Lease	107,399	(58,688)	48,711	5-30 yrs
Leasehold Improvements	1,129,117	(609,571)	519,546	2-20 yrs
Internal Use Software	408,472	(194,868)	213,604	3-10 yrs
Internal Use Software in Development	837,500	-	837,500	N/A
Total	$ 16,132,024	$ (6,390,870)	$ 9,741,154	

	Federal	Public	Total
Sources of Capitalized Property, Plant and Equipment Purchases for FY 2010	$ 235,776	$ 1,121,727	$ 1,357,503

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 9. General Property, Plant and Equipment, Net (continued)

As of September 30, 2009

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	$ 192,971	$ -	$ 192,971	N/A
Improvements to Land	4,518	(251)	4,267	15 yrs
Construction in Progress	884,163	-	884,163	N/A
Buildings, Improvements and Renovations	8,789,318	(3,374,721)	5,414,597	2-50 yrs
Other Structures and Facilities	774,780	(358,344)	416,436	10-50 yrs
Aircraft	343,708	(102,815)	240,893	5-30 yrs
Boats	10,061	(4,709)	5,352	5-25 yrs
Vehicles	500,119	(311,073)	189,046	2-25 yrs
Equipment	1,548,950	(982,552)	566,398	2-25 yrs
Assets Under Capital Lease	107,247	(54,366)	52,881	5-30 yrs
Leasehold Improvements	971,367	(509,398)	461,969	2-20 yrs
Internal Use Software	333,728	(151,195)	182,533	3-10 yrs
Internal Use Software in Development	603,520	-	603,520	N/A
Total	$ 15,064,450	$ (5,849,424)	$ 9,215,026	

	Federal	Public	Total
Sources of Capitalized Property, Plant and Equipment Purchases for FY 2009	$ 252,302	$ 911,475	$ 1,163,777

Note 10. Other Assets

As of September 30, 2010 and 2009

	2010	2009
Intragovernmental		
Advances and Prepayments	$ 122,609	$ 130,878
Other Intragovernmental Assets	55	110
Total Intragovernmental	122,664	130,988
Other Assets With the Public	5,826	4,921
Total Other Assets	$ 128,490	$ 135,909

Other Assets With the Public primarily consist of farm livestock held by the BOP.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 11. Liabilities not Covered by Budgetary Resources

As of September 30, 2010 and 2009

	2010	2009
Intragovernmental		
Accrued FECA Liabilities	$ 241,124	$ 234,173
Other Unfunded Employment Related Liabilities	1,758	1,528
Other	58	46
Total Intragovernmental	242,940	235,747
With the Public		
Actuarial FECA Liabilities	1,314,105	1,233,899
Accrued Annual and Compensatory Leave Liabilities	816,970	771,814
Environmental and Disposal Liabilities (Note 12)	71,657	22,112
Deferred Revenue	311,164	269,840
Contingent Liabilities (Note 16)	101,760	172,653
Capital Lease Liabilities (Note 13)	30,703	36,956
RECA Liabilities	541,784	343,835
Other	47,300	14,282
Total With the Public	3,235,443	2,865,391
Total Liabilities not Covered by Budgetary Resources	3,478,383	3,101,138
Total Liabilities Covered by Budgetary Resources	7,096,754	6,095,373
Total Liabilities	$ 10,575,137	$ 9,196,511

Generally, liabilities not covered by budgetary resources are liabilities for which Congressional action is needed before budgetary resources can be provided. However, some liabilities do not require appropriations and will be liquidated by the assets of the entities holding these liabilities. Such assets include civil and criminal debt collections, seized cash and monetary instruments, and revolving fund operations.

Note 12. Environmental and Disposal Liabilities

The BOP operates firing ranges on 65 of the sites where its institutions are located. Use of these firing ranges generates waste consisting primarily of lead shot and spent rounds from rifles, shotguns, pistols, and automatic weapons. At operational firing ranges, lead-containing bullets are fired and eventually fall to the ground at or near the range. As of September 30, 2009, BOP management determined their estimated clean-up liability to be $22,112. In FY 2010, BOP management adjusted the estimated clean-up liability by the current U.S. inflation rate as determined by the U.S. Treasury and as such determined that an estimated firing range clean-up liability of $25,069, based on an inflation rate of 11.6 percent, should be recorded.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 12. Environmental and Disposal Liabilities (continued)

An extensive review of the current and past safety practices of FPI's Recycling business segment revealed that cleanup of past lead and other contamination was recommended as the result of their glass breaking operation. Included in FPI's Balance Sheet as of September 30, 2010 and 2009 are $0 and $204 in Environmental and Disposal Liabilities, respectively.

Per SFFAS No. 5, *Accounting for Liabilities of the Federal Government*, SFFAS No. 6, *Accounting for Property, Plant, and Equipment*, and Technical Release No. 2, *Determining Probably and Reasonably Estimable for Environmental Liabilities in the Federal Government*, federal agencies are required to recognize liabilities for environmental clean-up costs when the future outflow or sacrifice of resources is probable and reasonably estimable.

BOP conducted a review of 46 institutions that were in service prior to April 6, 1973; the review provided an estimate of the extent of friable and non-friable Asbestos Containing Materials (ACM) remaining in each of the institutions as of October 30, 2009. The BOP recognized the estimated total clean-up cost for friable and non-friable asbestos for those facilities as a liability and recorded the offsetting charge as a "Change in Accounting Principles" in the Statement of Changes in Net Position (SCNP). As of September 30, 2010, BOP management has determined their estimated asbestos clean-up liability is $36,833.

The FBI operates a facility in Quantico, Virginia, built in 1968 with an estimated useful life of 50 years. The FBI recognized the estimated total cleanup cost for friable and non-friable asbestos for the facility as a liability and reported the offsetting charge as a "Change in Accounting Principles" in the Statement of Change in Net Position. As of September 30, 2010, FBI management has determined their estimated asbestos clean-up liability is $9,755.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 13. Leases

Capital leases include a Federal Detention Center (25 year lease term) in Oklahoma City, Oklahoma; an airplane hangar (20 year lease term) in Oklahoma City, Oklahoma; and other machinery and equipment that expire over future periods.

As of September 30, 2010 and 2009

Capital Leases	2010	2009
Summary of Assets Under Capital Lease		
Land and Buildings	$ 100,352	$ 100,352
Machinery and Equipment	7,047	6,895
Accumulated Amortization	(58,688)	(54,366)
Total Assets Under Capital Lease (Note 9)	$ 48,711	$ 52,881

Future Capital Lease Payments Due

Fiscal Year	Land and Buildings	Machinery and Equipment	Total
2011	$ 10,086	$ 1,095	$ 11,181
2012	9,073	939	10,012
2013	9,073	571	9,644
2014	9,073	-	9,073
2015	32	-	32
After 2015	128	-	128
Total Future Capital Lease Payments	$ 37,465	$ 2,605	$ 40,070
Less: Imputed Interest	(5,816)	(71)	(5,887)
Less: Executory Costs	-	(534)	(534)
FY 2010 Net Capital Lease Liabilities	$ 31,649	$ 2,000	$ 33,649
FY 2009 Net Capital Lease Liabilities	$ 38,787	$ 3,434	$ 42,221

	2010	2009
Net Capital Lease Liabilities Covered by Budgetary Resources	$ 2,946	$ 5,265
Net Capital Lease Liabilities not Covered by Budgetary Resources	$ 30,703	$ 36,956

The net capital lease liability not covered by budgetary resources primarily represents the capital lease of the Federal Detention Center for which the Department received Congressional authority to fund with annual appropriations.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 13. Leases (continued)

Operating leases have been established for multiple years. Many of the operating leases that expire over an extended period of time include an option to purchase the equipment at the current fair market value, or to renew the lease for additional periods.

Operating Lease Expenses

Lease Type	2010	2009
Noncancelable Operating Leases	$ 103,569	$ 100,079
Cancelable Operating Leases	1,579,021	1,500,363
Total Operating Lease Expenses	$ 1,682,590	$ 1,600,442

Future Noncancelable Operating Lease Payments Due

Fiscal Year	Land and Buildings	Machinery and Equipment	Total
2011	$ 154,838	$ 10,724	$ 165,562
2012	226,102	9,025	235,127
2013	272,443	9,011	281,454
2014	285,557	4,405	289,962
2015	283,547	4,382	287,929
After 2015	3,282,286	-	3,282,286
Total Future Noncancelable Operating Lease Payments	$ 4,504,773	$ 37,547	$ 4,542,320

Note 14. Seized Cash and Monetary Instruments

The Seized Cash and Monetary Instruments represent liabilities for seized assets held by the Department pending disposition.

As of September 30, 2010 and 2009

	2010	2009
Investments, Net	$ 1,293,776	$ 1,290,737
Seized Cash Deposited	106,154	135,002
Seized Monetary Instruments	70,453	65,921
Total Seized Cash and Monetary Instruments	$ 1,470,383	$ 1,491,660

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 15. Other Liabilities

As of September 30, 2010 and 2009

	2010	2009
Intragovernmental		
Employer Contributions and Payroll Taxes Payable	$ 176,303	$ 151,946
Other Post-Employment Benefits Due and Payable	37	125
Other Unfunded Employment Related Liabilities	1,759	1,528
Advances from Others	262,847	259,841
Liability for Deposit Funds, Clearing Accounts and Undeposited Collections	4,208	31,773
Other Liabilities	513,760	99,992
Total Intragovernmental	958,914	545,205
With the Public		
Other Accrued Liabilities	47,360	14,400
Advances from Others	3,951	8,591
Liability for Deposit Funds, Clearing Accounts and Undeposited Collections	45,616	46,438
Custodial Liabilities	118,879	104,446
Other Liabilities	44,016	1,990
Total With the Public	259,822	175,865
Total Other Liabilities	$ 1,218,736	$ 721,070

Intragovernmental Other Liabilities primarily represent civil debt collections where the Treasury General Fund is designated as the recipient of either a portion of a collection or the entire amount of a collection.

Other Accrued Liabilities with the Public consists primarily of future funded energy savings performance contracts and utilities.

The majority of Liabilities are current with the exception of a portion that consists of capital leases and those liabilities related to future employee related expenses.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 16. Contingencies and Commitments

	Accrued Liabilities	Estimated Range of Loss	
		Lower	Upper
As of September 30, 2010			
Probable	$ 101,760	$ 101,760	$ 214,237
Reasonably Possible		95,585	124,326
As of September 30, 2009			
Probable	$ 172,653	$ 172,653	$ 197,535
Reasonably Possible		173,765	200,307

Additionally, FPI has entered into firm purchase commitments for solar panel material totaling $25,485 to be delivered in fiscal year 2011 and $23,671 to be delivered in fiscal year 2014.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Earmarked Funds

Earmarked funds are financed by specifically identified revenues and are required by statute to be used for designated activities or purposes, and must be accounted for separately from the Government's general revenues. See SFFAS 27, *Identifying and Reporting Earmarked Funds*, for the required criteria for an earmarked fund.

As of September 30, 2010

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Balance Sheet							
Assets							
Fund Balance with U. S. Treasury	$ 180,150	$ 4,439	$ 30,210	$ 5,938,699	$ 123,755	$ 67,328	$ 6,344,581
Investments, Net	2,197,486	184,105	-	-	-	-	2,381,591
Other Assets	197,403	20,704	4,894	3,380	52,534	27,560	306,475
Total Assets	$ 2,575,039	$ 209,248	$ 35,104	$ 5,942,079	$ 176,289	$ 94,888	$ 9,032,647
Liabilities							
Accounts Payable	$ 698,517	$ 11,370	$ 5,652	$ 15,560	$ 8,479	$ 12,696	$ 752,274
Other Liabilities	189,122	21,203	15,067	59,923	327,089	12,339	624,743
Total Liabilities	$ 887,639	$ 32,573	$ 20,719	$ 75,483	$ 335,568	$ 25,035	$ 1,377,017
Net Position							
Unexpended Appropriations	$ -	$ -	$ 19,585	$ -	$ -	$ -	$ 19,585
Cumulative Results of Operations	1,687,400	176,675	(5,200)	5,866,596	(159,279)	69,853	7,636,045
Total Net Position	$ 1,687,400	$ 176,675	$ 14,385	$ 5,866,596	$ (159,279)	$ 69,853	$ 7,655,630
Total Liabilities and Net Position	$ 2,575,039	$ 209,248	$ 35,104	$ 5,942,079	$ 176,289	$ 94,888	$ 9,032,647

For the Fiscal Year Ended September 30, 2010

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Statement of Net Cost							
Gross Cost of Operations	$ 1,291,742	$ 229,760	$ 166,135	$ 608,723	$ 255,152	$ 338,286	$ 2,889,798
Less: Exchange Revenues	7,324	289,191	72,958	-	189,376	331,199	890,048
Net Cost (Revenue) of Operations	$ 1,284,418	$ (59,431)	$ 93,177	$ 608,723	$ 65,776	$ 7,087	$ 1,999,750
Statement of Changes in Net Position							
Net Position Beginning of Period	$ 1,425,883	$ 116,141	$ 25,734	$ 4,112,981	$ (100,558)	$ 73,049	$ 5,653,230
Budgetary Financing Sources	1,506,330	319	81,311	2,362,338	-	-	3,950,298
Other Financing Sources	39,605	784	517	-	7,055	3,891	51,852
Total Financing Sources	1,545,935	1,103	81,828	2,362,338	7,055	3,891	4,002,150
Net Cost of Operations	(1,284,418)	59,431	(93,177)	(608,723)	(65,776)	(7,087)	(1,999,750)
Net Change	261,517	60,534	(11,349)	1,753,615	(58,721)	(3,196)	2,002,400
Net Position End of Period	$ 1,687,400	$ 176,675	$ 14,385	$ 5,866,596	$ (159,279)	$ 69,853	$ 7,655,630

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Earmarked Funds (continued)

As of September 30, 2009

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Balance Sheet							
Assets							
Fund Balance with U. S. Treasury	$ 39,583	$ 9,018	$ 45,651	$ 4,203,542	$ 143,100	$ 76,756	$ 4,517,650
Investments, Net	2,072,999	129,065	-	-	-	-	2,202,064
Other Assets	235,695	11,223	6,091	3,807	46,228	26,997	330,041
Total Assets	$ 2,348,277	$ 149,306	$ 51,742	$ 4,207,349	$ 189,328	$ 103,753	$ 7,049,755
Liabilities							
Accounts Payable	$ 695,551	$ 13,222	$ 11,660	$ 36,329	$ 995	$ 19,165	$ 776,922
Other Liabilities	226,843	19,943	14,348	58,039	288,891	11,539	619,603
Total Liabilities	$ 922,394	$ 33,165	$ 26,008	$ 94,368	$ 289,886	$ 30,704	$ 1,396,525
Net Position							
Unexpended Appropriations	$ -	$ -	$ 22,207	$ -	$ -	$ -	$ 22,207
Cumulative Results of Operations	1,425,883	116,141	3,527	4,112,981	(100,558)	73,049	5,631,023
Total Net Position	$ 1,425,883	$ 116,141	$ 25,734	$ 4,112,981	$ (100,558)	$ 73,049	$ 5,653,230
Total Liabilities and Net Position	$ 2,348,277	$ 149,306	$ 51,742	$ 4,207,349	$ 189,328	$ 103,753	$ 7,049,755

For the Fiscal Year Ended September 30, 2009

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Statement of Net Cost							
Gross Cost of Operations	$ 1,001,512	$ 223,649	$ 159,370	$ 588,070	$ 217,450	$ 328,415	$ 2,518,466
Less: Exchange Revenues	6,723	231,498	42,208	-	179,933	319,601	779,963
Net Cost (Revenue) of Operations	$ 994,789	$ (7,849)	$ 117,162	$ 588,070	$ 37,517	$ 8,814	$ 1,738,503
Statement of Changes in Net Position							
Net Position Beginning of Period	$ 1,007,809	$ 107,305	$ 17,330	$ 2,955,373	$ (69,174)	$ 78,480	$ 4,097,123
Budgetary Financing Sources	1,387,107	234	125,075	1,745,678	-	-	3,258,094
Other Financing Sources	25,756	753	491	-	6,133	3,383	36,516
Total Financing Sources	1,412,863	987	125,566	1,745,678	6,133	3,383	3,294,610
Net Cost of Operations	(994,789)	7,849	(117,162)	(588,070)	(37,517)	(8,814)	(1,738,503)
Net Change	418,074	8,836	8,404	1,157,608	(31,384)	(5,431)	1,556,107
Net Position End of Period	$ 1,425,883	$ 116,141	$ 25,734	$ 4,112,981	$ (100,558)	$ 73,049	$ 5,653,230

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Earmarked Funds (continued)

The Comprehensive Crime Control Act of 1984 established the AFF to receive the proceeds of forfeiture and to pay the costs associated with such forfeitures, including the costs of managing and disposing of property, satisfying valid liens, mortgages, and other innocent owner claims, and costs associated with accomplishing the legal forfeiture of the property. Authorities of the fund have been amended by various public laws enacted since 1984. Under current law, authority to use the fund for certain investigative expenses shall be specified in annual appropriation acts. Expenses necessary to seize, detain, inventory, safeguard, maintain, advertise or sell property under seizure are funded through a permanent, indefinite appropriation. In addition, beginning in FY 1993, other general expenses of managing and operating the Asset Forfeiture Program are paid from the permanent, indefinite portion of the fund. Once all expenses are covered, the balance is maintained to meet ongoing expenses of the program. Excess unobligated balances may also be allocated by the Attorney General in accordance with 28 U.S.C. §524(c)(8)(E).

United States Trustees supervise the administration of bankruptcy cases and private trustees in the Federal Bankruptcy Courts. The Bankruptcy Judges, UST, and Family Farmer Bankruptcy Act of 1986 (Public Law 99–554) expanded the pilot trustee program to a 21 region, nationwide program encompassing 88 judicial districts. The UST System Fund collects user fees assessed against debtors, which offset the annual appropriation.

The Antitrust Division administers and enforces antitrust and related statutes. This program primarily involves the investigation of suspected violations of the antitrust laws, the conduct of civil and criminal proceedings in the federal courts, and the maintenance of competitive conditions. The Antitrust Division collects filing fees for pre-merger notifications and retains these fees for expenditure in support of its programs.

The Crime Victims Fund is financed by collections of fines, penalty assessments, and bond forfeitures from defendants convicted of federal crimes. This fund supports victim assistance and compensation programs around the country and advocates, through policy development, for the fair treatment of crime victims. The Office for Victims of Crime administers formula and discretionary grants for programs designed to benefit victims, provides training for diverse professionals who work with victims, develops projects to enhance victims' rights and services, and undertakes public education and awareness activities on behalf of crime victims.

The Diversion Control Fee Account is established in the General Fund of the Treasury as a separate account. Fees charged by the DEA under the Diversion Control Program are set at a level that ensures the recovery of the full costs of operating this program. The program's purpose is to prevent, detect, and investigate the diversion of controlled substances from legitimate channels, while ensuring an adequate and uninterrupted supply of controlled substances required to meet legitimate needs.

The Federal Prison Commissary Fund was created in the early 1930s to allow inmates a means to purchase additional products and services above the necessities provided by appropriated federal funds, e.g., personal grooming products, snacks, postage stamps, and telephone services. The Trust Fund is a self-sustaining trust revolving fund account that is funded through sales of goods and services to inmates.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 18. Net Cost of Operations by Suborganization

For the Fiscal Year Ended September 30, 2010

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost	$ -	$ 359,943	$ 5,159	$ -	$ 100,315	$ 5,185,327	$ 7,185	$ -	$ -	$ (112,397)	$ 5,545,532
Less: Earned Revenue	-	110,232	-	-	632	507,996	-	-	-	(112,397)	506,463
Net Cost (Revenue) of Operations	-	249,711	5,159	-	99,683	4,677,331	7,185	-	-	-	5,039,069
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost	1,291,742	5,763,437	4,872	2,757,971	2,801,202	3,846,770	1,265,934	6,860	-	(1,073,345)	16,665,443
Less: Earned Revenue	7,324	968,224	-	49,851	677,670	767,210	91,159	-	-	(1,073,345)	1,488,093
Net Cost (Revenue) of Operations	1,284,418	4,795,213	4,872	2,708,120	2,123,532	3,079,560	1,174,775	6,860	-	-	15,177,350
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost	-	2,269,929	3,016,174	988,230	-	-	-	7,021,759	951,139	(1,697,058)	12,550,173
Less: Earned Revenue	-	180,804	1,514,103	26,252	-	-	-	372,199	857,542	(1,669,610)	1,281,290
Net Cost (Revenue) of Operations	-	2,089,125	1,502,071	961,978	-	-	-	6,649,560	93,597	(27,448)	11,268,883
Net Cost (Revenue) of Operations	$ 1,284,418	$ 7,134,049	$ 1,512,102	$ 3,670,098	$ 2,223,215	$ 7,756,891	$ 1,181,960	$ 6,656,420	$ 93,597	$ (27,448)	$ 31,485,302

For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost	$ -	$ 340,620	$ 5,138	$ -	$ 66,558	$ 4,220,194	$ 8,321	$ -	$ -	$ (115,280)	$ 4,525,551
Less: Earned Revenue	-	114,099	-	-	536	560,603	-	-	-	(115,280)	559,958
Net Cost (Revenue) of Operations	-	226,521	5,138	-	66,022	3,659,591	8,321	-	-	-	3,965,593
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost	1,001,512	5,265,364	4,129	1,919,976	2,672,648	3,819,673	1,153,318	6,987	-	(965,591)	14,878,016
Less: Earned Revenue	6,723	865,107	-	116,353	592,747	718,689	55,556	-	-	(965,591)	1,389,584
Net Cost (Revenue) of Operations	994,789	4,400,257	4,129	1,803,623	2,079,901	3,100,984	1,097,762	6,987	-	-	13,488,432
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost	-	2,156,636	2,792,695	1,024,312	-	-	-	6,573,615	1,061,586	(1,738,020)	11,870,824
Less: Earned Revenue	-	198,914	1,471,465	58,795	-	-	-	357,601	987,949	(1,709,671)	1,365,053
Net Cost (Revenue) of Operations	-	1,957,722	1,321,230	965,517	-	-	-	6,216,014	73,637	(28,349)	10,505,771
Net Cost (Revenue) of Operations	$ 994,789	$ 6,584,500	$ 1,330,497	$ 2,769,140	$ 2,145,923	$ 6,760,575	$ 1,106,083	$ 6,223,001	$ 73,637	$ (28,349)	$ 27,959,796

Intragovernmental costs and exchange revenue, as presented on the Consolidated Statements of Net Cost, represent transactions made between two reporting entities within the federal government. The classification of revenue or cost as "intragovernmental" is defined on a transaction-by-transaction basis. The purpose of this classification is to enable the federal government to prepare consolidated financial statements, not to match intragovernmental revenue with the costs incurred to produce intragovernmental revenue.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 19. Imputed Financing from Costs Absorbed by Others

Imputed Inter-Departmental Financing Sources are the unreimbursed (i.e., non-reimbursed and under-reimbursed) portion of the full costs of goods and services received by the Department from a providing entity that is not part of the Department. In accordance with SFFAS No. 30, *Inter-Entity Cost Implementation Amending SFFAS 4, Managerial Cost Accounting Standards and Concepts*, the material Imputed Inter-Departmental financing sources currently recognized by the Department include the cost of benefits for the Federal Employees Health Benefits Program (FEHB), the Federal Employees' Group Life Insurance Program (FEGLI), and the Federal Pension plans that are paid by other federal entities, and any un-reimbursed payments made from the Treasury Judgment Fund on behalf of the Department. The Treasury Judgment Fund was established by the Congress and funded at 31 U.S.C. §1304 to pay in whole or in part the court judgments and settlement agreements negotiated by the Department on behalf of agencies, as well as certain types of administrative awards. Interpretation of Federal Financial Accounting Standards Interpretation No. 2, *Accounting for Treasury Judgment Fund Transactions*, requires agencies to recognize liabilities and expenses when unfavorable litigation outcomes are probable and the amount can be estimated and will be paid by the Treasury Judgment Fund.

SFFAS No. 5, *Accounting for Liabilities of the Federal Government*, requires that employing agencies recognize the cost of pensions and other retirement benefits during their employees' active years of service. SFFAS No. 5 requires OPM to provide cost factors necessary to calculate cost. OPM actuaries calculate the value of pension benefits expected to be paid in the future, and then determine the total funds to be contributed by and for covered employees, such that the amount calculated would be sufficient to fund the projected pension benefits. For employees covered by Civil Service Retirement System (CSRS), the cost factors are 30.1% of basic pay for regular, 51.1% law enforcement officers, 23.5% regular offset, and 45.6% law enforcement officers offset. For employees covered by Federal Employees Retirement System (FERS), the cost factors are 13.8% of basic pay for regular and 29.8% for law enforcement officers.

The cost to be paid by other agencies is the total calculated future costs, less employee and employer contributions. In addition, other retirement benefits, which include health and life insurance that are paid by other federal entities, must also be disclosed.

For the Fiscal Years Ended September 30, 2010 and 2009

	2010	2009
Imputed Inter-Departmental Financing		
U.S. Treasury Judgment Fund	$ 135,498	$ 40,448
Health Insurance	553,366	540,484
Life Insurance	1,969	1,843
Pension	212,044	120,925
Total Imputed Inter-Departmental	$ 902,877	$ 703,700

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 19. Imputed Financing from Costs Absorbed by Others (continued)

Imputed Intra-Departmental Financing Sources as defined in SFFAS No. 4, *Managerial Cost Accounting Standards and Concepts*, are the unreimbursed portion of the full costs of goods and services received by a Department component from a providing entity that is part of the Department. Recognition is required for those transactions determined to be material to the receiving entity. The determination of whether the cost is material requires considerable judgment based on the specific facts and circumstances of each type of good or service provided. SFFAS No. 4 also states that costs for broad and general support need not be recognized by the receiving entity, unless such services form a vital and integral part of the operations or output of the receiving entity. Cost are considered broad and general if they are provided to many, if not all, reporting components and not specifically related to the receiving entity's output. The FPI imputed $27,448 and $28,349 for FYs 2010 and 2009, respectively of unreimbursed costs for BOP warehouse space used in the production of goods by the FPI and for managerial and operational services BOP provided to FPI. These imputed costs have been eliminated from the consolidated financial statements.

Note 20. Information Related to the Statement of Budgetary Resources

Apportionment Categories of Obligations Incurred:

	Direct Obligations	Reimbursable Obligations	Total Obligations Incurred
For the Fiscal Year Ended September 30, 2010			
Obligations Apportioned Under			
Category A	$ 29,509,630	$ 5,664,568	$ 35,174,198
Category B	2,747,673	30,019	2,777,692
Exempt from Apportionment	-	841,869	841,869
Total	$ 32,257,303	$ 6,536,456	$ 38,793,759
For the Fiscal Year Ended September 30, 2009			
Obligations Apportioned Under			
Category A	$ 32,327,966	$ 5,359,554	$ 37,687,520
Category B	1,749,791	66,542	1,816,333
Exempt from Apportionment	-	1,025,950	1,025,950
Total	$ 34,077,757	$ 6,452,046	$ 40,529,803

Per OMB Circular A-11, Category A obligations represent resources apportioned for calendar quarters. Category B obligations represent resources apportioned for other time periods; for activities, projects, and objectives or for a combination thereof.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Status of Undelivered Orders:

Undelivered Orders (UDO) represent the amount of goods and/or services ordered, which have not been actually or constructively received. This amount includes any orders which may have been prepaid or advanced but for which delivery or performance has not yet occurred.

As of September 30, 2010 and 2009

	2010	2009
UDO Obligations Unpaid	$ 12,835,522	$ 13,063,814
UDO Obligations Prepaid/Advanced	1,824,439	1,799,409
Total UDO	$ 14,659,961	$ 14,863,223

Permanent Indefinite Appropriations:

A permanent indefinite appropriation is open-ended as to both its period of availability (amount of time the agency has to spend the funds) and its amount. Following are the Department's permanent indefinite appropriations.

- 28 U.S.C. §524(c)(4) authorized the Attorney General to retain AFF receipts to pay operations expenses, equitable sharing to state and local law enforcement agencies who assist in forfeiture cases, and lien holders.

- On October 5, 1990, Congress passed the Radiation Exposure Compensation Act ("RECA" or "the Act"), 42 U.S.C. §2210, providing for compassionate payments to individuals who contracted certain cancers and other serious diseases as a result of their exposure to radiation released during above-ground nuclear weapons tests or as a result of their exposure to radiation during employment in underground uranium mines. Implementing regulations were issued by the Department of Justice and published in the Federal Register on April 10, 1992. These regulations established procedures to resolve claims in a reliable, objective, and non-adversarial manner, with little administrative cost to the United States or to the person filing the claim. Revisions to the regulations, published in the Federal Register on March 22, 1999, served to greater assist claimants in establishing entitlement to an award. On July 10, 2000, P.L. 106-245, the Radiation Exposure Compensation Act Amendments of 2000 ("the 2000 Amendments") were passed. On November 2, 2002, the President signed the "21st Century Department of Justice Appropriation Authorization Act" (P.L. 107-273). Contained in the law were several provisions relating to RECA. While most of these amendments were "technical" in nature, some affected eligibility criteria and revised claims adjudication procedures. The Consolidated Appropriations Act, 2005 provides a permanent indefinite appropriation for the OBDs' Radiation Exposure Compensation Act program beginning FY 2006.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Permanent Indefinite Appropriations (continued):

- Congress established the Federal Prison Commissary Fund (Trust Fund) in 1932 to allow inmates a means to purchase additional products and services above the necessities provided by appropriated federal funds. The BOP Trust Fund is now a self-sustaining revolving account that is funded through the sales of goods and services, rather than annual or no-year appropriations.

- The Public Safety Officers' Benefits Act of 1976 (the "PSOB Act") is generally codified at 42 U.S.C. §46 Subchapter XII.

  OJP's PSOB appropriation supports one mandatory and two discretionary programs that provide benefits to public safety officers who are severely injured in the line of duty and to the families and survivors of public safety officers killed or mortally injured in the line of duty.
  The PSOB Program offers three types of benefits:

  1. Death Benefits, a one-time financial benefit to survivors of public safety officers whose deaths resulted from injuries sustained in the line of duty. Under the Hometown Heroes Survivors Benefit Act of 2003, survivors of public safety officers who die of a heart attack or stroke within 24 hours of stressful, non-routine public safety activities may also qualify for death benefits.

  2. Disability Benefits, a one-time financial benefit to public safety officers permanently disabled by catastrophic injuries sustained in the line of duty.

  3. Education Benefits, which provide financial support for higher education expenses (such as tuition and fees, books, supplies, and room and board) to the eligible spouses and children of public safety officers killed or permanently disabled in the line of duty.

Legal Arrangements Affecting Use of Unobligated Balances:

Unobligated balances represent the cumulative amount of budget authority that is not obligated and that remains available for obligation under law, unless otherwise restricted. The use of unobligated balances is restricted based on annual legislation requirements and other enabling authorities. Funds are appropriated on an annual, multi-year, and no-year basis. Appropriated funds shall expire on the last day of availability and are no longer available for new obligations. Unobligated balances in unexpired fund symbols are available in the next fiscal year for new obligations unless some restrictions had been placed on those funds by law. Amounts in expired fund symbols are unavailable for new obligations, but may be used to adjust previously established obligations.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Statement of Budgetary Resources vs Budget of the United States Government:

The reconciliation as of September 30, 2009 is presented below. The reconciliation as of September 30, 2010 is not presented, because the submission of the Budget of the United States (Budget) for FY 2012, which presents the execution of the FY 2010 Budget, occurs after publication of these financial statements. The Department of Justice Budget Appendix can be found on the OMB website (http://www.whitehouse.gov/omb/budget) and will be available in early February 2011.

For the Fiscal Year Ended September 30, 2009 (Dollars in Millions)	Budgetary Resources	Obligations Incurred	Distributed Offsetting Receipts	Net Outlays
Statement of Budgetary Resources (SBR)	$ 44,577	$ 40,530	$ 539	$ 28,068
Funds not Reported in the Budget				
Expired Funds: OBDs, USMS, DEA, OJP, FBI, ATF & BOP	(889)	(314)	-	-
AFF/SADF Forfeiture Activity	(60)	-	-	-
OCDETF Adjustments	(3)	6	-	-
USMS Court Security Funds	(378)	(371)	-	(347)
Distributed Offsetting Receipts	-	-	7	3
OBDs/DEA Special and Trust Fund Receipts	-	-	(1)	536
Other	(1)	(4)	6	-
Budget of the United States	$ 43,246	$ 39,847	$ 551	$ 28,260

Other differences represent financial statement adjustments, timing differences and other immaterial differences between amounts reported in the Department SBR and the Budget of the United States.

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 21. Allocation Transfers of Appropriation

The Department is a party to allocation transfers with other Federal agencies as a transferring (parent) entity and/or a receiving (child) entity. Allocation transfers are legal delegations by one department of its authority to obligate budget authority and outlay funds to another department. Generally, all financial activity related to these allocation transfers (e.g., budget authority, obligations, outlays) is reported in the financial statements of the parent entity, from which the underlying legislative authority, appropriations, and budget apportionments are derived.

During FY 2010, the Department transferred $17,000 from the Crime Victims Fund to the Department of Health and Human Services (HHS). For FY 2009, the OJP, as the parent, transferred the same amount to HHS. This funding is required by 42 U.S.C. §10603a {Sec. 14-4A} for *Child Abuse Prevention and Treatment Grants*. Amounts made available by section §10601(d)(2) of this title, for the purpose of this section, shall be obligated and expended by the Secretary of HHS for grants under section §5106c of this title. The activity related to these transfers is included as part of these financial statements.

The Department also allocated funds from BOP to the Public Health Service (PHS). PHS provides a portion of medical treatment for federal inmates. The money is designated and expended for current year obligation of PHS staff salaries, benefits, and applicable relocation expenses. The amounts BOP, as the parent, transferred to PHS totaled $90,000 and $82,000 for the fiscal years ended September 30, 2010 and 2009, respectively, and the related activity is included as part of these financial statements.

The Department receives allocation transfers of appropriation from the Administrative Office of U.S. Courts (AOUSC). However, the AOUSC is not an Executive Branch entity and is not required to report annual financial statements. Although the USMS is the child in the allocation transfer, per OMB guidance, all activity relative to these allocation transfers is reported in these financial statements. The allocation transfers are used for costs associated with protective guard services - Court Security Officers (CSOs) at United States courthouses and other facilities housing federal court operations. These costs include their salaries (paid through contracts), equipment, and supplies. This transfer is performed on an annual basis.

Note 22. Net Custodial Revenue Activity

Custodial revenue activity represents those collections of non-exchange revenue on behalf of other recipient entities. These collections are not recorded as revenue by the Department but as activity on the Statement of Custodial Activity. The custodial liabilities presented on the Consolidated Balance Sheet and Note 15 represent funds held by the Department that have yet to be disbursed to the appropriate Federal agency or individual.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 22. Net Custodial Revenue Activity (continued)

The primary source of DCM collections consists of civil litigated matters (i.e., student loan defaults, health care fraud, etc.). The DCM also processes certain payments on criminal debts as an accommodation for the Bureau of Prisons (BOP) and the Clerks of the U.S. District Courts. The BOP aggregates collections of inmate criminal debt by correction facility, and the DCM sorts the collections by judicial district and disburses payments to the respective Clerks of the U.S. Court. The DCM also accepts wire transfers or other payments on a criminal debt if a Clerk of the U.S. Court is unable or unwilling to do so. In addition, other negligible custodial collections occur for interest, fines and penalties.

The OBDs collect civil fines, penalties, and restitution payments that are incidental to its mission. By court order, the OBDs were given the investment authority and the settlement funds collected must be invested. The OBDs invest these funds with the Treasury, Bureau of the Public Debt. As of September 30, 2010 and 2009, the custodial assets and liabilities recorded by the OBDs on the balance sheet are $448,467 and $238,242 respectively. The OBDs custodial collections totaled $4,822,740 and $2,907,842 for the fiscal years ended September 30, 2010 and 2009.

For the fiscal years ended September 30, 2010 and 2009, DEA collected $20,963 and $59,961, respectively. DEA's collections include $15 million of the total fees collected for the Diversion Control Program and civil monetary penalties related to violations of the Controlled Substances Act that were incidental to DEA's mission. Since DEA has no statutory authority to use these excess funds, DEA transmits them to the Treasury General Fund. The DEA has a custodial liability for funds that have not yet been transmitted to the Treasury General Fund. The September 30, 2010 and 2009 balances for custodial liabilities were $1,584 and $2,310 respectively.

As an agent of the federal government and as authorized by 26 U.S.C. § 6301, ATF collects fees from firearms and explosives industries, as well as import, permit and license fees. In addition, Special Occupational Taxes are collected from certain firearms businesses. As ATF is unable to use these collections in its operations, ATF also has the authority to transfer these collections to the Treasury General Fund. The ATF custodial collections totaled $14,674 and $14,529 for the fiscal years ended September 30, 2010 and 2009, respectively.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 23. OMB Circular A-136 Consolidated Balance Sheet Presentation

U.S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2010 and 2009

Dollars in Thousands	2010	2009
ASSETS		
Intragovernmental		
Fund Balance with U.S. Treasury	$ 23,596,587	$ 20,857,015
Investments, Net	4,061,733	3,842,785
Accounts Receivable, Net	302,310	326,410
Other Assets	122,664	130,988
Total Intragovernmental	28,083,294	25,157,198
Cash and Other Monetary Assets	245,283	229,794
Accounts Receivable, Net	87,260	79,824
Inventory and Related Property, Net	237,347	298,701
General Property, Plant and Equipment, Net	9,741,154	9,215,026
Other Assets	1,696,352	1,647,285
Total Assets	**$ 40,090,690**	**$ 36,627,828**
LIABILITIES		
Intragovernmental		
Accounts Payable	$ 273,619	$ 309,072
Other Liabilities	1,533,532	917,569
Total Intragovernmental	1,807,151	1,226,641
Accounts Payable	2,505,665	2,253,013
Federal Employee and Veteran Benefits	1,314,105	1,233,899
Environmental and Disposal Liabilities	71,657	22,316
Other Liabilities	4,862,202	4,460,642
Total Liabilities	**$ 10,560,780**	**$ 9,196,511**
NET POSITION		
Unexpended Appropriations - Earmarked Funds	$ 19,585	$ 22,207
Unexpended Appropriations - All Other Funds	13,805,629	13,902,525
Cumulative Results of Operations - Earmarked Funds	7,636,045	5,631,023
Cumulative Results of Operations - All Other Funds	8,068,651	7,875,562
Total Net Position	**$ 29,529,910**	**$ 27,431,317**
Total Liabilities and Net Position	**$ 40,090,690**	**$ 36,627,828**

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 24. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing)

For the Fiscal Years Ended September 30, 2010 and 2009

	2010	2009
Resources Used to Finance Activities		
Budgetary Resources Obligated		
Obligations Incurred	$ 38,793,759	$ 40,529,803
Less: Spending Authority from Offsetting Collections and Recoveries	7,626,950	7,633,297
Obligations Net of Offsetting Collections and Recoveries	31,166,809	32,896,506
Less: Offsetting Receipts	941,368	539,325
Net Obligations	30,225,441	32,357,181
Other Resources		
Donations and Forfeitures of Property	71,204	68,213
Transfers-In/Out Without Reimbursement	(3,433)	9,170
Imputed Financing from Costs Absorbed by Others (Note 19)	902,877	703,700
Net Other Resources Used to Finance Activities	970,648	781,083
Total Resources Used to Finance Activities	31,196,089	33,138,264
Resources Used to Finance Items not Part of the Net Cost of Operations		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not Yet Provided	139,965	(4,940,729)
Resources That Fund Expenses Recognized in Prior Periods (Note 25)	(77,146)	(7,656)
Budgetary Offsetting Collections and Receipts That do not Affect Net Cost of Operations	300,608	(65,939)
Resources That Finance the Acquisition of Assets	(1,295,160)	(1,174,153)
Other Resources or Adjustments to Net Obligated Resources That do not Affect Net Cost of Operations	(49,768)	29,514
Total Resources Used to Finance Items not Part of the Net Cost of Operations	(981,501)	(6,158,963)
Total Resources Used to Finance the Net Cost of Operations	$ 30,214,588	$ 26,979,301

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 24. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing) (continued)

For the Fiscal Years Ended September 30, 2010 and 2009	2010	2009
Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period		
Components of Net Cost of Operations That will Require or Generate Resources in Future Periods (Note 25)	$ 450,866	$ 267,978
Components not Requiring or Generating Resources		
Depreciation and Amortization	727,012	685,778
Revaluation of Assets or Liabilities	29,772	28,129
Other	63,064	(1,390)
Total Components of Net Cost of Operations That will not Require or Generate Resources	819,848	712,517
Total Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period	1,270,714	980,495
Net Cost of Operations	$ 31,485,302	$ 27,959,796

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 25. Explanation of Differences Between Liabilities not Covered by Budgetary Resources and Components of Net Cost of Operations Requiring or Generating Resources in Future Periods

Liabilities that are not covered by realized budgetary resources and for which there is not certainty that budgetary authority will be realized, such as the enactment of an appropriation, are considered liabilities not covered by budgetary resources. These liabilities totaling $3,478,383 and $3,101,138 on September 30, 2010 and 2009, respectively, are discussed in Note 11, *Liabilities not Covered by Budgetary Resources.* Decreases in these liabilities result from current year budgetary resources that were used to fund expenses recognized in prior periods. Increases in these liabilities represent unfunded expenses that were recognized in the current period. These increases along with the change in the portion of exchange revenue receivables from the public, which are not considered budgetary resources until collected, represent components of current period net cost of operations that will require or generate budgetary resources in future periods. The changes in liabilities not covered by budgetary resources and receivables generating resources in future periods are comprised of the following:

For the Fiscal Years Ended September 30, 2010 and 2009

	2010	2009
Resources that Fund Expenses Recognized in Prior Periods		
Other		
Decrease in Contingent Liabilities	$ (70,893)	$ -
Decrease in Capital Lease Liabilities	(6,253)	(5,779)
Decrease in Other Unfunded Employment Related Liabilities	-	(1,877)
Total Resources that Fund Expenses Recognized in Prior Periods	$ (77,146)	$ (7,656)
Components of Net Cost of Operations Requiring or Generating Resources in Future Periods		
Increase in Accrued Annual and Compensatory Leave Liabilities	$ 45,156	$ 54,646
Increase in Environmental and Disposal Liabilities	49,545	-
(Increase)/Decrease in Exchange Revenue Receivable from the Public	(1,671)	3,877
Other		
Increase in Actuarial FECA Liabilities	80,206	97,330
Increase in Accrued FECA Liabilities	6,951	9,494
Increase in Deferred Revenue	41,324	54,510
Increase in Contingent Liabilities	-	8,341
Increase in RECA Liabilities	197,949	22,164
Increase in Other Unfunded Employee Related Liabilities	230	-
Increase in Other Liabilities	33,030	5,953
(Increase)/Decrease in Nonexchange Receivables from the Public	(63)	113
(Increase)/Decrease in Surcharge Revenue Receivable from Other Federal Agencies	(1,791)	11,550
Total Other	357,836	209,455
Total Components of Net Cost of Operations Requiring or Generating Resources in Future Periods	$ 450,866	$ 267,978

These notes are an integral part of the financial statements.

Notes to the Financial Statements
(Dollars in Thousands, Except as Noted)

Note 26. Change in Accounting Principle

For FY 2010, in accordance with guidance provided by the Office of Management and Budget (OMB), the AFF changed its method of reporting rescissions of budgetary authority by reporting $387,200 as temporarily not available pursuant to public law in the budgetary resources section of the SBR. In FY 2009, based on guidance issued by OMB, rescissions were reported as unobligated balances not available in the status of budgetary resources of the SBR. The new method of accounting for rescissions was adopted based on guidance received from the OMB to better align rescissions reported in the SBR with the amounts reported by OMB in the Budget of the United States.

OMB Circular No. A-136 states that the cost for any clean-up cost liability recognized upon implementation of the FASAB Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs*, requiring recognition shall be shown on the SCNP as a prior period adjustment. The BOP and FBI recognized the estimated total clean-up cost for friable and non-friable asbestos as a liability and reported the offsetting charge as a "Change in Accounting Principles" in the SCNP. As of September 30, 2010, BOP and FBI management has determined their estimated asbestos clean-up liability is $36,833 thousand and $9,755 thousand, respectively

For the Fiscal Year Ended September 30, 2010		
Statement of Changes in Net Position	$	46,588

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Consolidating and Combining Financial Statements

See Independent Auditors' Report on Financial Statements

U. S. Department of Justice
Consolidating Balance Sheet
As of September 30, 2010

	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	$ 180,150	$ 5,825,079	$ 684,686	$ 10,519,156	$ 809,035	$ 3,694,239	$ 261,136	$ 1,600,858	$ 22,248	$ -	$ 23,596,587
Investments, Net	3,491,262	270,271	-	-	-	-	-	-	300,200	-	4,061,733
Accounts Receivable, Net	4,245	291,193	149,713	6,883	39,117	158,737	28,291	6,235	25,219	(407,323)	302,310
Other Assets	2,607	134,244	17,212	76,831	51,090	30,638	14,349	407	-	(204,714)	122,664
Total Intragovernmental	3,678,264	6,520,787	851,611	10,602,870	899,242	3,883,614	303,776	1,607,500	347,667	(612,037)	28,083,294
Cash and Monetary Assets	131,030	46	-	-	13,407	51,017	49,009	774	-	-	245,283
Accounts Receivable, Net	-	19,769	47	5,774	2,325	30,384	162	20,012	8,787	-	87,260
Inventory and Related Property, Net	-	106	2,739	-	6,770	7,927	-	16,474	203,331	-	237,347
Forfeited Property, Net	189,122	-	-	-	-	-	-	-	-	-	189,122
General Property, Plant and Equipment, Net	1,417	231,301	257,937	12,032	382,137	2,197,590	207,118	6,334,726	116,896	-	9,741,154
Advances and Prepayments	12	8,225	17	1,428,298	9,929	46,698	1,669	3,845	2,711	-	1,501,404
Other Assets	-	-	184	-	-	-	-	4,662	980	-	5,826
Total Assets	**$ 3,999,845**	**$ 6,780,234**	**$ 1,112,535**	**$ 12,048,974**	**$ 1,313,810**	**$ 6,217,230**	**$ 561,734**	**$ 7,987,993**	**$ 680,372**	**$ (612,037)**	**$ 40,090,690**
LIABILITIES											
Intragovernmental											
Accounts Payable	$ 69,170	$ 306,300	$ 26,177	$ 18,928	$ 42,007	$ 162,573	$ 14,803	$ 33,303	$ 4,621	(404,263)	$ 273,619
Accrued FECA Liabilities	-	9,265	15,725	129	26,651	31,231	19,567	139,222	1,656	-	243,446
Custodial Liabilities	-	329,588	-	-	1,584	-	-	-	-	-	331,172
Other Liabilities	-	569,083	24,344	147,914	26,273	114,588	9,393	73,926	201,167	(207,774)	958,914
Total Intragovernmental	69,170	1,214,236	66,246	166,971	96,515	308,392	43,763	246,451	207,444	(612,037)	1,807,151
Accounts Payable	629,347	363,569	406,268	33,369	117,280	488,886	45,744	389,178	46,381	-	2,520,022
Accrued Grant Liabilities	-	147,652	-	383,171	-	-	-	-	-	-	530,823
Actuarial FECA Liabilities	-	50,022	83,490	657	144,858	176,353	107,012	735,856	15,857	-	1,314,105
Accrued Payroll and Benefits	-	128,797	30,525	7,930	59,032	187,572	31,560	140,727	8,838	-	594,981
Accrued Annual and Compensatory Leave Liabilities	-	183,120	42,138	6,068	98,608	265,775	52,408	168,853	9,911	-	826,881
Environmental and Disposal Liabilities	-	-	-	-	-	9,755	-	61,902	-	-	71,657
Deferred Revenue	189,122	-	-	-	311,164	-	-	1,833	-	-	502,119
Seized Cash and Monetary Instruments	1,424,806	-	-	-	447	42,120	3,010	-	-	-	1,470,383
Contingent Liabilities	-	4,738	17,000	-	4,928	66,762	3,505	4,827	-	-	101,760
Capital Lease Liabilities	-	-	946	18	-	-	1,875	30,703	107	-	33,649
Radiation Exposure Compensation Act Liabilities	-	541,784	-	-	-	-	-	-	-	-	541,784
Other Liabilities	-	118,879	-	-	92	3,297	41,416	96,138	-	-	259,822
Total Liabilities	**$ 2,312,445**	**$ 2,752,797**	**$ 646,613**	**$ 598,184**	**$ 832,924**	**$ 1,548,912**	**$ 330,293**	**$ 1,876,468**	**$ 288,538**	**$ (612,037)**	**$ 10,575,137**
NET POSITION											
Unexpended Appropriations - Earmarked Funds	$ -	$ 19,585	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ 19,585
Unexpended Appropriations - All Other Funds	-	3,979,216	328,900	5,571,977	559,167	2,255,206	202,183	894,623	-	-	13,791,272
Cumulative Results of Operations - Earmarked Funds	1,687,400	171,475	-	5,866,596	(159,279)	-	-	69,853	-	-	7,636,045
Cumulative Results of Operations - All Other Funds	-	(142,839)	137,022	12,217	80,998	2,413,112	29,258	5,147,049	391,834	-	8,068,651
Total Net Position	**$ 1,687,400**	**$ 4,027,437**	**$ 465,922**	**$ 11,450,790**	**$ 480,886**	**$ 4,668,318**	**$ 231,441**	**$ 6,111,525**	**$ 391,834**	**$ -**	**$ 29,515,553**
Total Liabilities and Net Position	**$ 3,999,845**	**$ 6,780,234**	**$ 1,112,535**	**$ 12,048,974**	**$ 1,313,810**	**$ 6,217,230**	**$ 561,734**	**$ 7,987,993**	**$ 680,372**	**$ (612,037)**	**$ 40,090,690**

U. S. Department of Justice
Consolidating Balance Sheet
As of September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	$ 39,583	$ 4,900,344	$ 497,604	$ 9,306,877	$ 783,421	$ 3,292,066	$ 257,432	$ 1,758,029	$ 21,659	$ -	$ 20,857,015
Investments, Net	3,363,736	215,149	-	-	-	-	-	-	263,900	-	3,842,785
Accounts Receivable, Net	4,021	334,297	188,213	10,372	72,897	137,156	18,612	3,765	46,798	(489,721)	326,410
Other Assets	2,757	199,351	3,025	49,746	55,295	57,512	20,694	347	-	(257,739)	130,988
Total Intragovernmental	3,410,097	5,649,141	688,842	9,366,995	911,613	3,486,734	296,738	1,762,141	332,357	(747,460)	25,157,198
Cash and Monetary Assets	160,522	46	-	-	10,089	52,058	6,341	738	-	-	229,794
Accounts Receivable, Net	-	10,144	146	7,208	2,543	31,159	99	19,611	8,914	-	79,824
Inventory and Related Property, Net	-	120	2,150	-	6,862	8,804	-	16,533	264,232	-	298,701
Forfeited Property, Net	226,843	-	-	-	-	-	-	-	-	-	226,843
General Property, Plant and Equipment, Net	2,071	183,139	254,273	13,781	387,325	1,814,851	196,681	6,239,221	123,684	-	9,215,026
Advances and Prepayments	3	6,907	68	1,337,788	9,241	51,986	853	3,729	4,946	-	1,415,521
Other Assets	-	-	184	-	-	-	-	3,721	1,016	-	4,921
Total Assets	**$ 3,799,536**	**$ 5,849,497**	**$ 945,663**	**$ 10,725,772**	**$ 1,327,673**	**$ 5,445,592**	**$ 500,712**	**$ 8,045,694**	**$ 735,149**	**$ (747,460)**	**$ 36,627,828**
LIABILITIES											
Intragovernmental											
Accounts Payable	$ 67,523	$ 347,723	$ 35,165	$ 50,095	$ 65,505	$ 166,513	$ 18,366	$ 41,402	$ 4,982	$ (488,202)	$ 309,072
Accrued FECA Liabilities	-	8,973	15,222	136	25,594	32,785	19,751	132,154	1,643	-	236,258
Custodial Liabilities	-	133,796	-	-	2,310	-	-	-	-	-	136,106
Other Liabilities	-	178,149	20,878	230,852	21,888	87,513	8,332	62,659	194,192	(259,258)	545,205
Total Intragovernmental	67,523	668,641	71,265	281,083	115,297	286,811	46,449	236,215	200,817	(747,460)	1,226,641
Accounts Payable	628,028	329,785	353,922	29,365	113,778	356,100	46,047	343,619	52,369	-	2,253,013
Accrued Grant Liabilities	-	109,498	-	321,721	-	-	-	-	-	-	431,219
Actuarial FECA Liabilities	-	47,504	81,314	494	139,308	176,818	105,498	669,020	13,943	-	1,233,899
Accrued Payroll and Benefits	-	114,220	24,728	7,470	52,574	161,029	28,055	125,510	9,118	-	522,704
Accrued Annual and Compensatory Leave Liabilities	-	178,265	38,931	5,625	93,474	244,863	48,600	162,056	10,363	-	782,177
Environmental and Disposal Liabilities	-	-	-	-	-	-	-	22,112	204	-	22,316
Deferred Revenue	226,843	-	-	-	269,840	-	-	1,625	-	-	498,308
Seized Cash and Monetary Instruments	1,451,259	-	-	-	575	37,390	2,436	-	-	-	1,491,660
Contingent Liabilities	-	-	18,250	-	16,995	128,978	3,500	4,930	-	-	172,653
Capital Lease Liabilities	-	-	1,831	20	-	-	3,241	36,956	173	-	42,221
Radiation Exposure Compensation Act Liabilities	-	343,835	-	-	-	-	-	-	-	-	343,835
Other Liabilities	-	104,446	-	-	67	5,362	110	65,880	-	-	175,865
Total Liabilities	**$ 2,373,653**	**$ 1,896,194**	**$ 590,241**	**$ 645,778**	**$ 801,908**	**$ 1,397,351**	**$ 283,936**	**$ 1,667,923**	**$ 286,987**	**$ (747,460)**	**$ 9,196,511**
NET POSITION											
Unexpended Appropriations - Earmarked Funds	$ -	$ 22,207	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,207
Unexpended Appropriations - All Other Funds	-	3,782,236	222,502	5,951,999	540,670	2,114,589	183,607	1,106,922	-	-	13,902,525
Cumulative Results of Operations - Earmarked Funds	1,425,883	119,668	-	4,112,981	(100,558)	-	-	73,049	-	-	5,631,023
Cumulative Results of Operations - All Other Funds	-	29,192	132,920	15,014	85,653	1,933,652	33,169	5,197,800	448,162	-	7,875,562
Total Net Position	**$ 1,425,883**	**$ 3,953,303**	**$ 355,422**	**$ 10,079,994**	**$ 525,765**	**$ 4,048,241**	**$ 216,776**	**$ 6,377,771**	**$ 448,162**	**$ -**	**$ 27,431,317**
Total Liabilities and Net Position	**$ 3,799,536**	**$ 5,849,497**	**$ 945,663**	**$ 10,725,772**	**$ 1,327,673**	**$ 5,445,592**	**$ 500,712**	**$ 8,045,694**	**$ 735,149**	**$ (747,460)**	**$ 36,627,828**

U. S. Department of Justice
Consolidating Statement of Net Cost
For the Fiscal Year Ended September 30, 2010

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost - Intragovernmental	$ -	$ 82,443	$ 5,159	$ -	$ 24,424	$ 1,358,631	$ -	$ -	$ -	$ (112,397)	$ 1,358,260
Gross Cost - With the Public	-	277,500	-	-	75,891	3,826,696	7,185	-	-	-	4,187,272
Subtotal Gross Costs	-	359,943	5,159	-	100,315	5,185,327	7,185	-	-	(112,397)	5,545,532
Earned Revenues - Intragovernmental	-	90,793	-	-	632	495,393	-	-	-	(112,397)	474,421
Earned Revenues - With the Public	-	19,439	-	-	-	12,603	-	-	-	-	32,042
Subtotal Earned Revenues	-	110,232	-	-	632	507,996	-	-	-	(112,397)	506,463
Subtotal Net Cost (Revenues) of Operations	$ -	$ 249,711	$ 5,159	$ -	$ 99,683	$ 4,677,331	$ 7,185	$ -	$ -	$ -	$ 5,039,069
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost - Intragovernmental	$ 382,798	$ 1,799,980	$ 4,872	$ 140,429	$ 836,028	$ 1,007,910	$ 365,344	$ -	$ -	$ (1,073,345)	$ 3,464,016
Gross Cost - With the Public	908,944	3,963,457	-	2,617,542	1,965,174	2,838,860	900,590	6,860	-	-	13,201,427
Subtotal Gross Costs	1,291,742	5,763,437	4,872	2,757,971	2,801,202	3,846,770	1,265,934	6,860	-	(1,073,345)	16,665,443
Earned Revenues - Intragovernmental	7,324	563,603	-	49,844	482,951	631,012	90,417	-	-	(1,073,345)	751,806
Earned Revenues - With the Public	-	404,621	-	7	194,719	136,198	742	-	-	-	736,287
Subtotal Earned Revenues	7,324	968,224	-	49,851	677,670	767,210	91,159	-	-	(1,073,345)	1,488,093
Subtotal Net Cost (Revenues) of Operations	$ 1,284,418	$ 4,795,213	$ 4,872	$ 2,708,120	$ 2,123,532	$ 3,079,560	$ 1,174,775	$ 6,860	$ -	$ -	$ 15,177,350
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost - Intragovernmental	$ -	$ 1,535,834	$ 523,823	$ 56,647	$ -	$ -	$ -	$ 1,513,891	$ 180,239	$ (1,697,058)	$ 2,113,376
Gross Cost - With the Public	-	734,095	2,492,351	931,583	-	-	-	5,507,868	770,900	-	10,436,797
Subtotal Gross Costs	-	2,269,929	3,016,174	988,230	-	-	-	7,021,759	951,139	(1,697,058)	12,550,173
Earned Revenues - Intragovernmental	-	141,722	1,511,198	26,252	-	-	-	12,903	778,579	(1,669,610)	801,044
Earned Revenues - With the Public	-	39,082	2,905	-	-	-	-	359,296	78,963	-	480,246
Subtotal Earned Revenues	-	180,804	1,514,103	26,252	-	-	-	372,199	857,542	(1,669,610)	1,281,290
Subtotal Net Cost (Revenues) of Operations	$ -	$ 2,089,125	$ 1,502,071	$ 961,978	$ -	$ -	$ -	$ 6,649,560	$ 93,597	$ (27,448)	$ 11,268,883
Total Net Cost (Revenue) of Operations	**$ 1,284,418**	**$ 7,134,049**	**$ 1,512,102**	**$ 3,670,098**	**$ 2,223,215**	**$ 7,756,891**	**$ 1,181,960**	**$ 6,656,420**	**$ 93,597**	**$ (27,448)**	**$ 31,485,302**

U. S. Department of Justice
Consolidating Statement of Net Cost
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost - Intragovernmental	$ -	$ 86,405	$ 5,138	$ -	$ 13,414	$ 1,143,681	$ -	$ -	$ -	$ (115,280)	$ 1,133,358
Gross Cost - With the Public	-	254,215	-	-	53,144	3,076,513	8,321	-	-	-	3,392,193
	-	340,620	5,138	-	66,558	4,220,194	8,321	-	-	(115,280)	4,525,551
Earned Revenues - Intragovernmental	-	98,711	-	-	501	549,297	-	-	-	(115,280)	533,229
Earned Revenues - With the Public	-	15,388	-	-	35	11,306	-	-	-	-	26,729
	-	114,099	-	-	536	560,603	-	-	-	(115,280)	559,958
	$ -	$ 226,521	$ 5,138	$ -	$ 66,022	$ 3,659,591	$ 8,321	$ -	$ -	$ -	$ 3,965,593
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost - Intragovernmental	$ 291,499	$ 1,840,475	$ 4,129	$ 119,310	$ 817,575	$ 1,035,139	$ 339,493	$ -	$ -	$ (965,591)	$ 3,482,029
Gross Cost - With the Public	710,013	3,424,889	-	1,800,666	1,855,073	2,784,534	813,825	6,987	-	-	11,395,987
	1,001,512	5,265,364	4,129	1,919,976	2,672,648	3,819,673	1,153,318	6,987	-	(965,591)	14,878,016
Earned Revenues - Intragovernmental	6,723	556,405	-	116,353	409,000	591,269	55,400	-	-	(965,591)	769,559
Earned Revenues - With the Public	-	308,702	-	-	183,747	127,420	156	-	-	-	620,025
	6,723	865,107	-	116,353	592,747	718,689	55,556	-	-	(965,591)	1,389,584
	$ 994,789	$ 4,400,257	$ 4,129	$ 1,803,623	$ 2,079,901	$ 3,100,984	$ 1,097,762	$ 6,987	$ -	$ -	$ 13,488,432
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost - Intragovernmental	$ -	$ 1,478,170	$ 467,739	$ 105,707	$ -	$ -	$ -	$ 1,398,657	$ 257,133	$ (1,738,020)	$ 1,969,386
Gross Cost - With the Public	-	678,466	2,324,956	918,605	-	-	-	5,174,958	804,453	-	9,901,438
	-	2,156,636	2,792,695	1,024,312	-	-	-	6,573,615	1,061,586	(1,738,020)	11,870,824
Earned Revenues - Intragovernmental	-	166,974	1,468,876	58,795	-	-	-	17,598	918,901	(1,709,671)	921,473
Earned Revenues - With the Public	-	31,940	2,589	-	-	-	-	340,003	69,048	-	443,580
	-	198,914	1,471,465	58,795	-	-	-	357,601	987,949	(1,709,671)	1,365,053
	$ -	$ 1,957,722	$ 1,321,230	$ 965,517	$ -	$ -	$ -	$ 6,216,014	$ 73,637	$ (28,349)	$ 10,505,771
Total Net Cost (Revenue) of Operations	**$ 994,789**	**$ 6,584,500**	**$ 1,330,497**	**$ 2,769,140**	**$ 2,145,923**	**$ 6,760,575**	**$ 1,106,083**	**$ 6,223,001**	**$ 73,637**	**$ (28,349)**	**$ 27,959,796**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position
For the Fiscal Year Ended September 30, 2010

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Unexpended Appropriations											
Beginning Balances											
Earmarked Funds	**$ -**	**$ 22,207**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 22,207**
All Other Funds	**-**	**3,782,236**	**222,502**	**5,951,999**	**540,670**	**2,114,589**	**183,607**	**1,106,922**	**-**	**-**	**13,902,525**
Budgetary Financing Sources											
Appropriations Received											
Earmarked Funds	-	90,312	-	-	-	-	-	-	-	-	90,312
All Other Funds	-	7,220,403	1,190,039	2,501,851	2,053,353	7,922,537	1,158,272	6,205,386	-	-	28,251,841
Appropriations Transferred-In/Out											
All Other Funds	-	(209,609)	393,936	200,453	39,756	90,116	(3,318)	(818)	-	-	510,516
Other Adjustments											
Earmarked Funds	-	(9,001)	-	-	-	-	-	-	-	-	(9,001)
All Other Funds	-	(40,750)	-	(54,000)	-	(50,000)	-	-	-	-	(144,750)
Appropriations Used											
Earmarked Funds	-	(83,933)	-	-	-	-	-	-	-	-	(83,933)
All Other Funds	-	(6,773,064)	(1,477,577)	(3,028,326)	(2,074,612)	(7,822,036)	(1,136,378)	(6,416,867)	-	-	(28,728,860)
Total Financing Sources											
Earmarked Funds	**-**	**(2,622)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,622)**
All Other Funds	**-**	**196,980**	**106,398**	**(380,022)**	**18,497**	**140,617**	**18,576**	**(212,299)**	**-**	**-**	**(111,253)**
Net Change											
Earmarked Funds	-	(2,622)	-	-	-	-	-	-	-	-	(2,622)
All Other Funds	-	196,980	106,398	(380,022)	18,497	140,617	18,576	(212,299)	-	-	(111,253)
Ending Balances											
Earmarked Funds	**-**	**19,585**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**19,585**
All Other Funds	**-**	**3,979,216**	**328,900**	**5,571,977**	**559,167**	**2,255,206**	**202,183**	**894,623**	**-**	**-**	**13,791,272**
Total All Funds	**$ -**	**$ 3,998,801**	**$ 328,900**	**$ 5,571,977**	**$ 559,167**	**$ 2,255,206**	**$ 202,183**	**$ 894,623**	**$ -**	**$ -**	**$ 13,810,857**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position - Continued
For the Fiscal Year Ended September 30, 2010

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Cumulative Results of Operations											
Beginning Balances											
Earmarked Funds	**$ 1,425,883**	**$ 119,668**	**$ -**	**$ 4,112,981**	**$ (100,558)**	**$ -**	**$ -**	**$ 73,049**	**$ -**	**$ -**	**$ 5,631,023**
All Other Funds	**-**	**29,192**	**132,920**	**15,014**	**85,653**	**1,933,652**	**33,169**	**5,197,800**	**448,162**	**-**	**7,875,562**
Adjustments:											
Changes in Accounting Principles (Note 27)											
All Other Funds	**-**	**-**	**-**	**-**	**-**	**(9,755)**	**-**	**(36,833)**	**-**	**-**	**(46,588)**
Beginning Balances, as Adjusted											
Earmarked Funds	**1,425,883**	**119,668**	**-**	**4,112,981**	**(100,558)**	**-**	**-**	**73,049**	**-**	**-**	**5,631,023**
All Other Funds	**-**	**29,192**	**132,920**	**15,014**	**85,653**	**1,923,897**	**33,169**	**5,160,967**	**448,162**	**-**	**7,828,974**
Budgetary Financing Sources											
Appropriations Used											
Earmarked Funds	-	83,933	-	-	-	-	-	-	-	-	83,933
All Other Funds	-	6,773,064	1,477,577	3,028,326	2,074,612	7,822,036	1,136,378	6,416,867	-	-	28,728,860
Nonexchange Revenues											
Earmarked Funds	3,864	319	-	2,362,338	-	-	-	-	-	-	2,366,521
All Other Funds	-	-	-	932	-	-	-	-	-	-	932
Donations and Forfeitures of Cash and Cash Equivalents											
Earmarked Funds	1,502,466	-	-	-	-	-	-	-	-	-	1,502,466
Transfers-In/Out Without Reimbursement											
All Other Funds	-	75,097	-		-	-	-	-	-	-	75,097
Other Financing Sources											
Donations and Forfeitures of Property											
Earmarked Funds	70,864	-	-	-	-	-	-	-	-	-	70,864
All Other Funds	-	-	-	-	-	-	-	340	-	-	340
Transfers-In/Out Without Reimbursement											
Earmarked Funds	(31,259)	-	-	-	86	-	-	-	-	-	(31,173)
All Other Funds	-	(81,783)	186	24,608	9,432	69,206	2,407	5,394	(166)	-	29,284
Imputed Financing from Costs Absorbed by Others											
Earmarked Funds	-	1,301	-	-	6,969	-	-	3,891	-	-	12,161
All Other Funds	-	161,894	38,441	4,712	68,740	354,864	39,264	212,814	37,435	(27,448)	890,716
Total Financing Sources											
Earmarked Funds	**1,545,935**	**85,553**	**-**	**2,362,338**	**7,055**	**-**	**-**	**3,891**	**-**	**-**	**4,004,772**
All Other Funds	**-**	**6,928,272**	**1,516,204**	**3,058,578**	**2,152,784**	**8,246,106**	**1,178,049**	**6,635,415**	**37,269**	**(27,448)**	**29,725,229**
Net Cost of Operations											
Earmarked Funds	(1,284,418)	(33,746)	-	(608,723)	(65,776)	-	-	(7,087)	-	-	(1,999,750)
All Other Funds	-	(7,100,303)	(1,512,102)	(3,061,375)	(2,157,439)	(7,756,891)	(1,181,960)	(6,649,333)	(93,597)	27,448	(29,485,552)
Net Change											
Earmarked Funds	261,517	51,807	-	1,753,615	(58,721)	-	-	(3,196)	-	-	2,005,022
All Other Funds	-	(172,031)	4,102	(2,797)	(4,655)	489,215	(3,911)	(13,918)	(56,328)	-	239,677
Ending Balances											
Earmarked Funds	**1,687,400**	**171,475**	**-**	**5,866,596**	**(159,279)**	**-**	**-**	**69,853**	**-**	**-**	**7,636,045**
All Other Funds	**-**	**(142,839)**	**137,022**	**12,217**	**80,998**	**2,413,112**	**29,258**	**5,147,049**	**391,834**	**-**	**8,068,651**
Total All Funds	**$ 1,687,400**	**$ 28,636**	**$ 137,022**	**$ 5,878,813**	**$ (78,281)**	**$ 2,413,112**	**$ 29,258**	**$ 5,216,902**	**$ 391,834**	**$ -**	**$ 15,704,696**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Unexpended Appropriations											
Beginning Balances											
Earmarked Funds	**$ -**	**$ 44,902**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 44,902**
All Other Funds	**-**	**2,669,214**	**191,625**	**2,881,349**	**475,267**	**1,884,207**	**167,668**	**899,745**	**-**	**-**	**9,169,075**
Budgetary Financing Sources											
Appropriations Received											
Earmarked Funds	-	125,076	-	-	-	-	-	-	-	-	125,076
All Other Funds	-	7,787,138	964,000	5,036,600	1,959,084	7,336,191	1,068,215	6,176,599	-	-	30,327,827
Appropriations Transferred-In/Out											
All Other Funds	-	(261,192)	354,616	283,817	158,467	(8,978)	16,647	(8,035)	-	-	535,342
Other Adjustments											
All Other Funds	-	(109,426)	-	(121,642)	-	-	-	-	-	-	(231,068)
Appropriations Used											
Earmarked Funds	-	(147,771)	-	-	-	-	-	-	-	-	(147,771)
All Other Funds	-	(6,303,498)	(1,287,739)	(2,128,125)	(2,052,148)	(7,096,831)	(1,068,923)	(5,961,387)	-	-	(25,898,651)
Total Financing Sources											
Earmarked Funds	**-**	**(22,695)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(22,695)**
All Other Funds	**-**	**1,113,022**	**30,877**	**3,070,650**	**65,403**	**230,382**	**15,939**	**207,177**	**-**	**-**	**4,733,450**
Net Change											
Earmarked Funds	-	(22,695)	-	-	-	-	-	-	-	-	(22,695)
All Other Funds	-	1,113,022	30,877	3,070,650	65,403	230,382	15,939	207,177	-	-	4,733,450
Ending Balances											
Earmarked Funds	**-**	**22,207**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22,207**
All Other Funds	**-**	**3,782,236**	**222,502**	**5,951,999**	**540,670**	**2,114,589**	**183,607**	**1,106,922**	**-**	**-**	**13,902,525**
Total All Funds	**$ -**	**$ 3,804,443**	**$ 222,502**	**$ 5,951,999**	**$ 540,670**	**$ 2,114,589**	**$ 183,607**	**$ 1,106,922**	**$ -**	**$ -**	**$ 13,924,732**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position - Continued
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Cumulative Results of Operations											
Beginning Balances											
Earmarked Funds	**$ 1,007,809**	**$ 79,733**	**$ -**	**$ 2,955,373**	**$ (69,174)**	**$ -**	**$ -**	**$ 78,480**	**$ -**	**$ -**	**$ 4,052,221**
All Other Funds	**-**	**139,314**	**143,048**	**13,519**	**69,323**	**1,328,549**	**35,030**	**5,249,477**	**484,031**	**-**	**7,462,291**
Beginning Balances, as Adjusted											
Earmarked Funds	**1,007,809**	**79,733**	**-**	**2,955,373**	**(69,174)**	**-**	**-**	**78,480**	**-**	**-**	4,052,221
All Other Funds	**-**	**139,314**	**143,048**	**13,519**	**69,323**	**1,328,549**	**35,030**	**5,249,477**	**484,031**	**-**	7,462,291
Budgetary Financing Sources											
Appropriations Used											
Earmarked Funds	-	147,771	-	-	-	-	-	-	-	-	147,771
All Other Funds	-	6,303,498	1,287,739	2,128,125	2,052,148	7,096,831	1,068,923	5,961,387	-	-	25,898,651
Nonexchange Revenues											
Earmarked Funds	10,684	233	-	1,745,678	-	-	-	-	-	-	1,756,595
All Other Funds	-	-	-	1,171	-	-	-	-	-	-	1,171
Donations and Forfeitures of Cash and Cash Equivalents											
Earmarked Funds	1,376,423	-	-	-	-	-	-	-	-	-	1,376,423
Transfers-In/Out Without Reimbursement											
All Other Funds	-	89,948	-	-	-	-	-	-	-	-	89,948
Other Budgetary Financing Sources											
All Other Funds	-	(100,000)	-	-	-	-	-	-	-	-	(100,000)
Other Financing Sources											
Donations and Forfeitures of Property											
Earmarked Funds	68,145	-	-	-	-	-	-	-	-	-	68,145
All Other Funds	-	-	-	-	-	-	-	68	-	-	68
Transfers-In/Out Without Reimbursement											
Earmarked Funds	(42,389)	-	-	-	180	-	-	7	-	-	(42,202)
All Other Funds	-	(88,381)	335	49,215	12,143	61,342	2,173	14,766	6	-	51,599
Imputed Financing from Costs Absorbed by Others											
Earmarked Funds	-	1,244	-	-	5,953	-	-	3,376	-	-	10,573
All Other Funds	-	160,000	32,295	4,054	60,445	207,505	33,126	186,289	37,762	(28,349)	693,127
Total Financing Sources											
Earmarked Funds	**1,412,863**	**149,248**	**-**	**1,745,678**	**6,133**	**-**	**-**	**3,383**	**-**	**-**	**3,317,305**
All Other Funds	**-**	**6,365,065**	**1,320,369**	**2,182,565**	**2,124,736**	**7,365,678**	**1,104,222**	**6,162,510**	**37,768**	**(28,349)**	**26,634,564**
Net Cost of Operations											
Earmarked Funds	(994,789)	(109,313)	-	(588,070)	(37,517)	-	-	(8,814)	-	-	(1,738,503)
All Other Funds	-	(6,475,187)	(1,330,497)	(2,181,070)	(2,108,406)	(6,760,575)	(1,106,083)	(6,214,187)	(73,637)	28,349	(26,221,293)
Net Change											
Earmarked Funds	418,074	39,935	-	1,157,608	(31,384)	-	-	(5,431)	-	-	1,578,802
All Other Funds	-	(110,122)	(10,128)	1,495	16,330	605,103	(1,861)	(51,677)	(35,869)	-	413,271
Ending Balances											
Earmarked Funds	**1,425,883**	**119,668**	**-**	**4,112,981**	**(100,558)**	**-**	**-**	**73,049**	**-**	**-**	**5,631,023**
All Other Funds	**-**	**29,192**	**132,920**	**15,014**	**85,653**	**1,933,652**	**33,169**	**5,197,800**	**448,162**	**-**	**7,875,562**
Total All Funds	**$ 1,425,883**	**$ 148,860**	**$ 132,920**	**$ 4,127,995**	**$ (14,905)**	**$ 1,933,652**	**$ 33,169**	**$ 5,270,849**	**$ 448,162**	**$ -**	**$ 13,506,585**

U. S. Department of Justice
Combining Statement of Budgetary Resources
For the Fiscal Year Ended September 30, 2010

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Resources										
Unobligated Balance, Net, Brought Forward, October 1	1,195,445	653,984	75,661	224,290	323,879	1,060,034	82,195	372,051	59,313	$ 4,046,852
Recoveries of Prior Year Unpaid Obligations	67,328	225,639	66,898	66,225	129,127	166,563	38,221	6,845	-	766,846
Budget Authority:										
Appropriations Received	1,554,993	7,589,965	1,190,039	4,864,189	2,284,189	7,922,537	1,158,272	6,205,386	-	32,769,570
Spending Authority from Offsetting Collections:										
Earned										
Collected	10,073	2,135,632	1,592,758	129,382	537,802	1,338,006	81,707	374,407	872,217	7,071,984
Change in Receivables from Federal Sources	223	(44,709)	(39,937)	(3,489)	(33,532)	1,699	9,679	(2,005)	(21,579)	(133,650)
Change in Unfilled Customer Orders										
Advance Received	-	7,520	4,475	(83,090)	25	17,463	-	(203)	6,904	(46,906)
Without Advance from Federal Sources	-	92,950	(18,314)	4,745	(5,407)	(106,807)	1,509	-	-	(31,324)
Subtotal Budget Authority	1,565,289	9,781,358	2,729,021	4,911,737	2,783,077	9,172,898	1,251,167	6,577,585	857,542	39,629,674
Nonexpenditure Transfers, Net, Anticipated and Actual	-	(134,512)	393,936	200,453	39,756	90,116	(3,318)	(818)	-	585,613
Temporarily not Available Pursuant to Public Law	(387,200)	-	-	(1,654,425)	-	-	-	-	-	(2,041,625)
Permanently not Available	-	(50,303)	-	(54,000)	-	(50,000)	-	-	-	(154,303)
Total Budgetary Resources	**$ 2,440,862**	**$ 10,476,166**	**$ 3,265,516**	**$ 3,694,280**	**$ 3,275,839**	**$ 10,439,611**	**$ 1,368,265**	**$ 6,955,663**	**$ 916,855**	**$ 42,833,057**
Status of Budgetary Resources										
Obligations Incurred										
Direct	$ 1,423,309	$ 7,327,826	$ 1,569,307	$ 3,434,149	$ 2,532,674	$ 8,278,414	$ 1,155,484	$ 6,536,140	$ -	$ 32,257,303
Reimbursable	7,374	2,218,387	1,562,834	27,631	519,774	1,214,320	102,650	41,617	841,869	6,536,456
Total Obligations Incurred	1,430,683	9,546,213	3,132,141	3,461,780	3,052,448	9,492,734	1,258,134	6,577,757	841,869	38,793,759
Unobligated Balance - Available:										
Apportioned	669,036	667,416	97,391	208,972	195,008	547,896	53,461	300,013	-	2,739,193
Exempt from Apportionment	-	-	-	-	-	-	-	45,030	74,986	120,016
Total Unobligated Balance - Available	669,036	667,416	97,391	208,972	195,008	547,896	53,461	345,043	74,986	2,859,209
Unobligated Balance not Available	341,143	262,537	35,984	23,528	28,383	398,981	56,670	32,863	-	1,180,089
Total Status of Budgetary Resources	**$ 2,440,862**	**$ 10,476,166**	**$ 3,265,516**	**$ 3,694,280**	**$ 3,275,839**	**$ 10,439,611**	**$ 1,368,265**	**$ 6,955,663**	**$ 916,855**	**$ 42,833,057**

U. S. Department of Justice
Combining Statement of Budgetary Resources - Continued
For the Fiscal Year Ended September 30, 2010

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Change in Obligated Balance										
Obligated Balance, Net - Brought Forward, October 1										
Unpaid Obligations	919,387	4,771,602	634,587	5,959,947	687,246	2,810,122	238,351	1,352,082	273,044	$ 17,646,368
Less: Uncollected Customer Payments from Federal Sources	4,022	746,533	223,465	24,410	220,915	584,369	59,209	8,350	46,798	1,918,071
Total Unpaid Obligated Balance, Net - Brought Forward, October 1	915,365	4,025,069	411,122	5,935,537	466,331	2,225,753	179,142	1,343,732	226,246	15,728,297
Obligations Incurred	1,430,683	9,546,213	3,132,141	3,461,780	3,052,448	9,492,734	1,258,134	6,577,757	841,869	38,793,759
Less: Gross Outlays	1,300,063	9,217,715	2,991,279	3,844,655	2,833,524	8,914,482	1,232,222	6,737,782	842,231	37,913,953
Less: Recoveries of Prior Year Unpaid Obligations, Actual	67,328	225,639	66,898	66,225	129,127	166,563	38,221	6,845	-	766,846
Change in Uncollected Customer Payments from Federal Sources	(223)	(48,241)	58,251	(1,256)	38,939	105,108	(11,188)	2,005	21,579	164,974
Obligated Balance, Net - End of Period:										
Unpaid Obligations	982,679	4,874,461	708,551	5,510,847	777,043	3,221,811	226,043	1,185,212	272,682	17,759,329
Less: Uncollected Customer Payments from Federal Sources	4,245	794,774	165,214	25,666	181,976	479,261	70,398	6,345	25,219	1,753,098
Total Unpaid Obligated Balance, Net - End of Period	$ 978,434	$ 4,079,687	$ 543,337	$ 5,485,181	$ 595,067	$ 2,742,550	$ 155,645	$ 1,178,867	$ 247,463	$ 16,006,231
Outlays										
Gross Outlays	$ 1,300,063	$ 9,217,715	$ 2,991,279	$ 3,844,655	$ 2,833,524	$ 8,914,482	$ 1,232,222	$ 6,737,782	$ 842,231	$ 37,913,953
Less: Offsetting Collections	10,073	2,143,152	1,597,233	46,292	537,827	1,355,469	81,707	374,204	879,120	7,025,077
Less: Distributed Offsetting Receipts	3,864	691,754	-	242	231,967	253	622	12,666	-	941,368
Total Net Outlays	**$ 1,286,126**	**$ 6,382,809**	**$ 1,394,046**	**$ 3,798,121**	**$ 2,063,730**	**$ 7,558,760**	**$ 1,149,893**	**$ 6,350,912**	**$ (36,889)**	**$ 29,947,508**

U. S. Department of Justice
Combining Statement of Budgetary Resources
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Resources										
Unobligated Balance, Net, Brought Forward, October 1	$ 595,213	$ 651,099	$ 93,320	$ 460,054	$ 161,745	$ 1,076,486	$ 53,971	$ 360,659	$ 97,315	$ 3,549,862
Recoveries of Prior Year Unpaid Obligations	79,515	252,846	61,319	106,867	86,345	270,506	80,237	18,899	-	956,534
Budget Authority:										
Appropriations Received	1,669,860	8,203,630	964,000	6,782,278	2,193,596	7,336,191	1,068,215	6,176,599	-	34,394,369
Spending Authority from Offsetting Collections:										
Earned										
Collected	7,215	1,845,846	1,482,381	240,818	385,364	1,442,098	61,800	372,994	995,244	6,833,760
Change in Receivables from Federal Sources	2,376	142,149	22,610	599	39,199	(86,453)	(5,500)	(4,015)	10,301	121,266
Change in Unfilled Customer Orders										
Advance Received	-	13,671	1,078	(216,745)	(9)	(26,471)	-	352	(17,597)	(245,721)
Without Advance from Federal Sources	(681)	16,972	9,393	(12,506)	42,199	(121,340)	33,421	-	-	(32,542)
Subtotal Budget Authority	1,678,770	10,222,268	2,479,462	6,794,444	2,660,349	8,544,025	1,157,936	6,545,930	987,948	41,071,132
Nonexpenditure Transfers, Net, Anticipated and Actual	-	(171,244)	354,616	283,817	158,467	(8,978)	16,647	(8,035)	-	625,290
Temporarily not Available Pursuant to Public Law	-	-	-	(1,295,083)	-	-	-	-	-	(1,295,083)
Permanently not Available	-	(209,438)	-	(121,642)	-	-	-	-	-	(331,080)
Total Budgetary Resources	**$ 2,353,498**	**$ 10,745,531**	**$ 2,988,717**	**$ 6,228,457**	**$ 3,066,906**	**$ 9,882,039**	**$ 1,308,791**	**$ 6,917,453**	**$ 1,085,263**	**$ 44,576,655**
Status of Budgetary Resources										
Obligations Incurred										
Direct	$ 1,151,330	$ 7,999,433	$ 1,375,617	$ 5,945,243	$ 2,304,512	$ 7,672,318	$ 1,132,564	$ 6,496,740	$ -	$ 34,077,757
Reimbursable	6,723	2,092,114	1,537,439	58,924	438,515	1,149,687	94,032	48,662	1,025,950	6,452,046
Total Obligations Incurred	1,158,053	10,091,547	2,913,056	6,004,167	2,743,027	8,822,005	1,226,596	6,545,402	1,025,950	40,529,803
Unobligated Balance - Available:										
Apportioned	539,014	450,832	51,934	225,179	313,155	737,212	44,648	284,574	-	2,646,548
Exempt from Apportionment	-	-	-	-	-	-	-	42,112	59,313	101,425
Total Unobligated Balance - Available	539,014	450,832	51,934	225,179	313,155	737,212	44,648	326,686	59,313	2,747,973
Unobligated Balance not Available	656,431	203,152	23,727	(889)	10,724	322,822	37,547	45,365	-	1,298,879
Total Status of Budgetary Resources	**$ 2,353,498**	**$ 10,745,531**	**$ 2,988,717**	**$ 6,228,457**	**$ 3,066,906**	**$ 9,882,039**	**$ 1,308,791**	**$ 6,917,453**	**$ 1,085,263**	**$ 44,576,655**

U. S. Department of Justice
Combining Statement of Budgetary Resources - Continued
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Change in Obligated Balance										
Obligated Balance, Net - Brought Forward, October 1										
Unpaid Obligations	$ 909,109	$ 3,271,864	$ 546,861	$ 3,927,350	$ 702,505	$ 2,262,951	$ 215,902	$ 1,120,502	$ 311,873	$ 13,268,917
Less: Uncollected Customer Payments from Federal Sources	2,327	587,412	191,462	36,317	139,516	792,162	31,288	12,365	36,497	1,829,346
Total Unpaid Obligated Balance, Net - Brought Forward, October 1	906,782	2,684,452	355,399	3,891,033	562,989	1,470,789	184,614	1,108,137	275,376	11,439,571
Obligations Incurred	1,158,053	10,091,547	2,913,056	6,004,167	2,743,027	8,822,005	1,226,596	6,545,402	1,025,950	40,529,803
Less: Gross Outlays	1,068,260	8,338,963	2,764,011	3,864,703	2,671,941	8,004,328	1,123,910	6,294,923	1,064,779	35,195,818
Less: Recoveries of Prior Year Unpaid Obligations, Actual	79,515	252,846	61,319	106,867	86,345	270,506	80,237	18,899	-	956,534
Change in Uncollected Customer Payments from Federal Sources	(1,695)	(159,121)	(32,003)	11,907	(81,399)	207,793	(27,921)	4,015	(10,301)	(88,725)
Obligated Balance, Net - End of Period:										
Unpaid Obligations	919,387	4,771,602	634,587	5,959,947	687,246	2,810,122	238,351	1,352,082	273,044	17,646,368
Less: Uncollected Customer Payments from Federal Sources	4,022	746,533	223,465	24,410	220,915	584,369	59,209	8,350	46,798	1,918,071
Total Unpaid Obligated Balance, Net - End of Period	$ 915,365	$ 4,025,069	$ 411,122	$ 5,935,537	$ 466,331	$ 2,225,753	$ 179,142	$ 1,343,732	$ 226,246	$ 15,728,297
Outlays										
Gross Outlays	$ 1,068,260	$ 8,338,963	$ 2,764,011	$ 3,864,703	$ 2,671,941	$ 8,004,328	$ 1,123,910	$ 6,294,923	$ 1,064,779	$ 35,195,818
Less: Offsetting Collections	7,215	1,859,517	1,483,459	24,071	385,354	1,415,627	61,800	373,346	977,646	6,588,035
Less: Distributed Offsetting Receipts	10,684	287,073	(520)	1,362	235,998	1,668	247	2,813	-	539,325
Total Net Outlays	**$ 1,050,361**	**$ 6,192,373**	**$ 1,281,072**	**$ 3,839,270**	**$ 2,050,589**	**$ 6,587,033**	**$ 1,061,863**	**$ 5,918,764**	**$ 87,133**	**$ 28,068,458**

U. S. Department of Justice
Combining Statement of Custodial Activity
For the Fiscal Year Ended September 30, 2010

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ -	$ 4,789,655	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,789,655
Fees and Licenses	-	-	-	-	15,000	-	13,985	-	-	28,985
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	5,963	-	22	-	-	5,985
Fines, Penalties and Restitution Payments - Criminal	-	33,004	-	-	-	-	44	-	-	33,048
Miscellaneous	-	81	-	-	-	-	623	-	-	704
Total Cash Collections	**$ -**	**$ 4,822,740**	**$ -**	**$ -**	**$ 20,963**	**$ -**	**$ 14,674**	**$ -**	**$ -**	**$ 4,858,377**
Accrual Adjustments	-	-	-	-	211	-	60	-	-	271
Total Custodial Revenue	**$ -**	**$ 4,822,740**	**$ -**	**$ -**	**$ 21,174**	**$ -**	**$ 14,734**	**$ -**	**$ -**	**$ 4,858,648**
Disposition of Collections										
Transferred to Federal Agencies										
U.S. Department of Agriculture	-	(84,620)	-	-	-	-	-	-	-	(84,620)
U.S. Department of Commerce	-	(1,725)	-	-	-	-	-	-	-	(1,725)
U.S. Department of the Interior	-	(283,244)	-	-	-	-	-	-	-	(283,244)
U.S. Department of Justice	-	(510,634)	-	-	-	-	-	-	-	(510,634)
U.S. Department of Labor	-	(3,537)	-	-	-	-	-	-	-	(3,537)
U.S. Postal Service	-	(6,762)	-	-	-	-	-	-	-	(6,762)
U.S. Department of State	-	(199)	-	-	-	-	-	-	-	(199)
U.S. Department of the Treasury	-	(571,742)	-	-	(20,891)	-	(14,345)	-	-	(606,978)
Office of Personnel Management	-	(46,636)	-	-	-	-	-	-	-	(46,636)
Federal Communications Commission	-	(2,693)	-	-	-	-	-	-	-	(2,693)
Social Security Administration	-	(3,558)	-	-	-	-	-	-	-	(3,558)
Smithsonian Institution	-	(209)	-	-	-	-	-	-	-	(209)
U.S. Department of Veterans Affairs	-	(35,068)	-	-	-	-	-	-	-	(35,068)
General Services Administration	-	(4,008)	-	-	-	-	-	-	-	(4,008)
Securities and Exchange Commission	-	(2)	-	-	-	-	-	-	-	(2)
Federal Deposit Insurance Corporation	-	(42)	-	-	-	-	-	-	-	(42)
Railroad Retirement Board	-	(143)	-	-	-	-	-	-	-	(143)
Environmental Protection Agency	-	(720,010)	-	-	-	-	-	-	-	(720,010)
U.S. Department of Transportation	-	(765)	-	-	-	-	-	-	-	(765)
U.S. Department of Homeland Security	-	(30,872)	-	-	-	-	-	-	-	(30,872)
Agency for International Development	-	(2,155)	-	-	-	-	-	-	-	(2,155)
Small Business Administration	-	(5,360)	-	-	-	-	-	-	-	(5,360)
U.S. Department of Health and Human Services	-	(1,528,861)	-	-	-	-	-	-	-	(1,528,861)
National Aeronautics and Space Administration	-	(2,859)	-	-	-	-	-	-	-	(2,859)
Export-Import Bank of the United States	-	(4,704)	-	-	-	-	-	-	-	(4,704)
U.S. Department of Housing and Urban Development	-	(25,985)	-	-	-	-	-	-	-	(25,985)
U.S. Department of Energy	-	(2,281)	-	-	-	-	-	-	-	(2,281)
U.S. Department of Education	-	(63,002)	-	-	-	-	-	-	-	(63,002)
Independent Agencies	-	(54,493)	-	-	-	-	-	-	-	(54,493)
U.S. Department of Defense	-	(112,640)	-	-	-	-	-	-	-	(112,640)
Transferred to the Public	-	(391,304)	-	-	-	-	-	-	-	(391,304)
(Increase)/Decrease in Amounts Yet to be Transferred	-	(210,225)	-	-	(283)	-	-	-	-	(210,508)
Refunds and Other Payments	-	(10,627)	-	-	-	-	(389)	-	-	(11,016)
Retained by the Reporting Entity	-	(101,775)	-	-	-	-	-	-	-	(101,775)
Net Custodial Activity	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

U. S. Department of Justice
Combining Statement of Custodial Activity
For the Fiscal Year Ended September 30, 2009

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ -	$ 2,884,775	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,884,775
Fees and Licenses	-	-	-	-	15,000	-	14,224	-	-	29,224
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	44,961	-	18	-	-	44,979
Fines, Penalties and Restitution Payments - Criminal	-	22,959	-	-	-	-	38	-	-	22,997
Miscellaneous	-	108	-	-	-	-	249	-	-	357
Total Cash Collections	**$ -**	**$ 2,907,842**	**$ -**	**$ -**	**$ 59,961**	**$ -**	**$ 14,529**	**$ -**	**$ -**	**$ 2,982,332**
Accrual Adjustments	-	-	-	-	211	-	(23)	-	-	188
Total Custodial Revenue	**$ -**	**$ 2,907,842**	**$ -**	**$ -**	**$ 60,172**	**$ -**	**$ 14,506**	**$ -**	**$ -**	**$ 2,982,520**
Disposition of Collections										
Transferred to Federal Agencies										
U.S. Department of Agriculture	-	(92,073)	-	-	-	-	-	-	-	(92,073)
U.S. Department of Commerce	-	(771)	-	-	-	-	-	-	-	(771)
U.S. Department of the Interior	-	(25,059)	-	-	-	-	-	-	-	(25,059)
U.S. Department of Justice	-	(123,787)	-	-	-	-	-	-	-	(123,787)
U.S. Department of Labor	-	(528)	-	-	-	-	-	-	-	(528)
U.S. Postal Service	-	(4,435)	-	-	-	-	-	-	-	(4,435)
U.S. Department of the Treasury	-	(294,619)	-	-	(59,961)	-	(14,210)	-	-	(368,790)
Office of Personnel Management	-	(19,833)	-	-	-	-	-	-	-	(19,833)
National Credit Union Administration	-	(470)	-	-	-	-	-	-	-	(470)
Federal Communications Commission	-	(9,773)	-	-	-	-	-	-	-	(9,773)
Social Security Administration	-	(982)	-	-	-	-	-	-	-	(982)
Smithsonian Institution	-	(8)	-	-	-	-	-	-	-	(8)
U.S. Department of Veterans Affairs	-	(28,710)	-	-	-	-	-	-	-	(28,710)
General Services Administration	-	(116,631)	-	-	-	-	-	-	-	(116,631)
Securities and Exchange Commission	-	(4)	-	-	-	-	-	-	-	(4)
Federal Deposit Insurance Corporation	-	(1,958)	-	-	-	-	-	-	-	(1,958)
Railroad Retirement Board	-	(335)	-	-	-	-	-	-	-	(335)
Tennessee Valley Authority	-	(4,207)	-	-	-	-	-	-	-	(4,207)
Environmental Protection Agency	-	(223,334)	-	-	-	-	-	-	-	(223,334)
U.S. Department of Transportation	-	(1,357)	-	-	-	-	-	-	-	(1,357)
U.S. Department of Homeland Security	-	(17,169)	-	-	-	-	-	-	-	(17,169)
Small Business Administration	-	(5,332)	-	-	-	-	-	-	-	(5,332)
U.S. Department of Health and Human Services	-	(1,367,320)	-	-	-	-	-	-	-	(1,367,320)
National Aeronautics and Space Administration	-	(2,957)	-	-	-	-	-	-	-	(2,957)
U.S. Department of Housing and Urban Development	-	(18,347)	-	-	-	-	-	-	-	(18,347)
U.S. Department of Energy	-	(4,065)	-	-	-	-	-	-	-	(4,065)
U.S. Department of Education	-	(18,003)	-	-	-	-	-	-	-	(18,003)
Independent Agencies	-	(54,916)	-	-	-	-	-	-	-	(54,916)
U.S. Department of Defense	-	(113,023)	-	-	-	-	-	-	-	(113,023)
Transferred to the Public	-	(329,816)	-	-	-	-	-	-	-	(329,816)
(Increase)/Decrease in Amounts Yet to be Transferred	-	55,779	-	-	(211)	-	-	-	-	55,568
Refunds and Other Payments	-	(622)	-	-	-	-	(296)	-	-	(918)
Retained by the Reporting Entity	-	(83,177)	-	-	-	-	-	-	-	(83,177)
Net Custodial Activity	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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Required Supplementary Stewardship Information Unaudited

See Independent Auditors' Report on Financial Statements

U.S. Department of Justice
Required Supplementary Stewardship Information
Consolidated Stewardship Investments
For the Fiscal Years Ended September 30, 2010, 2009, 2008, 2007 and 2006

The Violent Offender Incarceration and Truth-In Sentencing (VOI/TIS) and the Correctional Grants for Tribal Programs are administered by OJP's Bureau of Justice Assistance (BJA). The VOI/TIS and Correctional Grants for Tribal Land programs provide grants to all states as well as the District of Columbia, Puerto Rico, Virgin Islands, American Samoa, Guam, the Northern Mariana Islands, and Tribes for the purposes of building or expanding correctional facilities and jails to increase secure confinement space for violent offenders. The facilities built or expanded with these funds constitute non-federal physical property.

The Recovery Act Correctional Facilities on Tribal Lands Program and the Correctional Facilities on Tribal Lands Program assist tribes in cost effectively constructing and renovating correctional facilities associated with the incarceration and rehabilitation of juvenile and adult offenders subject to tribal jurisdiction. In addition, this funding allows tribes to explore community-based alternatives to help control and prevent jail overcrowding due to alcohol and other substance abuse. The Bureau of Justice Assistance administers both programs in coordination with the Bureau of Indian Affairs and the Office of Juvenile Justice and Delinquency Prevention.

VOI/TIS and Correctional Grants for Tribal Lands funds expended from FY 2006 through FY 2010 are as follows:

Dollars in Thousands	2010	2009	2008	2007	2006
Cooperative Agreement Program Administered by USMS	$0	$0	$1,140	$2,839	$2,521
Discretionary Grants to Indian Tribes	24,768	14,320	5,094	11,334	4,007
Formula Grants to States	11,389	41,561	59,011	188,171	222,650
Total	$ 36,157	$55,881	$65,245	$202,344	$229,178

SECTION IV

Management Section

Section IV

Management Section
(Unaudited)

Overview

Each year, the Department identifies existing and potential management challenges, weaknesses, and areas in need of improvement. Two primary sources used to identify these issues are the Department's OIG-identified Top Management and Performance Challenges and the Federal Managers' Financial Integrity Act (FMFIA) assessment process. The challenges identified by the Department's OIG are from an auditor's perspective and include areas of concern that bear significantly on how well the Department carries out its mission and meets its responsibilities as a steward of public funds. The FMFIA assessment process evaluates the effectiveness of internal controls to support effective and efficient programmatic operations and compliance with applicable laws and regulations (FMFIA § 2) and whether financial management systems conform to government-wide requirements (FMFIA § 4).

Presented on the following pages are the OIG-identified Top Management and Performance Challenges in the Department, Department management's response to those challenges, and the corrective action plans resulting from the FMFIA assessment.

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OIG

Top Management and Performance Challenges in the Department of Justice

November 9, 2010

MEMORANDUM FOR THE ATTORNEY GENERAL

THE ACTING DEPUTY ATTORNEY GENERAL

FROM: GLENN A. FINE
INSPECTOR GENERAL

SUBJECT: Top Management and Performance Challenges in the Department of Justice

Attached to this memorandum is the Office of the Inspector General's (OIG) 2010 list of top management and performance challenges facing the Department of Justice (Department). We have prepared similar lists since 1998. By statute, this list is required to be included in the Department's annual Performance and Accountability Report.

We hope this document will assist Department managers in addressing the top management and performance challenges facing the Department. We look forward to continuing to work with the Department to respond to these important issues.

Attachment

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Top Management and Performance Challenges in the Department of Justice – 2010

1. Counterterrorism: Counterterrorism is the highest priority of the Department of Justice (Department or DOJ), and the Office of the Inspector General (OIG) has consistently identified it as a top management challenge facing the Department. Various public examples of terrorism attempts, including the attempt on December 25, 2009, to detonate an explosive device on board a flight from Amsterdam to Detroit and the attempt on May 1, 2010, to detonate a bomb in Times Square in New York City, illustrate the continuing threat of terrorism. While the Department has made progress in combating terrorism, we believe the Department continues to face significant challenges in this area.

To address the threat of terrorism, the Department has undergone transformational changes in its counterterrorism efforts, such as the creation of the National Security Division in 2006 to consolidate the Department's primary national security operations. In addition, the Department's law enforcement components, including the Federal Bureau of Investigation (FBI), the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the Drug Enforcement Administration (DEA), and the United States Marshals Service (USMS), have undergone structural changes since 2001 to allow them to better address terrorism. Yet, the Department must ensure that it and its components are effectively sharing that information to disrupt attacks and to respond effectively to acts of terrorism.

The Department also must be prepared to ensure public safety in the event of a terrorist act. In a recent review, the OIG concluded that the Department needs to improve its response preparedness. The OIG's June 2010 report on the readiness of the Department and its components to respond to a potential weapons of mass destruction (WMD) incident found that the FBI had taken appropriate steps to prepare to respond to a WMD attack, such as establishing WMD response plans, providing WMD training to FBI staff on responding to a WMD incident, and regularly conducting and participating in WMD response exercises. However, we also found that the Department as a whole was not fully prepared to provide a coordinated response to a potential WMD attack and had not implemented adequate WMD response plans.

In particular, the Department's management of plans for responding to a WMD attack was uncoordinated and fragmented, with no entity or individual assigned responsibility for central oversight of WMD response activities throughout the Department. We also determined that Department-level critical incident response policies and plans had not been fully implemented, were not in compliance with national policies, were outdated, and did not specifically address the appropriate response to a WMD attack. In addition, we found inadequate efforts among Department components to coordinate a response to a WMD incident. No Department law enforcement component, other than the FBI, had specific WMD operational response plans. Moreover, other than the FBI, Department components provided little to no training for responding to a WMD incident and rarely participated in WMD exercises.

In addition, while the Department had designated ATF as the lead agency to coordinate the use of federal law enforcement resources to maintain public safety and security if local and state resources are overwhelmed during a WMD incident, ATF had not adequately prepared for this role. When we specifically examined the readiness of Department components' field offices in the Washington National Capital Region (NCR) to respond in a coordinated way to a WMD incident, we found that outside of special events, only the FBI had conducted WMD-specific planning or training in the NCR.

The Department responded constructively to our report, assigning the Associate Deputy Attorney General for National Security the responsibility for coordinating all Department policies associated with continuity of operations, continuity of government, and emergency response at the scene of an incident. The Department also established a committee to develop policy, training, and strategies to ensure that the Department as a whole is ready to respond to a WMD incident. While the Department has begun to address the deficiencies we identified, we will continue to assess the progress of the Department in this area.

Another example of insufficient counterterrorism coordination among Department components relates to the FBI and ATF response to explosives incidents. Federal law gives the FBI and ATF concurrent jurisdiction over most federal explosives incidents. In an October 2009 review, we determined that the FBI and ATF had developed separate and often conflicting approaches to explosives investigations and explosives-related activities such as training, information sharing, and forensic analysis. These conflicts resulted in unnecessary competition and duplication of efforts and also could result in problematic responses to explosions, including terrorist incidents. In response to our report, in August 2010 the Acting Deputy Attorney General issued a new protocol designed to improve coordination between the FBI and ATF. The protocol described factors that are strong indicators of a nexus to terrorism – such as the use of a chemical, biological, radiological, or nuclear agent or an attack on a government building, mass transit, or a power plant – and assigned lead-agency jurisdiction based on those factors to the FBI. The new protocol gave ATF lead jurisdiction to investigate explosives incidents that do not involve a credible terrorism nexus and which are not governed by agreements between ATF and FBI either locally or at the headquarters. The Acting Deputy Attorney General also directed ATF and the FBI to develop a joint plan for consolidated explosives training and to convene a board to discuss how laboratory resources and training could be better coordinated and integrated.

We believe these actions are positive steps that can improve coordination between the FBI and ATF. However, the Department needs to ensure that its protocols are workable and are enforced, and that the FBI and ATF consistently coordinate and cooperate in explosives investigations.

Another important Department counterterrorism responsibility involves the management of the consolidated terrorist watchlist. This watchlist is used by frontline government screening personnel to determine how to respond when a known or suspected terrorist requests entry into the United States. In May 2009 the OIG issued an audit examining the FBI's practices for making nominations to the consolidated terrorist watchlist. The audit concluded that the FBI did not consistently nominate known or suspected terrorists to the terrorist watchlist in a timely manner or in accordance with FBI policy, and the FBI also did not update or remove watchlist records as required. Since we issued our report, the FBI has reported that it has improved the timeliness of its nomination activities and has increased its monitoring of field office submissions. The OIG recently initiated a new review of the FBI's management of the watchlist to assess the progress in this area.

The Department also seeks to disrupt terrorist acts by attacking terrorists' financing. The OIG is currently reviewing the FBI's and the National Security Division's (NSD) efforts to identify, investigate, and prosecute terrorist-related financing activities. Our audit is also reviewing how the FBI and NSD coordinate efforts throughout the law enforcement community to combat terrorist-financing operations.

In addition to improving information sharing and coordination, the Department also should regularly evaluate the balance of resources devoted to counterterrorism and traditional law enforcement activities. In April 2010, we issued a report that examined the process by which the FBI assigns its personnel resources, including how the FBI utilizes agents and intelligence analysts on counterterrorism matters and other investigative areas such as violent crime, white collar crime, and cyber crime. Our review also detailed changes in the FBI's caseload by investigative area.

We determined that in fiscal year (FY) 2009, 26 percent of FBI agents were assigned to counterterrorism matters, which was double the percentage of agents assigned to such matters in FY 2001. We also found that the FBI generally used field agents in line with the level it allocated for counterterrorism activities in FY 2009. In addition, we found that the FBI has improved its ability to monitor and evaluate its allocation and utilization of personnel resources by establishing a Resource Planning Office and by developing an extensive management information system. In addition, the FBI has established various resource management initiatives to oversee the allocation and utilization of personnel resources.

Our report recommended that, to further improve the allocation of resources, including counterterrorism resources, the FBI should develop a more sophisticated resource allocation methodology and regularly examine personnel resource utilization associated with division-specific priorities. In recent correspondence, the FBI stated that it has implemented such a resource allocation methodology and is taking action to implement the rest of our recommendations. We believe that these actions can improve the FBI's management of its personnel resources based on a risk-based analysis of threats and FBI priorities.

The Department is also faced with the challenge of hiring employees with specialized skills that are essential to its counterterrorism efforts, such as employees with foreign language capabilities or expertise in information technology. In a follow-up review we conducted of the FBI's Foreign Language Translation Program, we reported that the FBI continued to have significant amounts of unreviewed foreign language materials in counterterrorism and counterintelligence, the FBI's highest priority investigative areas. The FBI also continued to fall short in meeting its linguist hiring goals, resulting in a decrease in the number of FBI linguists at the same time the FBI has increased the amount of material it collects for translation. Without sufficient linguist resources, the FBI will not be able to review all the high-priority material it collects, increasing the risk that the FBI will not detect information in its possession that is important to its counterterrorism and counterintelligence efforts. In response to our report, the FBI stated that it is in the process of accelerating timeframes for converting part-time contract linguists to full-time FBI linguist positions and is implementing plans to add Investigative Analyst Consultants to assist in reducing timeframes for security clearance adjudications.

In sum, the Department must continue to improve information sharing and coordination in its counterterrorism efforts, and we believe that counterterrorism remains a critical challenge for the Department.

2. Restoring Confidence in the Department of Justice: We first identified this as a top management challenge after the controversy concerning the Department's firing of U.S. Attorneys and the politicized hiring of certain career Department employees. We believe the Department has taken aggressive steps to respond to these issues. However, other issues of concern persist, such as allegations of prosecutorial misconduct and the Department's ability to address these allegations in a timely and transparent manner. We believe that restoring confidence in the Department remains a top management challenge.

In 2008 and 2009 the OIG and the Department's Office of Professional Responsibility (OPR) issued three joint reports that substantiated serious allegations of improper politicization in hiring for career attorney positions in the Department's Honors Program and Summer Law Intern Program, for other career positions, and in the Civil Rights Division. Another joint OIG/OPR report concluded that partisan political considerations played a part in the Department's removal of U.S. Attorneys in 2006.

To correct problems we found in these reviews, the Department has taken important steps, such as returning the responsibility for hiring career employees from politically appointed officials to career employees and developing new training that stresses that the process for hiring career employees must be merit based. The Department also invited individuals who had applied to the Department's Honors Program in 2006 and who may have been excluded for reasons of political affiliation to reapply. The Department offered positions to 17 of the 54 attorneys who chose to reapply and interview for the positions.

In addition, the former Attorney General appointed a special counsel to investigate whether any crime was committed related to removal of the U.S. Attorneys. That investigation was concluded in July 2010 with a determination by the special counsel that the evidence "did not demonstrate any prosecutable criminal offense" was committed with regard to the removal of U.S. Attorney David Iglesias of New Mexico and that the evidence did not justify broadening the scope of the investigation beyond the removal of Iglesias. The special counsel also concluded "that DOJ leadership never determined whether the complaints about Mr. Iglesias were legitimate and that the fact that the investigation of the complaints about Iglesias's performance never occurred bespeaks undue sensitivity to politics on the part of DOJ officials who should answer not to partisan politics but to principles of fairness and justice."

Although the Department has addressed most of the recommendations in the OIG/OPR reports, it still has not fully addressed one recommendation. We found that the Department had considered certain career attorneys' political or ideological affiliations when deciding whether to approve temporary details of these attorneys to certain high-level Department positions. We recommended that the Department clarify the circumstances under which political or ideological considerations may be considered when assessing career candidates for details to various Department positions. The Department agreed with the recommendation but has not yet implemented corrective action.

The Department has been subject to significant criticism for some of its prosecutorial actions, including allegations of misconduct in the prosecution of former Alaska Senator Ted Stevens. Articles have also focused attention on other allegations of misconduct by federal prosecutors and the process by which the Department investigates such allegations. For example, a recent study released in October 2010 by the Northern California Innocence Project found 64 cases in California where courts determined there was prosecutorial misconduct by federal attorneys. In 38 of those cases, the federal courts found the misconduct resulted in harmful error and either set aside the conviction or sentence, declared a mistrial, or barred the introduction of certain evidence.

The Department has taken a variety of actions to address the issue of prosecutorial misconduct. For example, in January 2010 the Department issued a document entitled Guidance for Prosecutors Regarding Criminal Discovery, which provides requirements for prosecutors' discovery obligations, such as what material must be reviewed, how the review should be conducted, and how disclosure should be made. The Department also appointed a National Coordinator of Criminal Discovery Initiatives to oversee training for prosecutors, supervise the creation of centralized resource materials, and oversee other projects relating to criminal prosecutions. All Department prosecutors are now required to annually complete 2 hours of training on the government's criminal disclosure obligations and policies, and new prosecutors are required to complete more extensive training on this topic within their first 12 months of employment. In addition, the Department has designated "discovery experts" in all 94 United States Attorneys' Offices and in the Department's criminal litigating components. The Department also plans to reconvene a Computer Forensics Working Group to address the problem of properly cataloging electronically stored information recovered as part of federal investigations. These initiatives demonstrate commitment by the Department to improving training for prosecutors and for seeking to prevent prosecutorial misconduct.

However, we believe the Department faces additional challenges in ensuring that it has an adequate process to investigate and hold accountable any Department attorneys who commit professional misconduct. The transparency, effectiveness, and timeliness of the Department's internal process to address allegations of prosecutorial misconduct have been questioned, and we believe the Department should take action to improve the transparency of that process. For example, OPR, the internal entity that investigates allegations of prosecutorial misconduct by Department attorneys, has taken steps during the past 2 years to address the backlog in its annual reports and to more promptly post its annual reports containing summaries of its investigations of allegations of prosecutorial misconduct. However, these reports provide only limited details on the cases and the basis of OPR's conclusions. The Acting Deputy Attorney General recently stated that the Attorney General has directed the Department "to work on finding ways to make more information available to the public about these matters." We believe this is one important step. However, we believe that the timeliness and transparency of the Department's internal processes for addressing allegations of prosecutorial misconduct need improvement to increase public confidence in the Department's ability to address such allegations.

Allegations have also arisen regarding the enforcement of federal voting rights law by the Voting Section of the Civil Rights Division. The OIG recently initiated a review of the enforcement of civil rights laws by the Voting Section that will examine the types of cases brought by the Voting Section over time, any changes in Voting Section enforcement policies or procedures, whether the Voting Section has enforced the civil rights laws in a non-discriminatory manner, and whether any Voting Section employees have been harassed for participating in the investigation or prosecution of particular matters.

The actions of the Department's law enforcement components can also affect the public's confidence in Department operations. For example, the Department must strive to ensure that it abides by the Attorney General's Guidelines for conducting investigations and does not improperly infringe on First Amendment rights in its investigations. In September 2010 the OIG issued a report concerning allegations that the FBI had targeted certain domestic advocacy groups for scrutiny based upon their exercise of rights guaranteed under the First Amendment to the United States Constitution. In this review, we examined whether the FBI complied with the Attorney General's Guidelines in classifying and conducting certain investigations. Our review did not find that the FBI had targeted these groups for investigation on the basis of their First Amendment activities, but we concluded that the factual basis for opening some of the investigations of individuals affiliated with the groups was factually weak, that the FBI extended the duration of investigations in some cases involving advocacy groups or their members without adequate basis, and that in a few instances the FBI improperly retained information about the groups in its files. Our findings about this report are discussed in more detail in our discussion of the Department's challenge in protecting civil rights and liberties.

In September 2010 we also issued a report which found that a significant number of FBI employees had cheated on the FBI exam regarding the Domestic Investigations and Operations Guide (DIOG). The DIOG implements the Attorney General's Consolidated Guidelines for FBI Domestic Operations, which were issued in 2007 and replaced several older sets of guidelines that separately addressed the requirements FBI agents must follow in criminal investigations, national security investigations, and foreign intelligence collection. When the DIOG was implemented, the FBI assured Congress that the new guidelines "take seriously the need to ensure compliance and provide for meaningful oversight to protect privacy rights and civil liberties" and that the FBI would ensure that the FBI complied with the new guidelines. We credited the FBI for implementing comprehensive training on the DIOG and for requiring employees to take and pass a computerized 51-question exam concerning this guide. However, in our limited investigation of four FBI field offices, we found that a significant number of FBI employees had engaged in some form of cheating or improper conduct on the DIOG exam, some in clear violation of FBI directives regarding the exam. For example, some FBI employees consulted with others while taking the exam when that was specifically forbidden by the test-taking protocols. Others used or distributed answer sheets or study guides that essentially provided the answers to the test. A few exploited a programming flaw to reveal the answers to the exam. Almost all of those who cheated falsely certified on the final question of the exam that they had not consulted with others. We recommended that the FBI take action regarding those who cheated on the DIOG exam, consider other appropriate steps to determine whether other test takers engaged in similar inappropriate conduct, and also conduct a new exam on the revised DIOG. We are awaiting the FBI's response to these recommendations, which we believe can restore confidence that all FBI agents recognize the critical importance of complying with the Attorney General's Guidelines.

In sum, the Department should continue to focus attention on meeting the challenge of restoring confidence in the Department.

3. Law Enforcement Issues Along the Southwest Border: Organized criminal activities along the 2,000-mile U.S. border with Mexico present stark challenges for the Department. According to the Department's 2010 National Drug Threat Assessment, most of the illicit drugs in the United States and thousands of illegal immigrants are smuggled across the border from Mexico by crime cartels. Criminal activity also occurs in the other direction across the border, with firearms and currency smuggled from the United States into Mexico. This year we have added law enforcement issues along the Southwest Border as one of the top management challenges for the Department.

To combat violent crime, gun smuggling, drug trafficking, and illegal immigration along the Southwest Border, the Department created the Southwest Border Enforcement Initiative, which seeks to promote cooperation and enhanced intelligence and enforcement activities to attack major Mexican-based trafficking organizations on both sides of the border. The initiative is a cooperative effort among the Department's law enforcement components and United States Attorneys' Offices, the Department of Homeland Security, and many state and local law enforcement agencies.

ATF's Project Gunrunner is a key component of the Southwest Border Enforcement Initiative. Project Gunrunner is intended to reduce cross-border drug and firearms trafficking and the high level of violence associated with these activities on both sides of the border. An OIG review of Project Gunrunner found that an increase in ATF's program activities related to firearms trafficking from the United States to Mexico, but we also found that significant weaknesses in Project Gunrunner implementation undermined its effectiveness. For example, our review found poor coordination and collaboration between ATF and other Department components, and between ATF and units of the Mexican government. In addition, ATF does not systematically and consistently exchange intelligence with its Mexican agency contacts and some U.S. partner agencies. Some ATF field agents reported that they do not find investigative leads provided to them by ATF's Field Intelligence Groups to be timely and usable. Intelligence personnel in ATF's Southwest Border field divisions also do not routinely share firearms trafficking intelligence with each other. Moreover, ATF's focus remains largely on inspections of gun dealers and investigations of straw purchasers, rather than on higher-level traffickers, smugglers, and the ultimate recipients of the trafficked guns. ATF also is not using intelligence effectively to identify and target firearms trafficking organizations operating along the Southwest Border and in Mexico.

In September 2010, after we had provided our draft report to ATF, ATF circulated a revised strategy for combating firearms trafficking to Mexico and related violence. ATF's new strategy includes 13 key elements, such as closer coordination with other law enforcement agencies, particularly related to intelligence on drug cartels; the need to improve intelligence collection, sharing, and analysis and the prioritization of leads; improved coordination with Southwest border field divisions and ATF's Mexico Country Office, including the use of Border Liaison Officers; focusing investigations on complex conspiracy cases and entire trafficking rings; greater use of the Department's Organized Crime Drug Enforcement Task Force Program; and improved investigative coordination and intelligence sharing with Mexican law enforcement, including on gun tracing. We believe ATF's strategy can address many of the weaknesses identified in our review, but development of an implementation plan – with defined goals, specific actions, and resources – is essential to the success of this new strategy.

The OIG's report on the El Paso Intelligence Center (EPIC), a multi-agency intelligence center funded primarily by the DEA, also identified improvements that are needed in intelligence relating to Southwest Border drug smuggling and associated violence. We found that EPIC's partner agencies and users regard EPIC's products and services as valuable and useful, but we identified weaknesses that have hindered EPIC's effectiveness. For example, EPIC did not analyze some information that it alone collected regarding drug seizures, fraudulently used documents, and activities of drug traffickers. As a result, EPIC was likely overlooking drug trafficking trends and patterns that could assist interdiction investigations and operations. In addition, EPIC's coordination with federal and state intelligence organizations across the country was inconsistent, and federal agencies' requests for information from EPIC's databases have been declining since 2005 at the same time the Department's focus on trafficking and associated violence on the Southwest border was increasing.

In response to the OIG's recommendations regarding EPIC, the DEA reported it has taken steps to improve EPIC's systems for sharing information with federal, state, and local law enforcement users, and that EPIC is improving its capability to use seizure information to better identify vulnerabilities along the Southwest Border. Also, according to the DEA, EPIC will provide better access to its fraudulent documents database to authorized law enforcement agencies, including the Department of Homeland Security's Immigration and Customs Enforcement, and EPIC is incorporating performance metrics in its strategic plan.

In addition to addressing violent crime and drug trafficking problems, the Department also plays a key role in immigration policy and enforcement along the Southwest Border. The Department's Executive Office for Immigration Review is responsible for operating 59 immigration courts. In our 2008 report on allegations of politicized hiring of immigration judges, we noted that the hiring deficiencies contributed to the increasing workload of immigration judges. The backlog of immigration cases has continued to grow due to an increasing caseload and unfilled vacancies on the immigration court. We are now conducting a review that is examining the operation of the immigration courts, the backlog in immigration cases, and other issues that affect the Department's enforcement of immigration laws.

In sum, while the Department has increased its efforts to address violent crime and illegal immigration along the Southwest Border, recent OIG reviews have highlighted the need for stronger coordination among the Department's components and between the Department and other agencies. We believe that the difficult issues confronting law enforcement agencies along the Southwest Border make this a top management challenge for the Department.

4. Civil Rights and Civil Liberties: At the same time that the Department is pursuing its counterterrorism and law enforcement responsibilities, the Department must also seek to protect civil rights and civil liberties. As Director FBI Mueller recently stated:

> If we safeguard our civil liberties, but leave our country vulnerable to a terrorist attack, we have lost. If we protect America from terrorism, but sacrifice civil liberties, we have also lost. We must work to strike that balance, every day, in every case.

Several of our recent reviews demonstrate the challenges the Department faces in pursuing this balance. For example, as noted above in the challenge on restoring confidence in the Department, in September 2010 we issued a report concerning allegations that the FBI targeted certain domestic advocacy groups for scrutiny based upon their exercise of rights guaranteed under the First Amendment to the United States Constitution. The OIG review examined FBI activities from 2001 through 2006 related to domestic advocacy groups such as the Thomas Merton Center, Greenpeace, People for the Ethical Treatment of Animals, and the Catholic Worker. Our review did not find that the FBI had targeted any of the groups for investigation on the basis of their First Amendment activities. However, we concluded that the FBI did not always act consistently with its policy requiring “strict compliance” with the Attorney General’s Guidelines in certain cases implicating First Amendment rights. We found that the factual basis for opening some of the investigations of individuals affiliated with the groups was weak, that the FBI extended the duration of some investigations involving advocacy groups or their members without adequate basis, and that in a few instances the FBI improperly retained information about the groups in its files. The FBI also classified some investigations relating to nonviolent civil disobedience under its “Acts of Terrorism” classification, which resulted in the watchlisting of subjects during the pendency of the investigation.

Our report recommended that the FBI should specify the potential violation of a specific federal criminal statute as part of documenting the basis for opening a preliminary or full investigation in cases involving investigation of advocacy groups or their members for activities connected to the exercise of their First Amendment rights. We also recommended that the Department and the FBI consider whether the current Attorney General’s Guidelines and FBI policies should be modified to reinstate the prohibition on retaining information from public events that is not related to potential criminal or terrorist activity. In addition, we recommended that the FBI and the Department provide further guidance on when cases involving First Amendment issues should be classified as Acts of Terrorism matters and when they should not. The FBI stated that it concurred with the recommendations in our report, and we believe the FBI should take prompt action to ensure that these recommendations are implemented.

The need for an appropriate balance between the Department’s counterterrorism and law enforcement responsibilities and the need to protect civil rights and civil liberties was also highlighted by an OIG report examining the FBI’s use of exigent letters and other processes to obtain telephone records without legal process. In addition to prior reports on the FBI’s misuse of national security letters (NSL), in January 2010 the OIG issued a review that examined the extent of the FBI's use of exigent letters and other informal requests, rather than properly issued NSLs, to obtain telephone records between 2003 and 2006. We found misuse of exigent letters and widespread use of other improper and even more informal requests for telephone records, such as requests made by e-mail, face to face, on post-it notes, and by telephone. The FBI also had obtained telephone records using a practice referred to by the FBI and the providers as "sneak peeks." Our report described other troubling incidents regarding such requests, including improper requests for reporters' telephone records; inaccurate statements made by the FBI to the Foreign Intelligence Surveillance Court; improper use of administrative subpoenas; and serious lapses in training, supervision, and oversight regarding the use of NSLs.

In response to our reports on NSLs and the use of exigent letters, the FBI has taken significant steps to correct deficiencies we identified. For example, the FBI has implemented an automated system to generate and track NSLs and ensure accurate reports to Congress and the public on NSL usage. The FBI also issued NSL guidance memoranda, conducted training of FBI field and Headquarters personnel on the proper use of NSLs, and created a new Office of Integrity and Compliance modeled after private sector compliance programs. In addition, the Department's National Security Division has instituted periodic national security reviews of FBI field and Headquarters divisions to assess whether the FBI is using various investigative and intelligence techniques, including NSLs, in accordance with applicable laws, guidelines, and policies. We are currently assessing the effectiveness of the FBI's corrective actions in these areas.

The OIG is also conducting additional reviews addressing the challenge the Department faces in balancing its counterterrorism and law enforcement responsibilities with protecting individual civil rights and civil liberties. For example, Section 702 of the *Foreign Intelligence Surveillance Act (FISA) Amendments Act of 2008* (Act) authorizes the targeting of non-U.S. persons reasonably believed to be outside the United States to acquire foreign intelligence information. The Act requires the OIG to examine the number of disseminated FBI intelligence reports that contain a reference to a U.S. person identity, the number of U.S. person identities subsequently disseminated in response to requests for identities not referred to by name or title in the original reporting, the number of targets later determined to be located in the United States, and whether communications of such targets were reviewed. Our review is also examining the FBI's compliance with the targeting and minimization procedures required under FISA.

In sum, the Department must continually focus on implementing appropriate training, policies, controls, and oversight mechanisms to make certain that the Department protects civil rights and civil liberties while at the same time aggressively pursuing its counterterrorism and law enforcement responsibilities.

5. Information Technology Systems Planning, Implementation, and Security: The Department's planning, implementation, and security of its information technology (IT) systems form an increasingly difficult challenge, and the Department's track record in this area is uneven.

The Department annually spends almost $3 billion on planning, implementing, and securing its many complex IT systems. The Department must plan those systems so that they keep pace with technological innovations and meet the changing IT needs of the Department. At the same time, the Department must seek to implement those systems in a timely and cost-effective fashion and ensure the security of those systems.

As noted in previous years' top management challenges, the Department has experienced significant problems in developing and implementing these IT systems. Several of the Department's major IT initiatives have failed to meet their objectives after hundreds of millions of dollars were expended. Some of these IT systems have taken so long to develop that they were technologically outdated by the time they were ready to be implemented.

Yet, the Department still uses a decentralized system for development of IT projects, which results in higher costs and duplicate IT solutions to common business processes. The Department IT Investment Review Board (DIRB), which is chaired by the Deputy Attorney General, attempts to monitor the progress of the Department's most important IT investments and annually reviews each component's IT investment portfolio. However, the DIRB's lack of direct line authority over IT project development makes it dependent on the components for information about IT projects and reduces its ability to prevent problems in the development of IT systems.

As evidence of the Department's difficulties in this area, in August 2010 the Office of Management and Budget (OMB) issued a list of 26 high-risk IT projects across the federal government that "experienced problems such as significant cost increases or schedule delays." That list contained three Department projects – the FBI's Sentinel Project to develop a case management information system, the Justice Management Division's Litigation Case Management System (LCMS) project to develop a case management information system for all seven of the Department's litigating divisions, and the FBI's Next Generation Identification (NGI) project to develop a state-of-the-art automated system for sharing fingerprint and other biometric information. We share OMB's concern over these three IT systems.

With regard to Sentinel, when the FBI awarded a contract to Lockheed Martin in March 2006 to develop Sentinel, the FBI estimated that it would cost a total of $425 million and be completed by December 2009. In a report issued in October 2010, the seventh of our reports on the development of Sentinel, we found that Sentinel is at least 2 years behind schedule and at least $100 million over budget. According to its original plan, Sentinel was to be fully completed by now. However, after spending about $405 million of the $451 million budgeted for the Sentinel project, the FBI has delivered only two of Sentinel's four phases to its agents and analysts. Moreover, we believe that the most challenging development work for Sentinel still remains.

The FBI recently announced a new plan for completing Sentinel. According to this new plan, the FBI will employ a new "agile methodology" and assume direct management of Sentinel development, reducing the role of Lockheed Martin as the prime contractor. Our initial consideration of the plan raises significant concerns and questions about the FBI's approach, including concerns relating to the cost, schedule, and amount of work to complete Sentinel. We are also concerned that budget and schedule constraints might reduce the functionality ultimately delivered to the FBI's agents and analysts. We will continue to monitor the progress of Sentinel.

The second high risk Department project identified by OMB, the LCMS project, has been under development since 2004. LCMS, which was intended to be a centralized IT case management system for approximately 14,500 authorized users in the Department's seven litigating divisions, was originally estimated to cost about $42 million and to be completed by December 2010. Yet, in an audit report issued in March 2009 we found that the LCMS project was more than 2 years behind schedule, approximately $20 million over budget, and at significant risk of not meeting the Department's requirements for litigation case management.

The reasons for the delays and cost overruns in LCMS were similar to problems we have identified with the implementation of other Department IT systems. Specifically, we found an ineffective requirements planning processes for LCMS, requirements being modified after much work had been done, defects identified in system integration and user acceptance that were costly to correct, and the failure to adequately address in a timely fashion the difficulties the contractor was having in meeting schedule and cost requirements. Because of these deficiencies OMB's Chief Information Officer recently reported that the Department has decided to terminate the LCMS project. As a result, millions of dollars in development of this IT system were spent in an unsuccessful attempt to develop a consolidated system, and the Department still struggles with decentralized, disparate litigation case management systems.

The third Department high-risk project identified by OMB is the FBI's Next Generation Identification (NGI) project, which is intended to enhance the existing capabilities of the FBI's current fingerprint identification system and provide searching capability for other types of biometric identification, such as palm prints, iris scans, and tattoos. NGI is intended to significantly reduce the amount of time needed to conduct searches for high-priority records. The FBI has requested $2.7 billion for this project from FY 2006 through FY 2010, and the project is expected to be completed by 2017. According to the OMB's "Federal IT Dashboard," the total cost of NGI is expected to be $3.4 billion through its completion in FY 2017. One of the key challenges for this high-dollar project is to contain its cost while implementing a design that can accommodate new types of biometric evidence as they become available.

The issues associated with these three projects mirror problems that the Department has experienced in the development of other IT systems. For example, the OIG identified similar IT system implementation issues in a March 2010 OIG review regarding the backlog of forensic analysis of DNA in the FBI Laboratory. Since September 2003, the FBI has spent over $10 million on developing a laboratory information system. Yet, over 6 years later the system is still under development, and the FBI Laboratory is incapable of generating an electronic chain-of-custody document, tracking laboratory-wide evidence workflows, or producing laboratory-wide statistical reports to identify problems and delays.

Another example of a difficult major IT development project is the Department's Integrated Wireless Network (IWN), a joint project with the Department of Homeland Security (DHS) and the Department of Treasury (Treasury) that is intended to allow federal law enforcement agents to communicate across agencies. This project is seeking to permit interoperability with state and local law enforcement partners, and meet mandates to use federal radio frequency spectrum more efficiently. In March 2007, the OIG reported that the project, which at that time had a budgeted cost of $5 billion between the Department, DHS, and Treasury, was at high risk for failure due to weaknesses in the program's governing structure and the uncertain and inconsistent funding mechanisms that allowed the participating agencies to pursue separate solutions. Now it appears that the development of IWN is still struggling. We are currently conducting an audit of the IWN project to evaluate the cost, schedule, and implementation of the IWN program.

Another example of an IT system under development that presents major challenges and must be carefully monitored is the Department's Unified Financial Management System, which is intended to standardize and streamline financial processes across the Department. The Department currently uses six major accounting systems that are not integrated with each other. These disparate legacy systems prevent the Department from easily obtaining current, detailed, and accurate financial information about the Department as a whole. The challenges in the development of a Unified Financial Management System are discussed more fully in the financial management challenge discussion.

When developing IT systems, the Department also must make certain that they are secure. The Department must ensure that IT developers and integrators have a clear understating of a system's requirements, that staff implement and continuously monitor security controls, and that adequate funding is available throughout the system's lifecycle to maintain the system's certification and accreditation.

In sum, developing IT systems in a timely, cost-effective, and secure way remains a major challenge for the Department. The difficulties the Department is facing are similar to the problems in other federal agencies, and there are no quick and easy solutions. But the Department's track record in this area is uneven, and we believe the Department must focus on this increasingly important challenge.

6. Violent and Organized Crime: While focusing on counterterrorism, the Department must also continue to address violent and organized crime. Organized crime in particular presents challenges for the Department because it is responsible for a wide range of criminal activity, such as manipulation of financial markets, drug trafficking, prostitution and human trafficking, and violent crimes, and has taken on an increasingly transnational nature. Organized criminals can launch their attacks from around the globe, which presents significant challenges for the Department's law enforcement efforts.

One type of organized crime – gang-related crime – has increased in prevalence and scope. According to the February 2010 National Drug Threat Assessment, in 2009 there were an estimated 1 million members belonging to over 20,000 criminally active gangs within the United States. The 2009 National Gang Threat Assessment reported that criminal gangs commit as much as 80 percent of the crime in many communities.

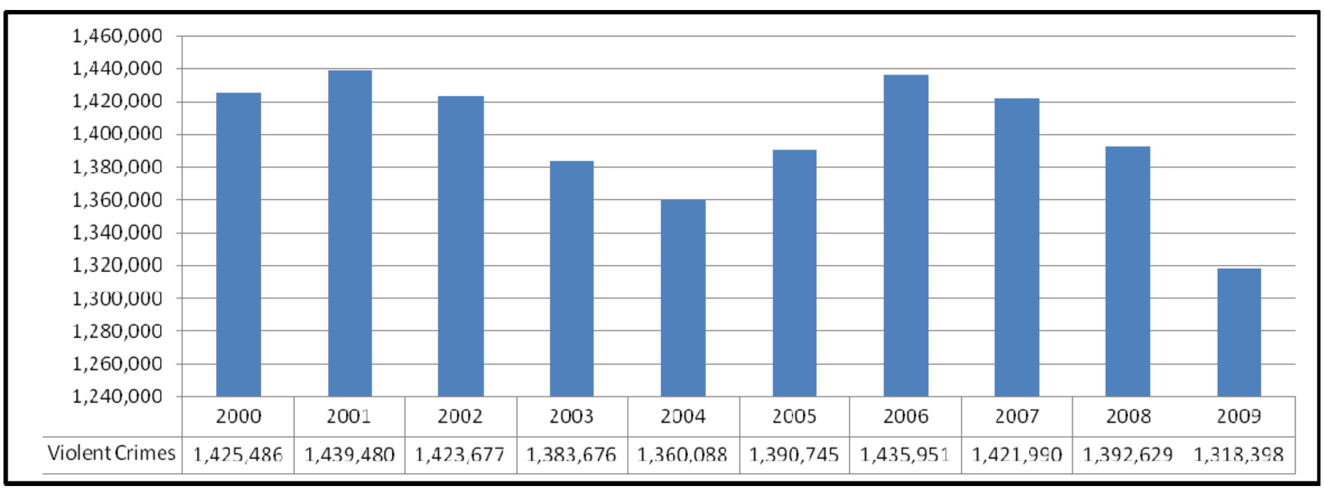
To combat violent gangs, among other measures, the Department established the National Gang Intelligence Center (NGIC) and the National Gang Targeting, Enforcement, and Coordination Center (GangTECC). NGIC, which is administered by the FBI, is a multi-agency center that develops and shares gang-related information among federal, state, local, and tribal law enforcement agencies. GangTECC, which is administered by the Criminal Division, is a coordination center for multi-jurisdictional gang investigations. Partnership of these two centers was intended to provide investigators and prosecutors with "one-stop shopping" for intelligence on gang activity and assistance with gang prosecutions.

However, an OIG review in November 2009 found that NGIC and GangTECC were not effectively collaborating and were not sharing gang-related information despite being located in the same office suite. Specifically, we concluded that the Department's two gang intelligence and coordination centers had not significantly improved the coordination and execution of its anti-gang initiatives. We also found that NGIC has not established a centralized gang information database as directed by statute due to technological limitations and operational problems, and had not shared gang intelligence and information effectively with other law enforcement organizations.

In response to our review, the Department is establishing a partnership of GangTECC and NGIC with the DEA's Special Operations Division and the Organized Crime Drug Enforcement Task Force Fusion Center. The Department also is considering merging three Criminal Division sections, including GangTECC and the Criminal Division's Gang Unit, to form the Organized Crime and Gang Section. As of September 2010, however, the Criminal Division merger was still pending formal approval by the Department.

Despite the challenges in combating organized crime, we believe the Department's efforts in addressing violent crime, in conjunction with its state and local partners, has shown progress. In 2009, an estimated 1.32 million violent crimes were reported, but this represented a decrease of 5.6 percent when compared with the number of violent crimes reported for 2008 (1.39 million).

Number of Reported Violent Crimes, 2000 - 2009



Source: The FBI's 2009 *Crime in the United States* report.

However, challenges remain in combating violent crime. For example, the FBI Laboratory analyzes forensic DNA from crime scenes, which can provide critical evidence in identifying and prosecuting violent criminals. Our recent audit found that the FBI Laboratory's backlog of forensic DNA cases is large and growing. As of March 2010, the FBI Laboratory had a backlog of over 3,200 forensic DNA cases in its Nuclear DNA Unit, which primarily examines biological fluid stains, such as blood and semen, and in its Mitochondrial DNA Unit, which analyzes evidence such as naturally shed hairs, hair fragments, bones, and teeth. From FY 2009 through the second quarter of FY 2010, the backlog of cases in the Nuclear DNA Unit grew by almost 40 percent, and in the Mitochondrial DNA Unit the backlog of cases grew by almost 130 percent. The length of time it takes for contributors to receive results from the FBI Laboratory after submission of evidence varies from an average of approximately 150 days to over 600 days, depending on the type of submission. This backlog can delay legal proceedings that are waiting on the results of DNA analysis, prevent the timely capture of criminals, prolong the incarceration of innocent people who could be exonerated by DNA evidence, and adversely affect families of missing persons waiting for positive identification of remains.

The FBI reported that it is in the process of hiring additional forensic examiners to address the forensic DNA backlog. However, hiring and training the new personnel could take approximately 12 to 18 months and therefore would not have a significant impact on the current backlog for almost 2 years. The FBI is also pursuing other strategies, such as outsourcing agreements and a laboratory information management system, to address the forensic backlog.

Our report made five recommendations to the FBI to help improve Laboratory DNA operations, such as standardizing FBI Laboratory-wide definitions for calculating backlog, ensuring FBI Laboratory users have access to a laboratory information management system, and examining the effect of outsourcing agreements on the overall backlog and the time contributors wait for test results. The FBI concurred with these recommendations and is developing a plan to implement them.

Another critical service that the Department provides to combat one type of violent crime is the maintenance of the National Sex Offender Registry. Yet, in a 2008 report, we found that information in the National Sex Offender Registry was incomplete and inaccurate, and the registry was not a reliable tool for law enforcement and the public. In response to our report, the FBI initiated audits of state sex offender registries, which are the source of information in the National Sex Offender Registry, to ensure the information contained in the National Sex Offender Registry is complete and accurate and in compliance with FBI procedures and statutory guidelines. In addition, since the issuance of our report, the FBI and USMS have improved procedures for transferring data from the National Sex Offender Registry and the National Crime Information Center's Wanted Persons File from the FBI to the USMS so the information can be used to identify fugitives wanted for offenses related to sex offender registration requirements.

ATF also plays an important role in combating violent crime by ensuring that federal laws are followed during the sale of guns. For example, ATF conducts regulatory inspections of Federal Firearms Licensees (FFLs) to determine whether FFLs are taking appropriate measures to avoid selling firearms to prohibited persons. In a 2004 review, we found that ATF's inspection program was not fully effective for ensuring that FFLs comply with federal firearms laws because inspections were infrequent and of inconsistent quality, and follow-up inspections and adverse actions were sporadic even when numerous or serious violations were identified. We recommended ATF improve its inspection program by developing a standard inspection process, revising staffing requirements, improving the comprehensiveness of crime gun tracing by law enforcement agencies, and creating a tracking system to monitor the progress and timeliness of FFL denials and revocations. We are now conducting a follow-up review to assess the changes ATF has made to the gun dealer inspection program since 2004.

In sum, although violent crime in general has decreased over the past several years, the Department must not relent in its focus on this challenge, and the Department must focus particular attention on the challenges posed by organized criminal groups.

7. Financial Crimes and Cyber Crimes: The need to aggressively combat financial crimes and cyber crimes is an increasing challenge for the Department. Financial fraud continues to affect the economy, and the increased use of computers and the Internet in furtherance of financial crimes, as well as the international scope of these criminal activities, has exacerbated the challenge of cyber crime.

In November 2009, a presidential Executive Order created the Financial Fraud Enforcement Task Force (Task Force). The Department described the Task Force as the "cornerstone" of its work in the financial fraud area. Led by the Department, the Task Force combines the work of several agencies to focus on mortgage crime, securities fraud, *American Recovery and Reinvestment Act* (Recovery Act) and rescue fraud, and financial discrimination.

In connection with the Task Force the Department launched Operation Stolen Dreams, a multi-agency initiative designed to combat mortgage fraud. In June 2010 the Department reported that this operation involved the prosecution of 1,215 criminal defendants nationwide who allegedly were responsible for more than $2.3 billion in losses. The Department also reported that the operation recovered more than $147 million through 191 civil enforcement actions.

The Department and the Task Force are also focusing investigative resources on securities fraud as well as on Recovery Act fraud and fraud in other rescue funds. Among other things, the Department is providing training to federal grantees and contractors on ways to prevent and detect such fraud.

Closely related to the challenge of financial crimes is cyber crime. Rapid technological advances and the widespread use of the Internet make cyber crime an increasing challenge for the Department. The broad range of cyber crime includes online fraud, identity theft, and child pornography. In addition, cyber attacks can threaten national security and also result in serious financial consequences for individuals, businesses, and government institutions. Cyber crime is of particular concern because it can be committed remotely and anonymously, across state and international borders.

Identity theft is a major cause of financial and cyber crime. According to the Department, identify theft was the fastest growing crime in 2008, victimizing more than 10 million Americans. Yet, a March 2010 OIG audit report found that that the Department had not developed a comprehensive strategy to combat identity theft. We also determined that the Department had not implemented several of the recommendations stemming from a 2008 follow-up report issued by the President's Identity Theft Task Force. We recommended that the Department ensure that its efforts to combat identity theft are better coordinated and are given sufficient priority. Since we issued our audit, the Department has designated a senior official to coordinate the Department's identity theft enforcement efforts, and all relevant DOJ components have designated an official to oversee their components' identity theft enforcement efforts.

These officials have held initial meetings and are working to improve the Department's efforts to combat identity theft.

The Department must also focus attention on cyber crime that can threaten national security. The OIG is examining the development and operation of the FBI's National Cyber Investigative Joint Task Force, as well as the capabilities of FBI field offices to investigate national security cyber cases. In addition, we are conducting a separate review on the Departments Justice Security Operations Center, which helps protect the Department's information technology infrastructure and sensitive data from cyber attacks.

Overall, we believe the Department is making progress in combating financial and cyber crime through targeted initiatives and by collaborating with other agencies to combat the mounting challenge. However, this area is a top management challenge for the Department.

8. Detention and Incarceration: Safely, securely, and economically handling the large federal inmate and detainee populations is a difficult challenge for the Department. The Federal Bureau of Prisons (BOP) must contend with overcrowded and aging facilities, higher inmate to staff ratios, the need to address staff sexual abuse of inmates and other types of staff misconduct, and providing jobs and training programs for inmates while they are incarcerated. At the same time, the USMS must find cost-effective detention space in state and local facilities to house tens of thousands of federal detainees awaiting trial or sentencing.

These challenges are even more difficult because of the significant increase in the federal inmate population. In the past 10 years, the inmate population has risen from 156,572 inmates at the end of FY 2001 to 210,227inmates at the end of FY 2010, an increase of 34 percent. The inmate to staff ratio for 2001 was 4.1 to 1 and for 2010 was at 4.82 to 1. Approximately 82 percent of inmates are confined in BOP-operated facilities, with the balance housed in privately managed or community-based facilities and local jails.

This influx of prisoners has led to overcrowding across the BOP prison system with BOP facilities at 37 percent above rated capacity, on average. The greatest growth is in the numbers of medium- and high-security inmates who the BOP cannot house in contract facilities. The BOP must either add beds to existing BOP institutions or build new institutions. Since FY 2006, the Department has identified prison overcrowding as a material weakness in the Department's Performance and Accountability Report. According to the BOP, increases in prison crowding and the inmate to staff ratio are both correlated with increases in violence among the inmate population.

In addition to being overcrowded, approximately one-third of the BOP's 116 institutions are 50 years old or older. Aging facilities often present greater security risks than newer facilities. Many of the BOP's older facilities have never undergone major renovations and require extensive work to maintain compliance with established prison security standards.

Another factor that can affect the safety of inmates and staff is misconduct by correctional officers. One especially serious type of misconduct that undermines the safety and security of prisons – for both inmates and other staff – is staff sexual abuse of inmates. This is not a harmless or victimless crime. It harms inmates, and it also undermines the security of institutions by corrupting staff members. Of the small percentage of correctional officers who have sexual relationships with inmates, many also smuggle contraband, ranging from cell phones to drugs and weapons, into prisons for these inmates.

In September 2009, the OIG issued a report on the Department's efforts to prevent staff sexual abuse of inmates. Since then, we have continued to assess the BOP's progress in preventing sexual abuse of inmates and providing services to inmate victims. We have found that, in response to our recommendations, the BOP has improved its procedures for tracking allegations, clarified and reinforced prison procedures for providing medical and psychological services to inmate victims, and updated training for inmates and staff. However, of continuing concern are the BOP's procedures for safeguarding inmate victims of sexual abuse. As protective measures, the BOP typically isolates inmate victims in special housing units and transfers victims to other institutions. Yet, these measures may further traumatize victims and move them further away from family members. Alternatives to isolation and transfer are available, and the BOP has agreed to considered alternatives in each incident. However, the BOP has not developed a method to determine whether institutions have appropriately considered alternatives before isolation and transfer are used as protective measures.

Under the *Prison Rape Elimination Act of 2003,* the Department is responsible for reviewing the proposed standards issued by the National Prison Rape Elimination Commission and issuing national standards to enhance the detection, prevention, reduction, and punishment of prison rape. The Act mandated that the Attorney General publish a final rule adopting national standards by June 2010, 1 year from the date of the Commission's recommendations. The Department has not yet met this statutory requirement. The Department is in the process of considering comments to the recommended standards but has not published its final rule. We believe it is essential that the Department move quickly to comply with the Act and implement a final rule to help protect inmates from prison rape.

The BOP's ability to screen out unsuitable applicants when hiring correctional officers is an important safety issue for both inmates and staff members. Last year, 28 BOP officers were convicted of committing criminal acts while on the job, such as sexual abuse of inmates or smuggling contraband into a prison facility. In addition, approximately 80 correctional officers were fired or resigned because of misconduct findings. While these employees represent only a small percentage of the BOP's work force of over 38,000 employees (about half of which are correctional officers), misconduct by even a few employees can undermine the safety and security of institutions and violate the rights of inmates. The OIG is currently examining the BOP's strategies and procedures for hiring correctional officers.

Federal Prison Industries, called "UNICOR," is a government corporation within the BOP that provides employment to staff and inmates at federal prisons throughout the United States. Participation in the UNICOR Program can help reduce inmate misconduct by keeping prisoners productively occupied, and it also can reduce recidivism by providing inmates with marketable work skills. As of June 2010, UNICOR operated 103 factories at 73 prison locations, employing approximately 17,000 inmates. However, the number of inmates who participate in

UNICOR was significantly lower this year than previous years because UNICOR closed and downsized several factories during the past year.

In addition to the challenge of managing UNICOR so that it is financially self-sustaining, the BOP also must ensure that UNICOR facilities provide a safe work environment for inmates and staff. The OIG released a report in October 2010 that found workers and inmates at several BOP institutions were exposed to toxic metals, such as cadmium and lead, and other hazards while working in electronic waste (e-waste) recycling plants operated by UNICOR. Our report, which was completed with the assistance of four federal agencies with expertise in health, safety, and environmental matters, found that UNICOR had significant problems with its e-waste program and exhibited a troubling lack of attention to the safety of staff and inmates who participated in the e-waste recycling operations, especially from the program's inception in the mid-1990s to 2003. However, we also found that UNICOR began to implement significant health and safety improvements to its e-waste recycling operations starting in June 2003, primarily to control exposures to toxic metals. Our review determined that by 2009, with limited exceptions, UNICOR's e-waste operations were compliant with Occupational Safety and Health Administration requirements and were being operated safely. The OIG and the agencies that assisted us made various recommendations that can help UNICOR further improve its compliance with applicable health, safety, and environmental requirements. The BOP concurred with those recommendations and is beginning to implement them.

The OIG also recently reviewed the BOP's furlough program, which is used to transfer inmates to another BOP institution, a medical facility for long-term treatment, or a halfway house when the inmates are nearing the end of their sentences. The BOP also uses non-transfer furloughs, where inmates are allowed to leave and return to the same institution, to permit inmates to receive short-term medical treatment, strengthen their family ties, or allow them to participate in educational, religious, or work-related activities.

Our report, issued in September 2010, found weaknesses in the BOP's policies regarding the furlough program. Most significantly, the BOP's current furlough policy does not require BOP staff to notify victims and witnesses when an inmate is released on a medical furlough, does not require inmates to sign a document specifying that a urinalysis test will be conducted upon the inmate's return from the furlough, and does not contain limitations on the furlough eligibility of inmates found guilty of drug use or the introduction of drugs into BOP institutions.

We also determined that the BOP drafted a policy in 2003 to address these and other weaknesses in its furlough program. However, the BOP has not implemented this draft policy for over 7 years because, according to BOP officials, the BOP must negotiate policy changes with the union representing BOP employees before implementing the changes, and this draft policy never reached the top of the queue for negotiation. Therefore, 7 years after the BOP drafted a policy that addresses weaknesses in the furlough program, the policy has yet to be implemented. Moreover, in response to our report, the BOP estimated that the revised furlough policy would not be negotiated and implemented until December 2017. We believe that the BOP's timeframe for implementation of this recommendation is excessive and unacceptable. In essence, the BOP's response to our recommendation is stating that it will take a total of 14 years before important improvements to its furlough policy, including one that would enhance victims' rights, are implemented.

When our report was issued, the union representing BOP employees stated that BOP management was at fault because it failed to use a mechanism to prioritize this issue for negotiations. According to the BOP, there are approximately 50 other items on the list to be negotiated, including important issues such as searches of BOP staff for contraband, procedures related to the BOP witness security program, and staff discipline procedures.

We believe that it is critical for the BOP and the union to address expeditiously outstanding issues, including the furlough program and other issues that can affect the safety and security of prison staff and inmates. We also believe that the negotiating process needs to be revised to allow the issues to be addressed in a timelier manner.

In addition to incarcerating sentenced inmates at BOP facilities, the Department also must provide safe and affordable detention space for nearly 60,000 federal detainees awaiting trial or sentencing. The USMS is responsible for housing these detainees, and the Department's Office of the Federal Detention Trustee (OFDT) oversees approximately $1 billion in the annual budget for housing federal detainees. The USMS houses 80 percent of its detainees in non-federal detention space. To do so, it negotiates contracts, known as Intergovernmental Agreements (IGA), with approximately 1,800 state and local governments.

Over the years, we have expressed concerns that the Department was not effectively negotiating the rates it pays to state and local entities for housing these federal detainees. In FY 2008, the OFDT and USMS made changes in the way they establish jail-day rates with state and local detention facilities. One change involves OFDT using an econometric statistical model, known as eIGA, for estimating a fixed-price range for the jail-day rate for federal detainees housed at state and local facilities. However, negotiated jail-day rates under the new approach appear to give some state and local facilities a large profit to house the detainees. We are conducting an audit reviewing the Department's use of the eIGA process to determine whether it is economically and efficiently setting the jail-day rates. This issue can have significant consequences for the total budget required to house detainees.

In sum, the Department continues to face difficult challenges in providing adequate prison and detention space for the increasing prisoner and detainee populations and in maintaining the safety and security of prisons.

9. Grant Management: The OIG has included grant management as a top management challenge since the inception of this list. Beginning in 2009, the Department faced heightened challenges in grant management because it had to award $4 billion in grants under the Recovery Act at the same time that it had to award the $3 billion in grant funding contained in the Department's annual appropriations.

For 2010, we report a single challenge that focuses on the Department's management of grant funds in the Recovery Act as well as the Department's regular grant programs.

The Recovery Act, which provided $787 billion in total funding to attempt to stimulate the economy, included $4 billion in Department grant funding to enhance state, local, and tribal law enforcement; to combat violence against women; and to fight Internet crimes against children. As of the end of August 2010, the Department had expended about 52 percent of its Recovery Act funds. The Department handled this increased grant workload without any significant increase in staff. Our reviews have found that, in general, the Department's grant management staff made extraordinary efforts to implement the Recovery Act programs and generally issued the Recovery grant funds in a timely, fair, and objective manner.

At the same time, the Department has sought to improve its regular grant management practices. In 2009, shortly after the passage of the Recovery Act, the OIG developed a document, entitled *Improving the Grants Management Process*, which contains a series of recommendations and best practices in grant management that federal agencies should consider implementing. The Department responded positively to the recommendations in this document and has implemented changes in its grant management practices, including expanding the use of online training opportunities among grant recipients and assisting grantees in determining the appropriate performance information to collect. In addition, the Department's Office of Justice Programs' (OJP) Office of Audit, Assessment, and Management has improved the Department's monitoring and oversight of grants by: (1) establishing a working group to review monitoring practices and develop standard monitoring approaches and procedures, (2) enhancing computer systems and developing new procedures for managing grant programs, (3) updating oversight and monitoring procedures, and (4) improving site visit documentation and the quality of site visit reports.

This past year, when the Department planned to expand the number of grants awarded to tribal organizations, the Department asked the OIG for additional recommendations relating specifically to tribal grant management and oversight. In response, the OIG drafted a document, entitled *Improving the Grant Management Process for Department of Justice Tribal Grant Programs*, which provided additional recommendations for the Department to consider, such as increasing training, assistance, and oversight to tribes with inadequate accounting systems.

While we believe the Department has taken positive steps toward improving its grant management practices, these changes will take time to fully implement and to incorporate into the Department's regular practices. Moreover, our audit work has continued to identify areas where the Department could further improve its management of grants. For example, our audits of Recovery Act programs found that the Department's program offices and bureaus did not always assess the programmatic, financial, and administrative areas of the grants before making awards, and they also did not retain adequate documentation to support their review work.

In addition, the Department needs to ensure that grant applicants submit key documents in their application packages. For example, our review of OJP's administration of the Byrne Grant Program, which provided $2.2 billion in both formula and discretionary Recovery Act grants to states, tribes, and local governments to support a broad range of law enforcement activities, found that OJP generally managed the Recovery Act funds for the Byrne Program in accordance with OMB guidelines and established grant management practices. However, we also found that

OJP awarded several formula grants to applicants whose packages were missing key documentation, such as complete program narratives, project abstracts, and budget documents. OJP also treated competitive grant applicants inconsistently, allowing some grant applications to continue through the competitive process even though they did not meet one or more of the solicitation requirements, while denying other applicants further consideration for the same deficiencies. OJP agreed to implement procedures to ensure that applications are treated consistently when OJP reviews applications to determine whether they meet the application requirements.

The Department should also implement better controls to ensure that it correctly scores grant applications. For example, in May 2010 we issued an audit report on the selection process for the $1 billion Community Oriented Policing Services (COPS) Hiring Recovery Program, which awards grants to state and local entities for the hiring, rehiring, and retention of career law enforcement officers. Our audit determined that COPS used inaccurate formulas in developing the scores and ranks of applicants, which resulted in the allocation of grants to 45 entities that should not have received grants, while another 34 entities that should have received grants did not. In addition, we identified six grantees that received more officer positions than they should have and six grantees that received fewer officer positions than they should have. In response to our audit, COPS informed us that it has corrected the formulas for future use and modified its FY 2010 hiring grant allocation process to ensure that those entities that were negatively affected due to scoring inaccuracies received appropriate grant funding. We plan to review these actions taken by COPS.

We found a similar calculation error in our audit of the Office on Violence Against Women's (OVW) administration of $225 million in grant funding. Our audit determined that the OVW had awarded its grants in a prompt and reasonable manner, but we identified several instances where OVW internal peer reviewers incorrectly tabulated individual application scores and thus incorrectly ranked some applications higher than others. In addition, we found that peer reviewers were not always screened for potential conflicts of interest before they were allowed to evaluate and score discretionary grant applications.

We also found in our Recovery Act audits that the Department was not consistently documenting its reasons for making discretionary awards and was not explaining why some applications that were ranked lower by peer reviewers were awarded grants over applications that peer reviewers had ranked higher. Although the Department is not required to follow the rankings of peer reviewers in awarding grants, we believe that the Department should document its rationale for award decisions that deviate from peer review results.

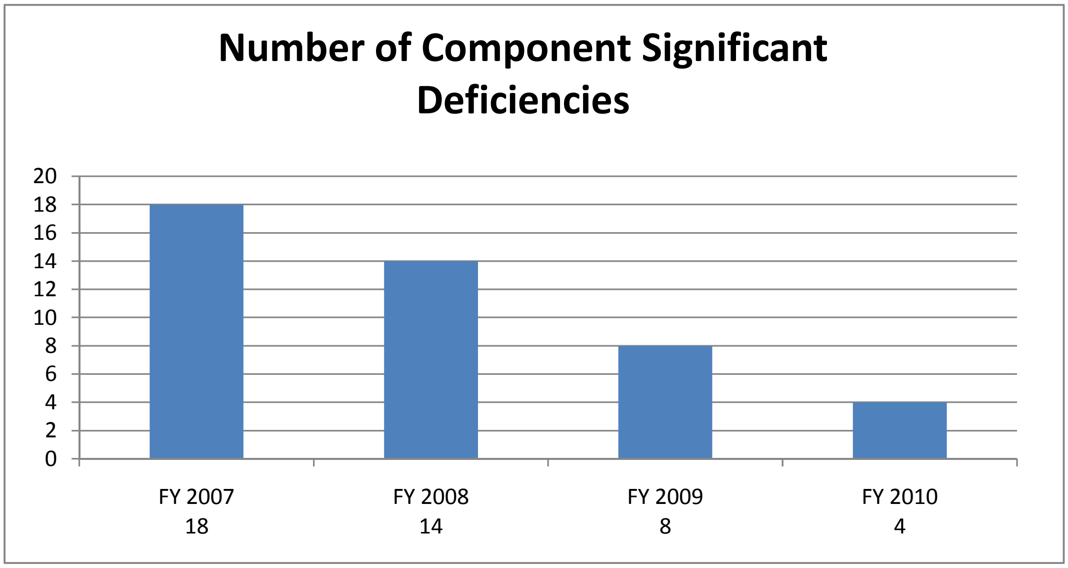
Our other recent oversight work on non-Recovery Act funds identified areas where the Department can improve its grant management. In July 2010, we issued a report on OJP's management of its offender reentry initiatives, programs which seek to reduce inmate recidivism and to help state, local, and community organizations provide assistance to released inmates as they transition to life outside prison. Our audit found that OJP had not established an effective system for monitoring grantees to assess whether they were meeting program goals. In response to the audit, OJP has taken steps to make grantees aware of reporting procedures to facilitate timely and accurate reports, provided detailed and precise definitions to current reentry grant applicants regarding target populations, and to evaluate the current reentry grant program. In our individual audits of grantees' use of awarded funds, we determined that the use of some grant funds were not supported by documentation, were unallowable based on the terms and conditions of the grant, or were not used for appropriate grant expenditures.

We also believe that the Department can take further action to address outstanding recommendations to resolve questioned costs from our audits of grantees. For example, we released an audit report in 2006 on the Department's grant closeout process in which we recommended that OVW resolve $37 million in questioned costs related to grant drawdowns occurring more than 90 days past the grant end date and de-obligate and put to better use over $14 million obligated to expired grants that were already 90 days past the grant end date in 2006. We have had multiple communications with OVW about this issue since we issued our report in 2006, but OVW has yet to resolve these recommendations.

In sum, we believe the Department is demonstrating a commitment to improving its grant management process, and we have seen significant signs of improvement in this area. However, further improvements are needed, and considerable work remains before managing the billions of dollars the Department awards annually in grants is no longer a top challenge for the Department.

10. Financial Management: Financial management has been a top management challenge for the Department since 2003. It is important to recognize that the Department has made significant improvements in its internal controls over financial reporting and management at the same time there has been an increasing demand for accountability and transparency in these financial systems. Yet, we believe the need for accurate, near real-time financial information continues to present management challenges for the Department.

For FY 2010, the Department again earned an unqualified opinion and improved its financial reporting. For the fourth straight year the financial statement auditors did not identify any material weaknesses at the consolidated level. Department components also reduced component significant deficiencies from eight in FY 2009 to four in FY 2010.



As in past years, however, much of this success was achieved through heavy reliance on contractor assistance, manual processes, and protracted reconciliations. We remain concerned about the sustainability and cost of these ad hoc and labor-intensive efforts, which are often overlooked in measuring the true costs of maintaining the current financial management systems.

The decentralized structure of the Department also presents a major challenge to obtaining current, detailed, and accurate financial information about the Department as a whole because there is no one single source for the financial data. The Department currently uses six major accounting systems that are not integrated with each other. In some cases, the components' outdated financial management systems are not integrated with all of their own subsidiary systems and therefore do not provide automated financial transaction processing activities necessary to support management's need for timely and accurate financial information throughout the year. As a result, many financial tasks must be performed manually at interim periods and at year end. These costly and time-intensive efforts will continue to be necessary to produce financial statements and satisfy other financial data submission requirements until automated, integrated processes and systems are implemented that readily produce financial information throughout the year.

The Department has long recognized the need for a Department-wide financial management system and has sought to implement a Unified Financial Management System (UFMS) to replace the disparate major accounting systems currently used throughout the Department. The UFMS is intended to standardize and integrate financial processes and systems to more efficiently support accounting operations, facilitate preparation of financial statements, and streamline audit processes.

Yet, only the DEA has fully implemented the UFMS, with ATF scheduled for full implementation during FY 2011. Successfully implementing the UFMS at the DEA is a significant achievement, although the DEA's legacy system was one of the most modern financial management systems within the Department. Likewise, ATF has one of the Department's most modern systems. Thus, the central issue to this challenge remains largely unaddressed because the Department's other components continue to use non-integrated and, in some cases, antiquated financial management systems.

Implementation of the UFMS at the USMS, which has one of the most antiquated legacy financial management systems, began in FY 2010 and will continue through FY 2012. Moreover, based on recent OMB guidance, the implementation of the UFMS at the FBI, which has another antiquated legacy financial management system, is uncertain. At the request of OMB, the Department has begun detailed discussions with the Financial Systems Advisory Board (FSAB), which advises OMB about IT development. FSAB is conducting a review of pending agency financial system IT projects. We understand that FSAB supports DOJ's desire to further consolidate its financial management systems, but it also recognizes that the size and cost of the project presents significant risk of failure and excessive cost in implementing the UFMS. In particular FSAB recommended further disaggregation of the various milestones associated with implementing the UFMS at the Department, and that the Department perform further analysis of the operation and maintenance portion of the enterprise-wide implementation of the UFMS.

In sum, while the Department continues to show improvement in its overall financial management, some Department components still lack updated financial management systems. The Department needs accurate, near real-time financial information, and we believe it will be difficult to meet this demand until the Department replaces its antiquated, paper-based systems with modern systems that are technically sufficient.

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MANAGEMENT'S RESPONSE TO THE OFFICE OF THE INSPECTOR GENERAL'S TOP MANAGEMENT AND PERFORMANCE CHALLENGES

1. Counterterrorism

The Office of the Inspector General (OIG) correctly characterized counterterrorism as the highest priority of the Department of Justice (DOJ or the Department). In order to better meet recent and ongoing counterterrorism challenges, the Department has focused on more effective use of resources as well as bolstering coordination and communication among DOJ components and with other federal agencies. Additionally, the Department has increased efforts to ensure effective international collaboration through several DOJ components, including the Federal Bureau of Investigation (FBI) and INTERPOL Washington. In coordination with the FBI and the U.S. Department of State, INTERPOL Washington facilitates the exchange of counterterrorism tactical and strategic law enforcement information between relevant U.S. entities and their counterparts in INTERPOL member countries. This exchange helps enable identification of the membership, hierarchy, methods, and criminal activities of terrorist groups; identify recruitment sources and methods; disrupt and/or dismantle criminal entities that play a central role in the funding and/or support of terrorist activities; assist participating member countries in the exchange of investigative information; and encourage, on an international level, relationships and information exchange between law enforcement and relevant partners, such as customs, immigration authorities, and security and intelligence agencies.

The Department has taken steps to address all of the OIG observations in the June 2010 report on the readiness of the Department and its components to respond to a potential weapons of mass destruction (WMD) incident. Specifically, by establishing an Emergency Preparedness Committee (EPC) chaired by a senior Department member with the membership coming from all the components, the internal component coordination was directly improved. The EPC formed a number of associated issue sub-groups which included: Continuity of Operations (COOP) and Continuity of Government (COG); WMD Policies and Procedures; National Response Framework annex -- Emergency Support Functions 13 (ESF-13); and Operations and Management.

Within these subgroups, the Department has moved swiftly to resolve identified shortcomings. Through the ESF-13 subcommittee, all Department agencies supported the continuation of the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) as lead for ESF-13. However, the group noted ATF required appropriate funding to properly administer this mission. The WMD working group has identified training that can be made available to all Department components to assist them with developing their various response plans. Also, to better coordinate the use of federal law enforcement resources to maintain public safety and security if local and state resources are overwhelmed during a WMD incident, the ATF/FBI working group, with DOJ leadership oversight, is meeting weekly. In these meetings, the working group addresses deficiencies relating to response to WMD incidents, as well as training, information sharing, and forensic laboratory protocols, and is preparing a joint plan for explosives coordination. Additionally, ATF has directed its field special agents in charge (SACs) to meet with their respective counterparts to develop plans for the initial response to all explosives incidents in their area of responsibility.

The COOP/COG group is actively coordinating Department support to those programs. Most importantly, through the development of the EPC, the Department has recognized the simple regular exchange and coordination of information has already begun to establish a more coordinated Departmentwide approach. The EPC has recommended a permanent coordinator position be established to assist the Department in continued component collaboration and coordination on all emergency response matters. It will continue to meet on a regular basis.

To address its balance of resources, the FBI's Corporate Resource Planning Board (CRPB), comprised of the FBI senior leadership, has implemented a structured, semi-annual process to review and adopt resource allocation decisions across all programs. The process begins with field offices requesting and justifying needs for resource enhancements or realignments to address risks and threats within their domains. Those requests are then reviewed by FBI Headquarters program managers using the national-level view of domains and threats, before final recommendations are presented to the CRPB. As referenced on page IV-7 of the OIG's *FY 2010 Top Management and Performance Challenges* report, the FBI now has modified the CRPB process by implementing a transparent and repeatable risk-based methodology to inform those resource allocation decisions.

The methodology, known as Risk-Based Management (RBM), has completed one full annual cycle, and produced a standardized method for quantifying risk, that is used by all FBI investigative programs; an implementation of the methodology, whereby each investigative program has identified a specific set of risk indicators (as defined by the standard RBM method); a collection of data and metrics for each risk indicator, identifiable down to the field office level, or better; a ranking of each of the risk indicator sets, within each program, through a series of structured weighting sessions held with the senior managers of each program; and a model, based on the risk indicator ranking, and data for each program, that provides executives with recommendations for resource allocation or alignment.

Also, the RBM process has produced two other key deliverables. The FBI has created a training and communication plan with training in RBM for all FBI Senior Executive Service level executives, as well as publication of all RBM data, risk indicator rankings, and field office rankings, on a website accessible to all FBI employees. The FBI has also created a protocol to drive new weighting sessions. Based on this protocol, the FBI is in the process of conducting updated sessions for four operational programs.

The FBI began using RBM in making resource allocation decisions in FY 2010. Program managers were able to see the relative risk levels for individual offices in their programs, when recommending personnel resource allocations. For FY 2011, the new weighting sessions will drive changes in the relative risk levels, which will be taken into account in resource allocation decisions. The RBM team also has begun to develop plans that more closely will integrate the risk management process with the production of intelligence, as well as plans to enable visual and graphical presentation of risk indicator data that may contribute to field office domain awareness.

The FBI is continuing to make strides in its efforts to address the language needs of its highest investigative priorities. These ongoing efforts center around three key areas: linguist hiring, technology upgrades, and prioritization.

Regarding linguist hiring, the FBI's Security Division now has three investigative analyst consultants fully dedicated to the background investigation and security adjudication of linguist applicants. While the Department expects that this will have a positive impact on the processing time frame, there will be a more significant return on investment in terms of a more thorough background investigation, as enhanced security requirements cannot be ignored. According to the FBI, much of the attrition of FBI linguists has not resulted in any net loss of full time equivalents of linguist output, which has either increased or remained steady. The apparent numerical decrease in linguists had more to do with the FBI cleaning its books of contract linguists who, due to various competing interests, were unable or no longer able to provide any real service to the FBI. In the meantime, the FBI has established comprehensive growth plans aimed at satisfying FBI requirements both locally and nationally. To that end, Foreign Language Program Managers have studied each field division's workload, space and equipment capacity, local domain in terms of investigative needs and recruitable language populations, and have formulated division-specific recruitment strategies within the framework of a national hiring plan.

In the area of technology, the FBI is undergoing a number of upgrades designed to more effectively and efficiently process foreign language material. The FBI is upgrading the digital collection system used for national security matters. The upgrade is designed to provide greater storage capacity, provide the capability to directly access data inter-divisionally without having to forward duplicate copies of data (which in the past had made it difficult and labor intensive to provide accurate metrics), and provide more accurate reporting. Furthermore, the new system's graphical user interface is much more user friendly to the linguists (being very similar to the systems used on the criminal investigative side of the house) and provides better capabilities and analytical tools.

Technology upgrades also will help with prioritization, as a significant portion of the "unreviewed" material consists primarily of SPAM, duplicate emails, and other electronic data files that have no intelligence value. The FBI's Operations Technology Division and the Special Technologies Application Office are developing SPAM filters and other analytical tools designed to filter out material of no intelligence value and zero in on higher priority material. Similarly, the FBI's Foreign Language Program is operating off specific prioritization guidance issued by the Counterterrorism and Counterintelligence Divisions with regard to tier and priority levels of material, as well as the perishable intelligence value of lower priority counterintelligence material after a specified period of time. The Foreign Language Program also has worked closely with both the national security and criminal investigative operational divisions to set up automated alerts when application is made for electronic intercept authority under the Foreign Intelligence Surveillance Act or Title 3, thus giving the Foreign Language Program more lead time to plan the staffing of anticipated language requirements.

2. Restoring Confidence in the Department of Justice

The Attorney General explained on the day he was sworn into office, “We must fulfill our duties faithfully, and apply the law evenhandedly, without regard to politics, party, or personal interest.” Departmental components and employees across the agency maintain a conscientious focus on demonstrating a commitment to this mission, and, while we recognize that fulfilling our duties requires constant vigilance, we are proud of the steps we have made to ensure that the Attorney General’s directive is the reality within the Department.

While the Department has taken numerous steps to ensure that personnel decisions are based exclusively on the merits, the Department has not issued specific clarification yet on the consideration of political affiliation or ideological affiliation as a proxy for political affiliation when deciding whether to approve temporary details of career attorneys to certain high-level Department positions. The Department has resolved the legal question on which the clarification depended and expects to issue the clarification in the near future.

The Department continues to take aggressive measures to ensure that prosecutors are meeting their professional responsibility obligations in every case. The Department has implemented mandatory annual discovery training for all Department prosecutors and held its first discovery training for new prosecutors at the National Advocacy Center in October 2010. The Department will conduct a “train the trainer” course in November 2010. The course will enable prosecutors and members of the law enforcement community to return to their district or component to provide discovery training to law enforcement agents and officers throughout the Department. In addition, the Department conducted discovery training for Department paralegals in September 2010. These and other similar efforts will continue in the future under the supervision of the Department’s first National Discovery Coordinator, who was appointed in February 2010. Also, in February 2011, the Department will conduct training for Professional Responsibility Officers from throughout the country. This training will further enable the front-line experts on professional responsibility issues to advise prosecutors within their district or component.

The Department also is focused on increasing the efficiency and transparency of professional responsibility investigations conducted by the Office of Professional Responsibility (OPR). In fact, OPR has increased the pace at which it is concluding investigations and is examining ways to increase transparency consistent with the restrictions of the Privacy Act. This complex effort requires balancing the subjects’ privacy interests with the public interest consistent with the Privacy Act and the cases that have interpreted it. As noted by OIG, OPR now has issued annual reports for each preceding fiscal year and will now timely produce such reports so that summaries of significant cases are available to the public and to prosecutors throughout the Department.

The Department is aware of allegations that have arisen regarding enforcement priorities in the Civil Rights Division. The Department looks forward to receiving reports pertaining to these allegations from both OPR and OIG. In the meantime, the Department is fully committed to the full and evenhanded enforcement of the civil rights laws, and the Assistant Attorney General for Civil Rights has communicated this commitment to the attorneys in the Division.

Finally, the FBI is reviewing the OIG’s September 2010 report pertaining to cheating on the FBI exam regarding the Domestic Investigations and Operations Guide (DIOG) and is determining what additional steps and referrals are appropriate. In the fall of 2010, the FBI will be conducting additional DIOG training using the traditional Virtual Academy training and procedures. This training will review the most important concepts that were introduced during last year's DIOG training and will cover the most important revisions (based on field input) that will appear in the next edition (DIOG 2). In addition, the FBI Director has reaffirmed to all employees the importance of taking actions that reflect personal and institutional integrity.

In sum, the Department has expended significant time and energy to ensuring that Department attorneys comply with their responsibility to serve the ends of justice fairly, and the Department will continue to engage in this ongoing effort to assure that the public has every confidence that those responsibilities are being met.

3. Law Enforcement Issues along the Southwest Border

The Department shares the OIG's view that effective communication of information and intelligence across components and agencies is key to fulfilling the Department's law enforcement and national security responsibilities. The Department has worked to enhance communication while addressing violent crime and illegal immigration along the Southwest Border through its Southwest Border Enforcement Initiative (the "Initiative"). The Initiative is a cooperative effort among the Department's law enforcement components, including the FBI, the DEA, and ATF, and United States Attorneys' Offices, to enhance multi agency intelligence and enforcement activities to attack major Mexican-based trafficking organizations on both sides of the border. The OIG identified law enforcement issues along the Southwest Border as one of the top management challenges for the Department, and focused on a few aspects of the Southwest Border Initiative, including ATF's Project Gunrunner, the role of the El Paso Intelligence Center (EPIC), and the role of the Department's Executive Office for Immigration Review (EOIR).

ATF's Project Gunrunner is designed to reduce cross-border drug and firearms trafficking and the high level of violence associated with these activities on both sides of the border. ATF has taken concrete steps to implement the new strategy for combating firearms trafficking to Mexico and other related violence. On September 16, 2010, ATF transmitted to all field SACs and affected Field Operations headquarters division chiefs the ATF Cartel Strategy document, a transmittal memorandum, and PowerPoint slides outlining recent enhancements to ATF's case management system for coding Southwest Border and cartel-related investigations. ATF directed the SACs to review and internally disseminate this material, and on September 23, 2010, posted the documents on its Intraweb. ATF also designated these materials as the topic for mandatory roll call training in October 2010 for all field special agents.

ATF has scheduled a Project Gunrunner coordination conference at the El Paso Intelligence Center (EPIC) in December 2010 for all managers and supervisors for field divisions/field offices/field intelligence groups (FIGs) with designated Gunrunner groups; border liaison agents; members of its International Affairs Office, Mexico Country Office, Office of Strategic Intelligence and Information Criminal Intelligence Division; the Southwest Border Field Intelligence Support Team; the ATF EPIC staff; and the ATF Organized Crime Drug Enforcement Task Force (OCDETF) and Gunrunner program offices. ATF will continue its periodic conference calls involving intelligence personnel from its FIGs, regional field intelligence support teams, and headquarters intelligence components, as well as training and information sharing conferences involving FIG personnel. This may be accomplished through DOJ components' continued participation in various interagency settings, including EPIC, the OCDETF Program and its Southwest Border Strike Forces, the Department of Homeland Security (DHS) Border Intelligence Fusion Section (BIFS), and the Office of National Drug Control Policy National and Southwest Border Counternarcotics Strategies.

EPIC remains a principal component of the Department's effort to develop enhanced and coordinated multiagency intelligence and operational capabilities. The Department continues to make advances in the operation of EPIC. EPIC's efforts to enhance analysis of information on drug seizures, fraudulent document use, and trafficker activities included the initiation of a Predictive Analysis and Targeting Unit. The Unit initially is focused on providing expanded information based on analysis of seizure and other resource data to the DHS sponsored Alliance to Combat Transnational Threat Unified Commands and other EPIC partner agency customers. This coordinated effort with DHS will be expanded further by the functions of the BIFS, which will be launched within EPIC in November 2010. The Predictive Analysis and Targeting Unit will become part of the BIFS, and analytical functions will be expanded with additional personnel available through the launch of the BIFS. An added enhancement that will result with the BIFS addition will be the expanded connectivity to the numerous federal and state intelligence organizations throughout the United States. Initially, direct coordination and connectivity will be provided to EPIC via the BIFS for the 72 DHS-sponsored and funded State Intelligence Fusion centers.

In addition, we note that the decline in usage of EPIC by federal agencies is offset by a corresponding increase in queries to the OCDETF Fusion Center (OFC) which reached initial operating capacity in 2006. EPIC is a tactical intelligence center and the OFC is an investigative support center. The Department led OFC provides a single fused repository for sensitive investigative information. The OFC conducts cross-agency and cross-jurisdictional integration and analysis of drug related data to create comprehensive intelligence pictures of targeted organizations through its fused database Using advanced computer and analytic tools, the interagency workforce that includes agents and analysts from DOJ, DHS, and the Department of Treasury builds comprehensive targeting packages that support complex multi-jurisdictional investigations against the criminal organizations that are the primary sources of the criminal activity along the Southwest border. Using the protocols established by the DEA-led Special Operations Division, these packages, are distributed and ensure seamless enforcement operations across organization/agency lens and geographic boundaries.

Some enhancements at EPIC for the coordination of law enforcement issues include deploying new Intelligence Research Specialists and Special Agents to offices that directly impact violent crime and drug trafficking activities of organizations and Mexican drug cartels.

In addition to EPIC and the OFC, the DEA's Special Operations Division (SOD) is another lynchpin in the Department's effort to coordinate tactical intelligence and operation information across components and agencies. SOD supports comprehensive, multi-jurisdictional enforcement efforts against the criminal enterprises operating in the Southwest by identifying connections among and between seemingly disparate investigative and enforcement activities and building a coordinated whole of government response. Operation Xcellerator and projects such as Coronado and Deliverance, are examples of SOD's success and demonstrate the ability of law enforcement agencies at every level nationwide to coordinate targeting and dismantling of Mexican drug trafficking organizations. These efforts resulted in significant drug, currency, and asset seizures, as well as large numbers of arrests.

In April 2010, the EPIC Identity Fraud Unit was established. It uses advanced analytical techniques and multiagency database research to provide intelligence support to law enforcement agencies in identity verification, all aspects of identity fraud, alien smuggling, specialized world-wide targeting, and intelligence-driven special operations with DHS. The U.S. Department of State joined this effort by placing a full-time representative at EPIC in July 2010. The unit has expanded and enhanced its capabilities by instituting Operation No Refuge (ONR), which identifies persons of interest who are encountered at the border who may be clandestinely entering the United States to further criminal enterprises. Through intelligence sharing efforts with the Government of Mexico, ONR is designed to prevent the entry of non-immigrant visa holders that are high-level cartel members, their families, associates, and members of transnational gangs. EPIC's role is to conduct an extensive analysis, leverage a wide array of information and intelligence sources, and combine targeting and intelligence gathering at the ports of entry. This operation has led to interdictions for Customs and Border Patrol (CBP) Field Operations at the ports of entry, and CBP Border Patrol at the checkpoints. It has contributed to new or existing investigations with DHS's Immigration and Customs Enforcement and DOJ's Drug Enforcement Administration (DEA), or resulted in immediate immigration adverse actions or visa revocations through the Department of State.

To address the Department's role in immigration policy and enforcement along the Southwest Border, the Department chose as part of the Administration's High Priority Performance Goals initiative a goal that would directly address the hiring issues faced by the immigration courts: Increase immigration judges by 19 percent by the end of FY 2011 so that as the DHS criminal alien enforcement activity increases, not less than 85 percent of the immigration court detained cases are completed within 60 days. To meet this priority goal, as well as to ensure fair and timely case adjudication, the Executive Office for Immigration Review (EOIR) has made immigration judge hiring the agency's top priority.

EOIR has taken a number of measures to ensure that it meets the priority goal for immigration judge hiring. It has begun the hiring process in advance of actual vacancies when possible, has centralized the hiring process at EOIR headquarters, has added staff to the hiring project, has increased the number of application review teams, and has reduced the time frames for many of the hiring steps. Seventeen new immigration judges joined EOIR during FY 2010 and an additional 24 judges will have entered on duty in October 2010. The hiring process is ongoing for additional new immigration judges who will be placed where the need is greatest, at sites that have a high volume of detained cases. Although time-consuming, the recruitment and selection process for immigration judges is a system for identifying and appointing the very best candidates. The recruitment procedures include public announcements for vacancies, a rigorous, multi-level review of applications, and a multi-panel interview and selection process involving career officials in EOIR and senior career and non-career officials in the Department.

To address issues along the Southwest Border, DOJ and DHS meet frequently to discuss ways to handle immigration court dockets that meet the needs of all federal agencies involved. These coordination efforts, such as the Alternatives to Detention program and other docket management initiatives, should begin to show results in FY 2011.

The Department also is working towards better international coordination. INTERPOL has been working with member countries to exchange information regarding human smuggling and trafficking in an attempt to dismantle transnational criminal organizations. INTERPOL Washington also serves to build relationships between DOJ, DHS, and other member countries to investigate criminal organizations that use the southern border of the United States to illegally traffic persons, and participates regularly in forums and conferences as subject matter experts in the investigation and prosecution of these crimes.

4. Civil Rights and Civil Liberties

The Department is committed to protecting individual's civil rights and liberties while ensuring that those who want to harm the United States and its citizens be brought to justice. We are encouraged by the OIG's recognition of our constant efforts to ensure these rights and liberties. However, as the OIG pointed out in its report, the Department must continually focus on implementing appropriate training, policies, controls, and oversight mechanisms to make certain that all employees abide by the law protecting these rights and liberties.

As part of this continuing focus, the FBI has reviewed its policies and is in the process of modifying them, as appropriate. The FBI expects that its Counterterrorism Policy Guide will clarify when cases involving First Amendment issues should be classified as Acts of Terrorism matters and when they should not. In addition, the Counterterrorism Policy guide will require that the initiation of a domestic terrorism investigation on an individual identify the particular federal statute that has been, or may have been, violated. Finally, the FBI has drafted a corporate policy stating that, under the Privacy Act, information regarding an individual's exercise of First Amendment rights may not be retained without the requisite law enforcement nexus, statutory authorization, or the individual's consent, and that any documentation of such information must be destroyed.

5. Information Technology Systems Planning, Implementation, and Security

The Department is committed to managing its Information Technology (IT) systems efficiently, cost-effectively, and securely. Indeed, the Department already has made significant progress in planning and implementing new IT systems, and its future projects and efforts will continue to build on that success.

To that end, while the Department Chief Information Officer (CIO) does not have authority over the various components' IT budgets, he does have insight into – and oversight of – their IT priorities through the annual budget process. During that process, each component's CIO presents his or her IT priorities to the Department CIO, who then provides recommendations to Department senior managers on IT investment priorities based on overall compliance with the Department's mission, the Attorney General's priorities, and the Department's strategic plan. In addition, all components must ensure that any new project – regardless of size – meets the requirements of the Department's reference architecture and that the program uses sound program management methodology. Programs that have a total development and implementation cost in excess of $100 million require regular review by the Department's Investment Review Board (DIRB), which is chaired by the Deputy Attorney General. These reviews provide senior management with an in-depth view of the program, including its schedule, cost, and any potential issues. This process ensures that issues are surfaced and addressed before they can have a significant impact or become critical to the program's overall success. Consistent with its general effort to ensure effective IT management, the Department fully supports and places a high priority on the continued development of IT systems in a cost effective manner.

With regard to the OIG's comments concerning the Sentinel program, the FBI has indicated it is working to complete the program within the approved budget, and without reduction in functionality. The Department will monitor closely the work done under the revised project plan and approach. The Department supports the FBI's decision to alter its approach to finishing the project and minimize project costs. The FBI examined several options in detail for completing the Sentinel Project, and selected an approach based on what is known as "agile development" methodology. This approach will reduce the FBI's reliance on the more traditional multi-level large development organization with a much flatter, smaller, and less costly organization using product experts. The Department CIO and the FBI CIO worked very closely with the Office of Management and Budget (OMB) on the development of the new agile development approach that the FBI is undertaking. In October 2010, the FBI briefed the DIRB on a revised plan for completing the program within the FY 2011 budget funds. The DIRB verbally approved the FBI's plan and program for FY 2011 with specific follow-up actions required to address DIRB questions. Following the briefing to the DIRB, the Department CIO, the FBI CIO, and the Sentinel Program team met with the Federal CIO as part of the TechStat review process. At the end of that review, the Federal CIO expressed his support for the continuation of the program based on the revised plan.

With regard to the Department's Litigation Case Management System (LCMS) project, recently, the Department made a decision to discontinue the LCMS program because of schedule delays, implementation risk, and cost overruns. The Department has determined that it will no longer attempt to consolidate the eight individual case tracking applications into one central system. Instead, the Department has determined that many of the original LCMS business objectives can be supported more cost effectively by enhancing the existing Component Case Tracking applications. In the future, the Department will support selective, small litigation IT initiatives which adhere to the following criteria: 1) strong executive business sponsorship from the components; 2) high-value, mission business need; and 3) schedules for delivering new operational capabilities within 6-12 months. Any such initiatives will be evaluated, prioritized, and approved through our formal governance process with final approval from the Office of the Deputy Attorney General.

The third Department high-priority project identified by OMB is the FBI's Next Generation Identification (NGI) project, which is intended to enhance the existing capabilities of the FBI's current fingerprint identification system (Integrated Automated Fingerprint Identification System

– IAFIS) and provide searching capability for other types of biometric identification, such as palm prints, iris scans, and tattoos. NGI is intended to significantly reduce the amount of time needed to conduct searches for high-priority records. The FBI has requested $1.2 billion for this project from FY 2008 through FY 2017. To be accurate, the development portion of the project is expected to be completed by 2014 followed by 3 years of operations and maintenance by the prime contractor. According to the OMB's "Federal IT Dashboard," the aggregated cost of IAFIS and NGI is expected to be $3.4 billion through FY 2017. The $3.4 billion includes the IAFIS cost of $2.2 billion which was to develop and maintain the current fingerprint identification system (IAFIS), as well as the NGI cost of $1.2 billion which will ultimately replace IAFIS. One of the key challenges for this high-dollar project is to contain the cost while implementing a design that can accommodate new types of biometric evidence as they become available.

With regard to the comments on the Department's Integrated Wireless Network (IWN) program, IWN is a project intended to modernize DOJ's secure tactical radio communications and improve federal law enforcement agent communication across agencies. Since the OIG issued its March 2007 report, the Department has refined its deployment strategy in order to meet the DOJ law enforcement communication needs in the most cost effective manner. While the OIG has indicated the "development of IWN is still struggling," substantial efforts have been made in recent months to rigorously review the project management approach and provide increased oversight and support to the project, one facet of which was the addition of a senior law enforcement radio and telecommunications expert to the IWN Project Management Office. Additionally, the OCIO and IWN management team have worked in concert to make critical adjustments to both the short and long term IWN development plans. The Department's newly developed three-pronged approach to the project is designed to accomplish several key things, including: accelerating the replacement of handsets with narrowband compliant units; leveraging existing FBI legacy infrastructure (e.g. towers, transmitters, dispatch capabilities) in order to achieve greater IWN coverage more quickly and at a lower cost; and deploying trunking in those areas where the trunking architecture will provide superior law enforcement radio coverage. The Department's new approach also aligns projected funding streams with the three deployment prongs to ensure a reliable, phased implementation approach in support of the law enforcement components.

6. Violent and Organized Crime

The Department is pleased that the OIG recognizes our many accomplishments in fighting violent and organized crimes. We agree that fighting these crimes is a high priority, and we continuously work to sharpen our techniques. All levels of government – federal, state, local, and tribal – must be ever-vigilant in their pursuit of individuals, gangs, and organizations that cause harm to U.S. citizens. And, more and more, both violent and organized crime cross international borders.

In response to the OIG's reference to their follow-up review of Federal Firearms Licensees (FFLs), ATF currently is working with the OIG on the review and is confident that the OIG will find that ATF has instituted several improvements to its FFL inspection program since the 2004 review.

In addition to the efforts noted by the OIG and by the Department, INTERPOL's Transnational Gang and Child Protection Programs are responsible for ensuring that all INTERPOL member countries are advised in a timely and continuous manner of the identities and criminal histories of violent gang members and child sex offenders deported from the United States. Since 2007, INTERPOL Washington has issued over 4,400 INTERPOL Green Notices on known violators, to assist law enforcement agencies throughout the world in the identification and location of these transnational subjects who pose a potential threat to public safety, and are likely to remain engaged in criminal activities.

7. Financial Crimes and Cyber Crimes

The OIG' *Top Management and Performance Challenges in the Department of Justice – 2010* acknowledges the Department's progress in combating financial and cyber crime. Although we are focused on continuing to develop successful strategies to combat these crimes, the Department recognizes that this is, and will continue to be for some time, a challenging area. The Financial Fraud Enforcement Task Force (FFETF), mentioned by the OIG, brings together more than 20 federal agencies to strengthen the Government's efforts to investigate and prosecute fraud related to the financial crisis, recover the proceeds of financial fraud, and ensure just and effective punishment for the perpetrators of that fraud.

The Mortgage Fraud Working Group has played a leading role in the FFETF. It is comprised of over a dozen members and is chaired by the U.S. Attorneys. The working group includes representatives from the FBI, the Housing and Urban Development OIG, and the National Association of Attorneys General (consisting of state attorneys general). Working with our partners at the state and local levels, the primary goal of the working group is to marshal the government's civil and criminal capabilities to combat the mortgage fraud that has proliferated as a result of the financial crisis and help homeowners who have suffered from mortgage fraud.

In June 2010, the Department announced the results of a nationwide mortgage fraud sweep. Called "Operation Stolen Dreams," the sweep was the largest collective enforcement effort ever brought to bear to combat mortgage fraud. Spanning 3 months, the sweep involved more than 1,200 criminal defendants nationwide and nearly 200 civil enforcement actions resulting in the recovery of over $147 million.

The Department's efforts to combat financial crime have been increasingly aggressive and sustained, and these efforts have resulted in significant progress. In the first three quarters of FY 2010, the Department charged 4,352 defendants with financial fraud. Of those, 3,218 defendants pleaded guilty, and 2,815 were sentenced to some prison term. Of the 2,815 sentenced to prison, 1,618 defendants received sentences greater than 12 months.

The Criminal Division's Fraud Section has targeted its investigations and prosecutions on four major areas: foreign corrupt practices; health care fraud; corporate, securities, and commodities fraud; and financial institutions and government fraud. In each of these areas, the Fraud Section, together with its partner agencies, is using increasingly aggressive, innovative, and intelligence-driven tactics to unearth and prosecute these crimes. The results are unprecedented fines, huge taxpayer savings, and significant jail sentences for individual violators.

Meanwhile, as U.S. Attorneys have been, and are being, confirmed, they have been hiring over 100 additional civil and criminal prosecutors and support staff solely dedicated to addressing financial crimes. The positions were funded by the FY 2009 Supplemental and FY 2010 budgets and were allocated to those U.S. Attorneys' Offices (USAOs) with the greatest need and a comprehensive plan for their efficient use.

With respect to cyber and intellectual property crimes, the Department continues its coordinated efforts in Eastern Europe, Latin America, and elsewhere to ensure development of national laws and capacity to address these threats, and to foster international legal frameworks for cooperation, including the International Convention on Cyber Crime. Building upon this legal foundation, the Department has participated in successful joint investigations over the last years with Romania, Ukraine, Egypt, and many other countries, to address cyber crime that crosses national borders. These operations have resulted in arrests and prosecutions in the United States and overseas, including extradition of suspects to the United States.

The Department currently is implementing the 2010 Joint Strategic Plan on Enforcement of Intellectual Property. In support of the Strategic Plan, the Executive Office for U.S. Attorneys (EOUSA) has implemented enhanced data collection procedures to track and report the enforcement priorities of the Strategic Plan, including consumer protection, national and economic security, and organized crime activities. Furthermore, the Office of Legal Education is sponsoring a national conference in April of 2011, focusing on internet crimes, investigative techniques, and advancements in technology. This conference will reinforce the Strategic Plan priorities, educate prosecutors on the procedures of the new data collection system, and enable prosecutors to refine investigative and trial techniques.

To improve identity fraud prosecutions, the Department has taken the following steps: First, all 94 U.S. USAOs participated in an identity fraud survey which asked questions pertaining to office practices with regard to maintaining identity fraud task forces and working groups, financial thresholds for prosecutions, and proper use of case and personnel time tracking systems. Second, based on the survey results and other interaction with USAOs, the Department conducted an intensive review of available statistical information to obtain a more realistic appraisal of identity fraud practice in USAOs.

Third, the Department is highlighting the importance of identity fraud to all incoming U.S. Attorneys, who now receive a report on their district's identity fraud practice at their orientation, including information concerning task forces and working groups, as well as data showing how identity fraud statistics for their districts compare to other districts of similar size. Fourth, a white collar crime coordinator from EOUSA is in regular email contact with the identity fraud points of contact in all USAOs concerning legal and tactical issues in identity fraud cases. Any USAO can seek assistance on legal and tactical issues in identity fraud issues through this email chain.

Fifth, the Fraud Section of the Criminal Division has continued to host valuable monthly Identity Fraud Working Group Sessions, which include representatives from interested DOJ components, prosecutors from around the United States, and federal agencies. Various group members join in informal subgroups to work on specific issues of concern in identity fraud.

Sixth, the National Advocacy Center conducted an identity fraud training program. This course was well attended by Assistant U.S. Attorneys from a wide variety of practice areas, which reflects the use of identity fraud statutes in a wide range of cases. The program also included training on victim issues and the effective use of task forces.

Finally, as criminals commit financial and cyber crimes by exploiting technological advances, the Criminal Division's Asset Forfeiture and Money Laundering Section (AFMLS) has responded by creating a new Forfeiture Unit to assist other litigating sections in forfeiture of proceeds and instrumentalities of financial and cyber crimes. AFMLS also has recently created a Money Laundering and Bank Integrity Unit, dedicated to investigating complex national and international criminal cases with a focus on financial institutions, professional money launderers, and criminals who use emerging and innovative money laundering techniques, such as virtual currencies and mobile payments systems.

8. Detention and Incarceration

One of the Department of Justice's most important responsibilities is to house federal prisoners and detainees safely and humanely. The Department remains committed to fulfilling this responsibility, despite the increasing prison and detainee populations and mounting resource challenges noted by the Inspector General.

The Department shares the OIG's concerns about the significant rise in prisoner population. Although adding beds to existing institutions or building new institutions would address the problem – and are a necessary part of the solution – the Department believes there may be other options to consider, as well. As a Nation, we cannot bear the cost – socially or economically – of building our way out of the prison issue or neglecting to look at the issues driving the rising prison population. The Attorney General's Sentencing and Corrections Working Group is looking across the policy spectrum at innovative approaches for preventing crime, sentencing prisoners, and reforming correctional management that will, first and foremost, protect public safety while holding prisoners accountable in humane conditions.

The Department continues to maintain a zero tolerance policy for staff sexual abuse and takes any allegation of sexual abuse in its facilities seriously. In response to this ongoing concern, the Federal Bureau of Prisons (BOP) continues to assess and adjust its current policy, Program Statement 5324.06, Sexually Abusive Behavior Prevention and Intervention Program. In addition, the BOP issued guidance to its Wardens on October 16, 2009, and October 12, 2010, highlighting the importance of reporting all cases of sexually abusive behavior toward inmates, including cases involving alleged victimization by a staff member and unfounded allegations.

The memorandum dated October 12, 2010, re-iterated that Wardens first are to consider alternatives to segregation or transfer based on the circumstances of the allegation and that they are required to document what methods were considered and why (if applicable) alternatives to segregation or transfer were not used. In addition, the memo required Wardens to place the above documentation in the case referral sent to the Office of Internal Affairs. The Department and BOP are committed to maintaining their focus on this issue.

The Department is working diligently to develop national standards to combat sexual assault in correctional facilities pursuant to the Prison Rape Elimination Act of 2003 (PREA) and agrees that a final rule should be implemented expeditiously. In addition to preparing the rule, the Department has been working to ensure that, once promulgated, the national standards are successful. The Department is uniquely positioned to serve as a force multiplier, enabling best practices to gain recognition and enabling correctional systems – especially those with limited experience at developing practices and procedures to detect, prevent, and punish prison rape – to benefit from the PREA efforts of other jurisdictions. To that end, the Department's Bureau of Justice Assistance has entered into a 3-year cooperative agreement for the development and operation of a Resource Center for the Elimination of Prison Rape. The Resource Center will provide additional training, technical assistance, and program implementation resources to the field to assist in the identification and promulgation of best practices and promising practices.

As a member of the PREA Working Group, the USMS Prisoner Operations Division provides expertise and experience on lock-up standards. On October 1, 2010, the working group provided the Deputy Attorney General with recommendations for national standards for review and approvals. The USMS is fully compliant with the standards as drafted and has developed a new sexual assault policy. It is working with the National Institute of Corrections to create an on-line training module about the Prison Rape Elimination Act and its new sexual assault policy.

The Department agrees with the OIG's assessment of the benefits of the UNICOR program, which is run by Federal Prison Industries (FPI). FPI's ability to maintain inmate employment levels and remain self-sustaining has been a challenge in recent years due to the continued impact of several external factors, such as adverse legislation, a struggling economy, and a downturn in the demand for items needed to support the war effort.

In an effort to reduce operating costs and maintain FPI's self-sufficiency through this downturn, FPI closed and downsized factories. While these measures generated substantial cost savings, they also resulted in a decrease in inmate employment, dropping the rate further below the goal of employing 25 percent of the inmate population. Alternative measures are being evaluated by the Department to enhance work opportunities and reentry initiatives while providing job skills training to the highest practicable number of inmates.

Several concerns related to BOP's furlough program were highlighted by the OIG. In order to better track and review furloughs, in October 2010, the Central Office Correctional Programs staff participated in a management assessment to modify the program review guidelines. Ultimately, the results from this assessment will be used to strengthen controls for release codes, escape data, and inmate custody requirements for furloughs (victim and witness notification).

The BOP continues to work with Union representatives on policy negotiations in an effort to develop a more effective mechanism for coordinating policy changes. During the week of

October 4, 2010, BOP labor negotiators and Union officials attended Partnership Building training. Negotiations began October 26, 2010, for the furlough policy. A tentative meeting is scheduled for November 16-18, 2010, in an effort to conclude negotiations.

Regarding jail day rates, the Office of the Federal Detention Trustee (OFDT) shares the OIG's goal of setting efficient and economic rates. Indeed, it already has implemented many of the recommendations previously identified by the OIG. For example, as part of eIGA, OFDT is collecting detailed cost information from state and local jails and is making the information available to USMS personnel involved in negotiating these jail day rates. To date, it has collected detailed cost information for 514 jails and has used the information to negotiate rates in 256 agreements.

The cost information that OFDT is collecting also will assist in setting economic rates in another key aspect. As the OIG points out, OFDT has developed a new econometric statistical model, known as the core rate. Later this year, after OFDT acquires sufficient cost information – and on a continual basis thereafter – OFDT will undertake to assess and refine what the core rate should be. This core rate then will serve as a benchmark or Government's estimate for detention services provided by state and local jails, helping to ensure that jail day rates are economical and cost-efficient.

9. Grant Management

As the OIG acknowledges, by April of 2009, each of the Department's three grant-making components (the Community Oriented Policing Services (COPS), the Office on Violence Against Women (OVW), and the Office of Justice Programs (OJP)) had plans in place to implement the OIG's recommendations from the February 2009 *Improving the Grants Management Process* report. In January 2010, the three components began bi-weekly meetings to address the issues raised by the OIG in the *2009 Top Management and Performance Challenges in the Department* report and to develop Departmentwide policies and procedures to improve the grant process. As a result of these meetings, we now have a departmental process for dealing with high-risk grantees. The Department also anticipated and incorporated the recommendations in the OIG's January 2010 *Improving the Grant Management Process for Department of Justice Tribal Grant Programs* report in developing the 2010 Coordinated Tribal Assistance Solicitation process. For the first time, the Department's three grant components issued their tribal grants under a single solicitation and coordinated the peer review and award process. The components also have developed joint training and technical assistance programs for tribal grantees, which will begin in FY 2011. The components will continue to meet bi-weekly, and will add the issues raised in the *2010 Top Management and Performance Challenges* to its list of priorities for FY 2011.

The OJP is committed to administering a grant awards process in a fair, accessible, and transparent fashion – and, as good stewards of federal funds, manage the grants system in a manner that avoids waste, fraud, and abuse. The OJP is employing a comprehensive approach to address grants management issues identified by audits and reviews. At every possible opportunity, OJP-wide corrective actions are implemented to respond to OIG grant-related and program-specific audit recommendations. The OJP has worked to implement appropriate corrective actions quickly in response to the OIG's audit findings on the administration of the Edward Byrne Memorial Justice Assistance Grant Program. The OJP currently is developing agency-wide procedures to ensure that applications are consistently treated when determining whether they meet basic minimum requirements (BMR) and should proceed to peer review process. Similar to FY 2010, each OJP bureau and program office will issue internal policy guidance outlining the BMR process for its FY 2011 competitive solicitations. In FY 2010, the OJP revised its competitive solicitation language to clearly describe what material is required to be submitted by the applicant and to notify the applicant of the implications if they fail to submit an application that contains critical specified elements (i.e., will not proceed to peer review or receive further consideration).

With regard to the 2009 COPS Hiring Recovery Program (CHRP), the COPS Office agreed with the OIG's determination that there were minor technical inaccuracies with some of the formulas COPS used in its application scoring methodology, which impacted 40 agencies that either should have received grants but did not, or received fewer officers than they should have. (These 40 agencies represented only 3.82 percent of all 1,046 CHRP award recipients – and less than 1.7% of the $1 billion in CHRP funding). In addition to a host of other information, applicants seeking funding from the CHRP program were asked to provide data for 3 years on the applicant's agency budget, jurisdictional budget, jurisdictional revenue, and jurisdictional general fund balance. These questions were scored using a formula for measuring the change over time that the OIG identified as inaccurate. After this issue was identified, the COPS Office proactively determined the scope of the inaccuracy, developed an appropriate improvement to the formula for future use, and identified the agencies negatively affected.

The COPS Office then remedied the 40 agencies identified using available funding, including FY 2010 COPS Hiring Program funding. Thirty-four of these agencies originally would have received CHRP funding, and six would have received more CHRP funding (additional officer positions), if the new formula had been used. The COPS Office immediately notified the 40 affected agencies of the remedial action and their pending FY 2010 awards. Prior to awarding this funding, the COPS Office verified that these agencies were in compliance with all other grant conditions and obtained updated budget data from each agency, as it was necessary to have current and validated salary information in order to determine accurate award amounts. As noted in the audit report, the OIG agreed that this was a reasonable approach. Accordingly, awards were made to the 40 agencies remedying this issue in September 2010.

The OVW takes very seriously its responsibilities as a grant-making agency and is dedicated to managing its grant programs effectively and with transparency. The OVW understands that funding decisions impact communities across the country, and therefore these decisions must be made in a fair manner without error. A key element to this decision-making process is the peer review process. In order to ensure that individual application scores by peer reviewers are tabulated correctly, the OVW has incorporated a Peer Review Scores Certification as part of its peer review process. Lead peer reviewers will ensure that the scores of the panel are recorded and calculated accurately and sign a certification to the fact. Another key element to an objective peer review is the elimination of any existing or potential conflicts of interest. In order to strengthen its existing conflict of interest policy, peer reviewers will no longer receive any scoring forms until they have signed and returned all of their necessary conflict of interests forms.

While peer review scores are a basis for funding decisions, a thorough internal review is completed to assess financial stability, compliance with programmatic and statutory requirements, and past performance for organizations previously receiving OVW funding. In addition, the OVW has the discretion to consider geographic distribution of potential awards in its funding decisions to ensure that all regions of the country are benefiting from the grant dollars. The basis for any funding recommendation is substantiated in a comprehensive recommendation memo that is reviewed by the Director of the Office. If final funding recommendations deviate from rank order of the combined internal and peer review scores, justification is provided in this memo. The OVW now maintains both paper and electronic copies of its funding memos.

The OJP has procedures in place to record the key aspects of the award process and document award recommendations and decisions. The OJP's Grants Management System is the source for the official grant file and includes auditable documentation for all actions taken during the life of the grant. In accordance with established policy directives, the OJP will continue to document funding recommendations and decisions. This documentation describes the process used to evaluate applications, states the categories and the priority areas of the solicitation, lists the applications being recommended, and describes the factors used to make funding recommendations. Explanations are included for all applications not recommended for funding that received higher scores (or included in a higher tier if banding is used) than applications with lower scoring that were recommended for funding.

The OJP is dedicated to continuously improving its oversight and monitoring of grantees and grant programs. The OJP has established common procedures and guidance to improve the quality and completeness of monitoring across OJP, as well as provided effective tools to its grants managers to properly document desk reviews and on-site monitoring, formally communicate with grantees through the system, and track the resolution of open issues. As part of its oversight responsibilities, the OJP Office of Audit, Assessment, and Management (OAAM) will continue to evaluate the quality and level of monitoring of OJP grants and identify opportunities for improvement.

Additionally, the OAAM will review the procedures and internal controls of OJP's grant management processes, provide recommendations for improvement, and monitor actions to ensure improvements are implemented. The OAAM will also continue to conduct program assessments of OJP and COPS Office grants and grant programs to measure performance against intended outcomes and assess compliance with applicable regulations and statutes. Assessment reports will include targeted recommendations for making program improvements and enhancing grant oversight practices, as well as program accomplishments and best practices.

The OJP works closely with the OIG in addressing grantee issues identified in single and grant audits. The OJP has streamlined its audit follow-up activities, eliminating existing backlogs and allowing for more timely resolution of outstanding audit recommendations. In FY 2010, the OJP closed 151 of the 289 open single and OIG grant audit reports. This represented the resolution of nearly 500 findings. Of the $15.9 million in questioned costs by the OIG, grantees submitted supportable documentation for $11.1 million and returned $3.3 million to DOJ for unallowable or unsupported costs. The remaining $1.5 million were duplicate costs addressed by DOJ grant recipients in other audit reports, or through litigation.

The OVW continues to work with the OIG to address and resolve the two remaining recommendations from the 2005 Department of Justice Grant Close-Out Audit. One of the recommendations was that OVW remedy questioned costs related to drawdowns occurring more than 90 days past the grant end date (401 open awards at the time of the audit). To resolve this, OVW will provide a one-time no-cost extension letter to grantees and institute a policy that prohibits grantees from drawing down funds after 90 days. Only five awards remain for closeout. The second recommendation was that OVW deobligate funds related to expired grants that are more than 90 days past the grant end date (288 open awards at the time of the audit). OVW will deobligate all funds and put them to better use. The OVW plans to submit a request for closure of this audit by December 2010.

10. Financial Management

We agree with the OIG conclusion that the Department will not be able to fully meet the demands for program transparency and new Accountable Government initiatives without the Unified Financial Management System (UFMS). The Department remains fully committed to standardizing the core accounting functions and delivering an integrated financial and acquisition solution to strengthen internal controls, management oversight, and accountability.

We also agree that the implementation of UFMS has been too slow. Faced with tightly constrained budgetary resources, the UFMS program has been funded primarily (over 70%) from agency balances. We appreciate the valuable support, guidance, and oversight provided by the OIG staff in working with the Controller's Office to address and resolve these issues.

Despite continued challenges, UFMS is serving as the system of record for two major law enforcement components, DEA and ATF, and in its first year of UFMS operations, DEA retained its clean audit opinion. UFMS now serves about 2,500 DOJ users worldwide.

Consistent with current OMB direction, the Department has further separated the UFMS implementation tasks and will adjust the outyear implementations at the Offices, Boards, and Divisions; OJP; and the BOP in order to focus on successful implementation at the USMS and the FBI. Implementation of UFMS at the USMS is on schedule and budget for deployment in the first half of FY 2012. While the FBI Phase 2 implementation of UFMS did not begin in FY 2010, it now is underway with a heightened focus on managing the risks of this critical effort.

Working together, we can achieve the goals of improving financial accountability and streamlining financial operations, while retaining audit results.

FMFIA

Corrective Action Plan

FMFIA SECTION 2 – PROGRAMMATIC MATERIAL WEAKNESS – PRISON CROWDING

U.S. DEPARTMENT OF JUSTICE **Corrective Action Plan** **Issue and Milestone Schedule**	**Report Date** September 30, 2010; 2010 Fiscal Year End	
Issue Title Prison Crowding	**Issue ID** 06BOP001	**Component Name** Bureau of Prisons

Issue Category

FMFIA, Section 2	☐	**Reportable Condition**	☒	**Material Weakness**
FMFIA, Section 4	☐	**Non-conformance**		
OMB A-123, Appendix A	☐	**Reportable Condition**	☐	**Material Weakness**

Issue Category – SAT Concurrence or Recategorization

Concur

Issue Description

The growth of the federal inmate population continues to exceed available capacity. At the end of fiscal year 2010, the inmate population housed in BOP operated institutions reached 173,289. Inmates were housed in a rated capacity of 126,713, resulting in an over-crowding rate of 37 percent above rated capacity, the same rate as at the end of fiscal year 2009. The BOP's Long Range Capacity Plan relies on multiple approaches to house the increasing federal inmate population, such as contracting with the private sector and state and local facilities for certain groups of low-security inmates; expanding existing institutions where infrastructure permits, programmatically appropriate, and cost effective to do so; and acquiring and constructing new facilities as funding permits. The Long Range Capacity Plan details the acquisition, expansion, and construction necessary to maximize the BOP's ability to keep pace with the increasing inmate population, thereby striving to maintain safe and secure operations in facilities housing federal inmates.

Through the utilization of contract facilities for low-security inmates, acquisition and expansion of existing institutions, and construction of new facilities, the BOP's Long-Range Capacity Plan projects a rated capacity in BOP operated institutions of 136,709 by September 30, 2014. If acquisition, expansion, and construction plans are funded as proposed, the over-crowding rate at that time is projected to be 38 percent. Without the utilization of contract facilities and the BOP's other mitigating actions, the projected over-crowding rate would be 45 percent.

Corrective action efforts are not limited to the BOP alone. The Department has begun considering an innovative array of crime prevention, sentencing, and corrections management improvements that will focus on accountability and rehabilitation, while protecting public safety. The Department recognizes that the BOP's capacity management efforts must be teamed with targeted programs that are proven to reduce recidivism and promote effective re-entry. Remediation of the material weakness through increasing prison capacity is largely dependent on funding, while other correctional reforms and alternatives may require policy and/or statutory changes. The BOP will work with the Department on these initiatives.

Business Process Area (N/A for Section 2 and Section 4 issues)

Not Applicable

Date First Identified	**Original Target Completion Date**	**Current Target Completion Date**	**Actual Completion Date**
2006	09/30/2012	Dependent on funding	

Issue Identified By	**Source Document Title**
Bureau of Prisons	BOP Population Projections

Description of Remediation

Increase the number of federal inmate beds to keep pace with projected increases in the 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 exploring alternative options of confinement for appropriate cases.

Milestones	Original Target Date	Current Target Date	Actual Completion Date
1. As of September 30, 2006, the inmate population in BOP owned and operated institutions reached 162,514 and was housed in a capacity of 119,510, resulting in an over-crowding rate of 36 percent.	09/30/2006		09/30/2006
2. As of September 30, 2007, the inmate population in BOP owned and operated institutions reached 167,323 and was housed in a capacity of 122,189, resulting in an over-crowding rate of 37 percent, an increase of 1 percent for the year.	09/30/2007		09/30/2007
3. As of September 30, 2008, the inmate population in BOP owned and operated institutions reached 165,964 and was housed in a capacity of 122,366, resulting in an over-crowding rate of 36 percent, a decrease of 1 percent for the year.	09/30/2008		09/30/2008
4. As of September 30, 2009, the inmate population in BOP owned and operated institutions reached 172,423 and was housed in a capacity of 125,778, resulting in an over-crowding rate of 37 percent, an increase of 1 percent for the year.	09/30/2009		09/30/2009
5. As of September 30, 2010, the inmate population in BOP owned and operated institutions reached 173,289 and was housed in a capacity of 126,713, resulting in an over-crowding rate of 37 percent, the same rate as at the end of the previous year.	09/30/2010		09/30/2010
6. Planning estimates call for a rated capacity of 128,489 to be reached by the end of FY 2011. The over-crowding rate is projected to be 39 percent at that time, an increase of 2 percent for the year.	09/30/2011		
7. Planning estimates call for a rated capacity of 132,900 to be reached by the end of FY 2012. The over-crowding rate is projected to be 38 percent at that time, a decrease of 1 percent for the year.	09/30/2012		
8. Planning estimates call for a rated capacity of 134,561 to be reached by the end of FY 2013. The over-crowding rate is projected to be 39 percent at that time, an increase of 1 percent for the year.	09/30/2013		
9. Planning estimates call for a rated capacity of 136,709 to be reached by the end of FY 2014. The over-crowding rate is projected to be 38 percent at that time, a decrease of 1 percent for the year.	09/30/2014		

Reason for Not Meeting Original Target Completion Date

Funding for additional capacity has not kept pace with the increases in the federal inmate population.

Status of Funding Available to Achieve Corrective Action

The FY 2011 and out-year budget requests are structured to address the BOP's long-term capacity needs in the most cost effective manner possible. The DOJ's proposed FY 2012 budget for BOP is under review at the Office of Management and Budget; as of year-end FY 2010, the BOP's Long-term Capacity Plan was partially funded through FY 2016. The BOP will continue to structure budget requests to address capacity needs in the most cost effective manner possible.

Planned Measures to Prevent Recurrence

The BOP will continue to develop budget requests consistent with inmate population increases.

Validation Indicator

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

Organization Responsible for Corrective Action

BOP Program Review Division

Undisbursed Balances in Expired Grant Accounts

An October 15, 2010, memorandum from the Controller of the White House Office of Management and Budget noted that Section 537 of the Commerce, Justice, Science, and Related Agencies Appropriations Act, 2010 (Act) of the Consolidated Appropriations Act, 2010 (Pub. Law 111-117) requires certain departments, agencies, and instrumentalities of the United States Government receiving appropriations under the Act to track undisbursed balances in expired grant accounts for FY 2010. Therefore, certain information is required to be reported this fiscal year on the undisbursed balances in expired grant accounts.

Undisbursed balances in expired grant accounts include budget authority that is no longer available for new obligations but is still available for disbursement. According to Section 20.4(c) of OMB Circular No. A-II, *Preparation, Submission, and Execution of the Budget*, the expired phase "lasts for five years after the last unexpired year unless the expiration period has been lengthened by legislation. Specifically, you may not incur new obligations against expired budget authority, but you may liquidate existing obligations by making disbursements." For FY 2010, the below information is required to be reported in the Performance and Accountability Reports or Agency Financial Reports (AFR) and annual performance plans/budgets with regard to undisbursed balances in expired grant accounts: 1) details on future action the department, agency, or instrumentality will take to resolve undisbursed balances in expired grant accounts; 2) the method that the department, agency, or instrumentality uses to track undisbursed balances in expired grant accounts; 3) identification of undisbursed balances in expired grant accounts that may be returned to the Treasury of the United States; 4) in the preceding three fiscal years, details on the total number of expired grant accounts with undisbursed balances (on the first day of each fiscal year) for the department, agency, or instrumentality and the total finances that have not been obligated to a specific project remaining in the accounts.

Three Department of Justice grant-making agencies are required to report under this guidance: Community Oriented Policing Services (COPS), Office of Justice Programs (OJP), and the Office on Violence Against Women (OVW). Their responses are noted below:

Details on future actions that will be taken to resolve undisbursed balances in expired grant accounts:

COPS closely monitor the financial activity of all grantees. This includes requiring all grant recipients to report the financial expenditures for all COPS awards on a quarterly basis. COPS also maintains a group of dedicated Grant Program Specialists and Staff Accountants that offer grantees real-time technical assistance with implementing any aspect of their grant. Due to the additional reporting requirements and transparency associated with American Recovery and Reinvestment Act of 2009 (ARRA) grant recipients, COPS has implemented additional efforts to monitor COPS Hiring Recovery Program (CHRP) grantees. First, all CHRP grantees are required to complete an online grants management training, which includes a training track specifically addressing financial reporting and disbursement of funds. Second, CHRP grantees were notified earlier this year that the undisbursed balance on their grant awards will lapse on September 30, 2015 (5 years after the last unexpired year for ARRA), thus all grant program requirements should be completed by that time and all expensed funds disbursed. Third, beginning in November 2010, COPS will conduct quarterly outreach efforts to a select group of CHRP grantees who appear to have either discrepancies in the financial or programmatic reporting on their awards. Finally, the COPS Director receives a monthly report of CHRP activity, including disbursement data, and COPS management works with the Justice Management Division (JMD), OMB, and the Office of the Vice President (OVP) to ensure that ARRA funds are being disbursed and outlayed timely.

All OJP discretionary/categorical and block/formula grantees are required to submit a financial report quarterly. Grantees have 90 days after the end date of the award to drawdown funds and close out the award. If the payments to the grantee are less than the amount of the grant expenditures, then the grantee is given the opportunity to draw down these funds. OJP Customer Service Outreach staff will call the grantee to ask them to draw down their funds. The first notice will commence on the same day as the phone call to the grantee. If the grantee has not drawn down their available funds after 14 calendar days, a second contact is made by the Customer Service Outreach staff and a second notice is sent. If no action by the grantee, a third notice is sent to the grantee informing them that OJP will de-obligate the funds from their grant. If the grantee has not retrieved their funds after 14 additional calendar days, the funds are de-obligated. After deobligation, the grantee will receive a Grant Adjustment Notice (GAN) in the mail informing them that the funds have been de-obligated and are no longer available and the grant is closed.

OVW closely monitors the financial activity of all grantees. All grant recipients are required to report their financial expenditures for OVW awards on a quarterly basis and their project performance activities on a semi-annual or annual basis. ARRA grantees are also required to submit special Section 1512 reports on a quarterly basis that include project and financial information. OVW reviews 100 percent of these reports for each reporting period and contacts the grantees regarding any concerns or questions. OVW has Grant Program Specialists and Financial Analysts that offer ARRA grantees technical assistance with implementing any aspect of their grant, including trainings, outreach, site visits and monitoring. The OVW management receives and reviews frequent reports on ARRA grant activity, including obligation and outlay data, and OVW management works with JMD, OMB, OVP and the OIG to ensure that ARRA funds are being disbursed and outlayed timely.

Method used to track undisbursed balances in expired grant accounts:

COPS utilizes both the Financial Management Information System 2 (FMIS2) data as well as data from OJP's Grant Payment Request System (GPRS) to track CHRP undisbursed balances. OJP currently uses its Grants Management System (financial reports), FMIS2 and GPRS to track undisbursed balances. OVW utilizes both FMIS2 data as well as data from OJP's GPRS to track undisbursed balances.

Identification of undisbursed balances in expired grant accounts that may be returned to the Treasury:

The Department has the authority to transfer unobligated balances of expired appropriations to the Working Capital Fund. Specifically, Public Law 102-140 provides that at no later than the end the fifth fiscal year after the fiscal year for which funds are appropriated or otherwise made available, unobligated balances of appropriations available to the Department of Justice during such fiscal year may be transferred into the capital account of the Working Capital Fund to be available for the Department-wide acquisition of capital equipment, development and implementation of law enforcement or litigation related automated data processing systems, and for the improvement and implementation of the Department's financial management and payroll/personnel systems. Therefore, in general unobligated and undisbursed balances in the Department’s expired grant accounts will be transferred to the Working Capital Fund, and will not be returned to the Treasury. An exception to this will be American Recovery and Reinvestment Act grant funds; pursuant to Public Law 111-203, such grant funds that have not been obligated as of December 31, 2012, will be rescinded and returned to the Treasury.

The total number of expired grant accounts with undisbursed balances (on the first day of each fiscal year) and the total finances that have not been obligated to a specific project remaining in the accounts, are as follows:

All dollars noted below in Thousands:

OJP:
FY 2007: 6 accounts: total of $69,294 in undisbursed and unobligated balances
FY 2008: 8 accounts: total of $60,725 in undisbursed and unobligated balances
FY 2009: 10 accounts: total of $65,961 in undisbursed and unobligated balances
FY 2010: 8 accounts: total of $1,638,582 in undisbursed and unobligated balances

COPS:
FY 2007, FY 2008, FY 2009: No undisbursed and unobligated balances
FY 2010: 1 account: $1,001,950 in undisbursed and unobligated balances

OVW:
FY 2007, FY 2008, FY 2009: No undisbursed and unobligated balances
FY 2010: 1 account: $223,012 in undisbursed and unobligated balances

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APPENDICES

Appendix A

Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Report

The Office of the Inspector General (OIG) provided a draft of the *Independent Auditors' Report on Internal Control over Financial Reporting* to the Department of Justice (Department). The Department's response is incorporated in the *Independent Auditors' Report on Internal Control over Financial Reporting* of this final report. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

Recommendation Number:

1. **Resolved.** The Department concurred with our recommendation. This recommendation can be closed when subsequent annual financial statement audit testing verifies that the Department monitored the corrective actions taken by the USMS to improve the condition of its funds management controls, in response to the specific recommendations made in the component auditors' *Independent Auditors' Report on Internal Control over Financial Reporting* issued in connection with the audit of the USMS's financial statements as of and for the year ended September 30, 2010.

2. **Resolved.** The Department concurred with our recommendation. This recommendation can be closed when subsequent annual financial statement audit testing verifies that the Department assessed the adequacy of the Department's accounting, internal control, and financial reporting policies in the areas of: (1) seized and forfeited property and (2) undelivered orders and accounts payable. Based on the results of this assessment, the Department should determine the need to issue new guidance and/or reiterate to the AFF and ATF the existing policies for those areas in which the components' auditors identified significant deficiencies related to the recording of transactions and the preparation of financial statements in accordance with U.S. generally accepted accounting principles. The Department should monitor the AFF's and ATF's adherence to the Department's accounting and financial reporting policies and procedures throughout the year.

3. **Resolved.** The Department concurred with our recommendation. This recommendation can be closed when the Department has implemented a Department-wide integrated financial management system that is in compliance with the United States Government Standard General Ledger, conforms to the financial management system requirements established by OMB Circular A-127, *Financial Management Systems*, and can accommodate the requirements of applicable federal accounting standards.

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APPENDIX B

Improper Payments Information Act Reporting Details

Item I. Describe the risk assessment performed subsequent to the agency completing its full program inventory. List the risk-susceptible programs (i.e., programs that have a significant risk of improper payments based on OMB guidance thresholds) identified through the agency's risk assessment. Highlight any changes to the agency's risk assessment or risk assessment results that have occurred since its IPIA Reporting in the FY 2009 PAR.

In accordance with the Improper Payments Information Act (IPIA) and OMB Circular A-123, Appendix C, *Requirements for Effective Measurement and Remediation of Improper Payments*, the Department assessed its programs and activities for susceptibility to significant improper payments. The Department has implemented a top-down approach that assesses risk from a Department-wide perspective, allowing management to focus on the most significant programs and activities in terms of risk and materiality. The approach promotes consistency across components and enhances internal control related to preventing, detecting, and recovering improper payments. In conjunction with implementing the top-down approach, the Department developed and disseminated guidance for conducting the required risk assessment, along with a risk assessment survey instrument for components to use in capturing information on ten risk factors, such as payment volume and process complexity. The instrument covered commercial payments, as well as intra-governmental payments, employee disbursements, and grant payments.

The Department's IPIA risk assessment process has not changed significantly since FY 2009. In addition, the results of the FY 2010 IPIA risk assessment did not differ significantly from the results of the FY 2009 IPIA risk assessment. Based on the results of the Department-wide risk assessment for the period ending September 30, 2010, the Department concluded there were no programs with a significant risk of improper payments exceeding the OMB thresholds of 2.5 percent of program payments and $10 million.

Item II. Describe the statistical sampling process conducted to estimate the improper payment rate for each program identified. Highlight any changes to the agency's statistical sampling process that have occurred since its IPIA Reporting in the FY 2009 PAR.

Not applicable. Based on the results of the Department-wide risk assessment, the Department concluded there were no programs susceptible to improper payments exceeding both 2.5 percent of program payments and $10 million. This remains unchanged from FY 2009.

Item III. Describe the Corrective Action Plans for:

A. Reducing the estimated rate and amount of improper payments for each type of root cause of error. Include the corrective action(s) most likely to significantly reduce future improper payments due to each type of error.

The results of the Department-wide risk assessment demonstrated that, overall, the Department has sufficient internal controls over disbursement processes, the dollar amount of improper payments is not material, and the risk of significant improper payments is low. Nonetheless, Departmental components have implemented corrective actions to address specific areas where improvements can be made. For example, the Drug Enforcement Administration (DEA) requires personnel at payment sites to complete its Intranet-based electronic form, *Notification of Erroneous Payment*, for any improper payment identified. Data to be reported on the form include the underlying cause(s) of the improper payment and corrective actions planned to prevent recurrence. The Federal Bureau of Investigation's (FBI) efforts to prevent and reduce improper payments also include identifying the causes of errors and appropriate corrective actions; i.e., its post-payment procedures specifically address the need to correct root causes of errors. Other examples of corrective actions and ongoing efforts to prevent improper payments are further described in Item V, *Recovery Auditing Reporting*, and Item VII, *Agency Information Systems and Other Infrastructure*.

B. Grant-making agencies with risk-susceptible grant programs, discuss what the agency has accomplished in the area of funds stewardship past the primary recipient. Include the status of projects and results of any reviews.

Not applicable. The Department-wide risk assessment concluded there were no risk-susceptible grant programs.

Item IV. Program Improper Payment Reporting

The table below is required for each reporting agency. Agencies must include the following information:

- **all risk-susceptible programs must be listed in this chart whether or not an error measurement is being reported;**
- **where no measurement is provided, the agency should indicate the date by which a measurement is expected;**
- **if the Current Year (CY) is the baseline measurement year, indicate by either note or by N/A in the Prior Year (PY) column;**
- **if any of the dollar amounts included in the estimate correspond to newly established measurement components in addition to previously established measurement components, separate the two amounts to the extent possible;**
- **include outlay estimates for CY+1, +2, and +3; and**
- **agencies are expected to report on CY activity or, if not feasible, PY activity is acceptable.**

Not applicable. Based on the results of the Department-wide risk assessment, the Department concluded there were no programs susceptible to improper payments exceeding both 2.5 percent of program payments and $10 million.

Item V. Recovery Auditing Reporting

A. Discuss the agency's recovery auditing effort, if applicable, including any contract types excluded from review and the justification for doing so, actions taken to recoup improper payments, and the business process changes and internal controls instituted and/or strengthened to prevent further occurrences.

The Department's recovery auditing program is part of its overall program of effective internal control over disbursements. The recovery auditing program includes preventive and detective controls to ensure payments are legal, proper, and correct. For example, the Department's policies pertaining to the Recovery Auditing Act and IPIA provide a methodology for identifying improper payments; establish a system to monitor improper payments and their causes; and include controls and actions for preventing, detecting, and recovering improper payments.

In addition to implementing the controls established by the Department, components have taken specific actions to enhance their disbursement processes and associated internal controls to prevent further occurrences of improper payments. Components have also taken specific actions to facilitate recovery of improper payments. For example, the FBI developed an accounts receivable report that tracks the age and collection efforts for all uncollected improper payments, and DEA enhanced its data collection and analytics efforts to ensure information on the status of recoveries and trends of improper payments can be readily generated. The Office of Justice Programs' (OJP) actions include developing and regularly generating a report that identifies potential duplicate disbursements, researching the questionable disbursements, resolving issues to identify payments that were proper, and initiating recovery actions for payments deemed to be improper.

All of the Department's components' internal review activities include reviews of disbursements that test for improper payments. For example, for the Department's Offices, Boards, and Divisions, the Justice Management Division's Quality Control and Compliance Group conducts periodic internal reviews of financial controls that include tests for improper payments.

B. Complete the table below.

Summary of Recovery Program Activities Current Year (FY 2010) and Prior Years (FYs 2004 through 2009)							
Amount Subject to Review for FY 2010 Reporting	Actual Amount Reviewed and Reported FY 2010	Amounts Identified for Recovery FY 2010	Amounts Recovered FY 2010	Amounts Identified for Recovery in Prior Years	Amounts Recovered in Prior Years	Cumulative Amount Identified for Recovery (FY 2010 + Prior Years)	Cumulative Amount Recovered (FY 2010 + Prior Years)
$10,549,092,624	$10,549,092,624 (100 percent)	$3,576,883	$4,084,993	$16,772,333	$15,055,944	$20,349,216	$19,140,937 (94 percent)

As shown in the table, for the cumulative reporting period of FY 2004 through FY 2010, the Department has recovered approximately $19.1 million or 94 percent of the total amount of improper commercial payments identified for recovery, up from 90 percent at FY 2009 year end. As also shown, the amount of improper payments recovered in FY 2010 exceeds the amount identified for recovery due to the recovery during FY 2010 of improper payments identified in previous years.

Item VI. Describe the steps the agency has taken and plans to take (including time line) to ensure that agency managers (including the agency head) are held accountable for reducing and recovering improper payments.

The Assistant Attorney General for Administration has implemented IPIA and recovery auditing policies and controls throughout the Department that cover preventing, detecting, and recovering improper payments. As mentioned previously, the dollar amount of the Department's improper payments is not material, and the risk of significant improper payments is low. Nonetheless, the Department holds managers accountable for reducing and recovering improper payments through performance ratings. In addition, the Department requires components to provide a report each quarter on recovery auditing activities so component progress on reducing and recovering improper payments can be monitored throughout the year. Data required to be reported include the amounts of total payments, total payments reviewed for improper payments, improper payments identified for recovery, improper payments recovered, and improper payments remaining to be recovered; the root causes of improper payments; and corrective actions taken or planned to resolve issues timely and effectively.

In addition to the Department's measures to hold managers accountable for reducing and recovering improper payments, some components have established additional accountability measures. For example, for internal reviews conducted by the Federal Bureau of Prisons (BOP) Program Review Office, it is the responsibility of the Chief Executive Officer of each site reviewed to address each deficiency in the program review final report and provide an explanation of the corrective action taken to resolve the deficiencies.

Item VII. Agency Information Systems and Other Infrastructure

A. Describe whether the agency has the information systems and other infrastructure it needs to reduce improper payments to the levels the agency has targeted.

Department-wide actions to reduce improper payments are accomplished through an aggressive strategy of re-engineering and standardizing business processes, concurrent with the Department's implementation of an integrated financial management system, which is underway and scheduled to be implemented across Departmental components within the next four years. In addition to the

Department's actions to reduce improper payments, individual components have built controls into their financial systems that are designed to prevent improper payments and identify such payments so recovery actions can be initiated. For example, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) financial system validates that the same invoice number has not been used previously by a vendor when a subsequent invoice from that vendor is being processed for payment.

B. If the agency does not have such systems and infrastructure, describe the resources the agency requested in its most recent budget submission to Congress to obtain the necessary information systems and infrastructure.

Not applicable. The integrated financial management system, when fully implemented throughout the Department, will complement the Department's current infrastructure and capabilities to reduce improper payments.

Item VIII. Describe any statutory or regulatory barriers that may limit the agency's corrective actions in reducing improper payments and actions taken by the agency to mitigate the barriers' effects.

The Department has not identified any statutory or regulatory barriers that limit its corrective actions in reducing improper payments.

Item IX. Additional comments, if any, on overall agency efforts, specific programs, best practices, or common challenges identified as a result of IPIA implementation.

The Department's continued use of a top-down approach for IPIA compliance promotes consistency across components and enhances internal controls and activities designed to prevent, detect, and recover improper payments. As mentioned previously, use of a top-down approach allows the Department to focus on its most significant programs and activities in terms of risk and materiality.

Additional Departmental IPIA efforts in FY 2010 included enhancing its Recovery Auditing Activities data collection instrument to facilitate quarterly monitoring of activities and annual reporting for the Performance and Accountability Report. The Department also provided a workshop to reinforce requirements and promote consistency throughout the Department with regard to IPIA compliance. The workshop focused on conducting and documenting the required IPIA risk assessment and reporting the data needed for the Performance and Accountability Report.

APPENDIX C

FY 2010 Financial Management Status Report

This financial management status report describes the Department's three most significant and overarching financial management initiatives – achieving a clean audit opinion, implementing a new Department-wide financial management system, and continually improving internal controls. The President's emphasis on transparency emphasizes the significance of federal government performance and accountability to achieve successful results. The ultimate goal is accurate and timely financial information on a recurring basis. These initiatives support the Department's overall goal to improve management and administration of the Department's programs while also supporting mandates such as the CFO Act, the Government Management Reform Act (GMRA), the Federal Financial Management Improvement Act (FFMIA), the Government Performance and Results Act (GPRA), Federal Managers' Financial Integrity Act (FMFIA), and the Debt Collection Improvement Act (DCIA) of 1996.

Reliable Financial Statements and Meeting Due Dates for Financial Statements. KPMG LLP, an independent public accounting firm under contract with the Department's Office of the Inspector General, performed the Fiscal Year (FY) 2010 consolidated Department audit. The Department earned an unqualified opinion on its audited consolidated financial statements for FY 2010. All nine of the Department's components that produce financial statements received unqualified opinions, as well. The Department and components continued to demonstrate progress in remediating weaknesses identified by the independent auditors. The Department has consistently met the OMB due date for submission of the consolidated financial statements. Ensuring these deadlines are met required planning and coordination which included issuance of the annual Financial Statement Requirements and Preparation Guide (Guide). The Guide includes a detailed timeline of major events and interim milestones. This, along with components' corrective actions quarterly status updates, adds to the foundation necessary to eliminate auditor-reported internal control material weaknesses. For FY 2010 and beyond, the Department expects to maintain its consistent status on its audited consolidated financial statements.

Integrated Financial Management System. The Unified Financial Management System (UFMS) initiative is the keystone to the Department's financial systems improvement planning for the future. UFMS is replacing the Department's multiple core financial management and procurement systems with an integrated Commercial Off-The-Shelf (COTS) solution, Momentum, provided by CGI Federal Inc. Implementation of the UFMS is improving financial management and procurement operations through streamlining and standardizing business processes and procedures across all components.

The Department Components identified to replace their current financial management and procurement systems include the Asset Forfeiture Program (AFP), Federal Bureau of

Investigation (FBI); U.S. Marshals Service (Marshals Service); Drug Enforcement Administration (DEA); Federal Bureau of Prisons (BOP); Office of Justice Programs (OJP); Offices, Boards and Divisions (OBDs); and Alcohol, Tobacco, Firearms and Explosives (ATF).

As of September 2010, UFMS supported more than 2,000 users worldwide, including the DEA (fully implemented), BOP (UFMS Acquisitions), Marshals Service (UFMS Acquisitions), and AFP (pilot program).

Significant strides were made in FY 2010 to bring additional users onto the system and prepare the next Components for implementation. Major accomplishments included the following:

- Implemented Marshals Service Phase 1, UFMS Acquisitions, in March 2010 demonstrating that two DOJ organizations (BOP and the Marshals Service) could successfully operate in a single shared instance. Sharing instances in UFMS will result in significant cost savings across the Department by consolidating system administration functions and eliminating duplicative processes.
- Accomplished the upgrade to UFMS 2.0, which supports additional business processes, reports, reference data, management solutions, planning, and system security enhancements.
- Completed the design, configuration, testing, training, and conversion activities to deploy UFMS 2.0 to ATF as its system of record in October 2010, which will add 500 more users.
- Finished planning activities and initiated Phase 2 of the full implementation at the Marshals Service. This included the requirements gathering and gap analysis. The Marshals Service is scheduled to go live in 2012.
- Updated the UFMS Authority to Operate.
- Collaborated with the FBI to prepare for the start up in the first quarter of FY 2011 of the Phase 2 implementation of UFMS at the Criminal Justice Information System (CJIS).
- Improved system availability of UFMS by meeting the performance standard of 99 percent availability in 11 of the 12 months, and improved the user experience during peak processing times. Customer service continues to be a priority, and performance against the objectives will continue to be measured and evaluated as new customers are implemented.

Federal Financial Management Improvement Act (FFMIA) Remediation Plan and A-123 Compliance. During FY 2010, the Department continued efforts to resolve internal control weaknesses in critical areas by providing oversight and resources to individual components. Through ongoing review programs, components aggressively demonstrated their commitment to identify areas of concern and implement corrective actions promptly. The Department also continued to demonstrate progress on its multiyear project to implement an integrated financial management system. This system will eventually provide a single source for timely and reliable financial data, and strengthen the Department's overall control environment. The system will also facilitate the collection of information, increase transparency, and enhance decision-making by program managers.

The Department continued its commitment to improving and strengthening controls through the annual OMB Circular A-123 assessment. Using a top-down risk-based approach, efforts were focused on significant areas where the risk of material errors in financial reporting could occur. An increased effort was also made to coordinate and leverage existing reviews and assessments of the controls over significant financial information systems. These actions, coupled with the Department's corrective action plan process, have enabled the Department to monitor the components' progress against corrective action plans more timely and, when necessary, provide additional resources to correct control weaknesses.

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APPENDIX D

Major Program Evaluations Completed During FY 2010

Office of the Inspector General (OIG) Review of Department of Justice's Preparations to Respond to a Weapons of Mass Destruction Attack

The OIG examined the preparedness of DOJ and its components to respond to a Weapons of Mass Destruction (WMD) incident. This review, however, did not examine preparedness to prevent a WMD. Emergency preparedness functions are generally considered to have two main elements: operational response and continuity planning. Operational response consists of an on-scene response to the incident and investigation of the incident. Continuity planning includes continuity of operations planning and continuity of government planning. In conducting this review, the OIG examined the roles of the Office of the Deputy Attorney General, Justice Management Division, Alcohol, Tobacco, Firearms and Explosives, the Criminal Division, Drug Enforcement Administration, Executive Office of the United States Attorneys, Federal Bureau of Investigation, National Security Division, Office of Legal Counsel, Office of Legal Policy, United States Attorney's Offices in the National Capital Region, and the United States Marshals Service. The OIG concluded that only the FBI has taken adequate steps to respond to a potential WMD attack.

OIG Review of the Department's Anti-Gang Intelligence and Coordination Centers

The OIG conducted a review to examine the intelligence and coordination activities of National Gang Intelligence Center and Gang Targeting Enforcement, and Coordinating Center (the Centers) and to assess the effectiveness of their contributions to DOJ anti-gang initiatives. Specifically, the OIG examined whether the Centers provide comprehensive gang intelligence and coordination services to enhance gang investigations and prosecutions in the field. In addition, the OIG assessed the effectiveness of the Department's management and co-location of the Centers. The Centers were created to be the Department's national intelligence and coordination mechanisms, respectively, for gang-related investigations and prosecutions. The OIG generated 15 recommendations to help improve the Centers' missions of assisting federal, state, and local law enforcement to address violent regional and national gangs. The Office of the Deputy Attorney General (ODAG) generated a joint response on behalf of the Criminal Division, the FBI and the ODAG that agreed in concept with the 15 recommendations and is in the process of evaluating and formulating measures to resolve many of the identified issues.

OIG Review of the Coordination between the Federal Bureau of Investigation (FBI) and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)

The OIG audit examined the Department's oversight and the FBI's and ATF's operations of explosives-related activities from FY 2003 through April 2009. The objective of this review was to evaluate the level of coordination between the FBI and ATF in explosive investigations, including the effectiveness of explosive incident protocols to determine lead agency jurisdiction, the extent of information sharing and consolidation of explosives data, the degree of training coordination, and the use of laboratory resources for explosives analysis. The OIG found that the FBI and ATF were not adequately coordinating explosives-related operations and had developed similar technical abilities to respond to explosives incidents. The OIG made 15 recommendations to improve coordination and reduce conflict between the FBI and ATF on explosives investigations and related activities. The OIG further stated that it is critical that the Department issue a new directive to clearly define lead investigative authority between the FBI and ATF and require coordination of investigative actions when it is unclear at the outset as to which of the agencies has lead investigative authority. Additionally, the recommendations included developing protocols on joint investigations for explosives incidents, implementing new policies to ensure both federal reporting to the ATF and development of a more user-friendly system, as well as agreeing on standardized post-blast curricula, render-safe procedures, and canine training standards. In a joint response, the Office of the Deputy Attorney General agreed in concept with all 15 recommendations and agreed to formulate measures to resolve many of the identified issues. On August 3, 2010, the Deputy Attorney General signed a decision memorandum with directives for ATF and FBI.

OIG Review of FBI's Laboratory Forensic DNA Backlog

Forensic DNA casework testing involves the identification and evaluation of biological evidence using DNA technologies. Forensic DNA analysis is an important tool in law enforcement and counterterrorism investigations. DNA analysis can be used to implicate or eliminate a suspect, solve cases that had previously been thought of as unsolvable, link evidence from different crime scenes, or aid in the identification of victims. The FBI Laboratory conducts analyses of forensic DNA cases as well as of convicted offender samples. As a result of this study, the OIG made five recommendations: 1) Standardize FBI Laboratory-wide definitions for calculating backlog within case working units; 2) Ensure the availability of an information portal that has received permanent authority to operate for FBI Laboratory users to access a laboratory information management system; 3) Establish formal time tracking procedures and definitions in the FBI Laboratory to accurately capture time spent conducting forensic DNA casework; 4) Coordinate with the District of Columbia Metropolitan Police Department to resolve the more than 200 instances of missing case evidence; and 5) Examine the effect of outsourcing agreements on the overall DNA forensic casework backlog and the time contributors wait for test results. The FBI concurred with the OIG recommendations and has taken the necessary corrective actions to close this report.

OIG Review of the Drug Enforcement Administration's El Paso Intelligence Center (EPIC)

The objectives of the review were to assess EPIC's effectiveness at analyzing and disseminating intelligence and its coordination with law enforcement and intelligence centers and agencies.

OIG issued 11 recommendations in the report. One of the recommendations, number 4, was directed to the Office of the Deputy Attorney General. The recommendations were as follows: 1) EPIC implement an outreach and education program to promote the use of its products and services, including information about how to use the EPIC Portal; 2) EPIC update its Principals Accord or adopt a comparable multiagency framework that formalizes each member's roles and responsibilities for implementing and sustaining EPIC's programs and that provides a process for resolving differences that may arise; 3) EPIC promote increased reporting of drug seizure data to the National Seizure System through the EPIC Portal and traditional methods; 4) The Office of the Deputy Attorney General work with the Office of National Drug Control Policy to establish policy or guidance requiring HIDTAs to implement data and information sharing provisions to establish EPIC as their hub for seizure and drug movement information; 5) EPIC establish points of contact at all national, regional, state, and local fusion centers to enhance information sharing and use of EPIC's services and products; 6) EPIC issue more substantive analytical products based on the seizure data collected in the National Seizure System; 7) EPIC assess the feasibility of analyzing digitally scanned fraudulent documents to identify trends in both sources and patterns of fraudulent document use, and of providing the data to other intelligence centers for their use; 8) The DEA assess the feasibility of enhancing the capability at EPIC to analyze tactical information to identify links, trends, and patterns in drug trafficking activity in support of interdictions operations and investigations; 9) EPIC examine new approaches for making Gatekeeper information more current and accessible; 10) EPIC develop performance metrics for all its programs and operations that define relevant and objective standards, and use the metrics to evaluate program effectiveness; 11) EPIC develop a mechanism to systematically collect feedback on its products and services from users. DEA has responded and taken actions to address the recommendations. OIG is still reviewing the information to determine if the DEA status meets the intent of the recommendations.

OIG Review of DEA's Clandestine Laboratory Cleanup Program

The objectives were to evaluate 1) whether there is adequate oversight and inspection of the clandestine lab cleanups performed by contractors primarily to assure effective cleanup; 2) whether contracting is accomplished in accordance with applicable laws, regulations, and policies, and 3) the DEA's overall effectiveness in administering the Clandestine Lab Cleanup Program. OIG issued six recommendations to DEA for improvement of the program. The recommendations were 1) Ensure that final manifests are submitted with vendor invoices and that invoices are not paid until a final manifest is received; 2) Ensure that all final manifests are compared with Certificates of Disposal to determine if all hazardous waste materials were disposed of properly; 3) Ensure that vendor cleanup personnel have the required Sensitive Access Level adjudication or are in the process of obtaining one before being allowed to perform the hazardous waste cleanup services and that the labor costs are not paid for personnel performing cleanups without required Sensitive Access Level adjudications; 4) Ensure that cleanups are performed by a minimum of two properly trained vendor personnel; 5) Ensure that vendors list the correct generators on the manifests; and 6) Analyze the option of contracting separately with the EPA-regulated disposal facilities in order to resolve the conflicting time requirements for vendor submission of final invoices and disposal facility submission of Certificates of Disposal. On September 17, 2010, DEA provided a response to OIG on the actions taken to address the six recommendations made in the report. The actions taken on recommendations 1-5 to update the Clan Lab standard operating procedures met the intent of the recommendation. On the same day, September 17, 2010, OIG closed recommendations 1-5 based on the updated standard operating procedures provided to OIG. Recommendation 6 requires DEA to complete an analysis of contracting separately with the EPA-regulated disposal facilities. The DEA analysis is ongoing.

Government Accountability Office (GAO) Examination of Bureau of Prisons' (BOP) Methods for Cost Estimation

GAO was congressionally directed to examine 1) how BOP estimates costs when developing its annual budget request to DOJ; 2) the extent to which BOP's methods for estimating costs follow established best practices; and 3) the extent to which BOP's costs for key operations exceeded requested funding levels identified in the President's budget in recent years, and how this has affected BOP's ability to manage its growing inmate population. GAO analyzed BOP budget documents, interviewed BOP and DOJ officials, and compared BOP's cost estimation documentation to criteria in GAO's *Cost Estimating and Assessment Guide.* GAO found that BOP's methods for cost estimation largely reflect best practices outlined in GAO's *Cost Estimating and Assessment Guide*. BOP followed a well-defined process for developing a mostly comprehensive, well documented, accurate, and credible cost estimate for fiscal year 2008. For example, BOP used relevant historical cost data and considered adjustments for general inflation when estimating costs for its budget request to DOJ. Moreover, BOP's methods for projecting inmate population changes were accurate, on average, to within 1 percent of the actual inmate population growth from fiscal year 1999 to August 2009. GAO recommended that BOP 1) conduct an uncertainty analysis quantifying the extent to which its operational costs could vary due to changes in key cost assumptions and submit the results, along with budget documentation, to DOJ; and 2) improve documentation of calculations used to estimate its costs. BOP agreed with GAO's recommendations.

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APPENDIX E

Intellectual Property Report – FY 2010

The information in this section is provided pursuant to the statutory mandate in Title 18, United States Code, Section 2320(g), which requires a report of Department of Justice prosecutions of intellectual property (IP) crimes brought under sections 2318, 2319, 2319A and 2320 of Title 18 of the United States Code. Prosecutions under other IP statutes are not included. This information has been provided by the Executive Office for United States Attorneys (EOUSA), which maintains criminal caseload information as reported by the 94 U.S. Attorneys' Offices.

The pages that follow contain summary case information, segregated by statutory provision, and preceded by a brief description of each offense. Also included is a list of cases referred for prosecution by the Bureau of Immigration and Customs Enforcement or the Bureau of Customs and Border Protection. Following the summary data is a district by district break out of the same data.

The automated case management system used to collect data for the U.S. Attorneys' Offices does not break out copyright infringement cases according to the following categories: audiovisual (videos and films); audio (sound recordings); literary works (books and musical compositions); computer programs or video games. Also, the case management system does not separately identify copyright infringement cases where the infringer advertises the infringing work online or makes the infringing work available on the Internet for download, reproduction, performance or distribution by others. Thus, that information is not included. Similarly, data on fines, penalties, settlements or restitution are not included because that information cannot be extracted from the database according to particular statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318* - Trafficking in Counterfeit Labels for Phono Records and Copies of Motion Pictures or Other Audiovisual Works.

Offense: knowingly trafficking in a counterfeit label affixed or designated to be affixed to a phono record or a copy of a motion picture or other audiovisual work.

	FY 2010 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	26
Number of Defendants:	32
Number of Cases Filed:	9
Number of Defendants:	9
Number of Cases Resolved/Terminated:	12
Number of Defendants:	24
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	9
Number of Defendants Who Were Tried and Found Guilty:	2
Number of Defendants Against Whom Charge Was Dismissed:	13
Number of Defendants Acquitted:	0
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	6
1 to 12 Months Imprisonment:	1
13 to 24 Months:	1
25 to 36 Months:	0
37 to 60 Months:	1
61 + Months:	2

Total Dollar Value of All Criminal Fines Imposed: Not Available
(fines can be assessed in lieu of or in addition to prison sentences)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318.

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506* - Criminal Infringement of a Copyright.

Offense: willful infringement of a copyright for purposes of commercial advantage or private financial gain, or through large-scale, unlawful reproduction or distribution of a copyrighted work, regardless of whether there was a profit motive.

	FY 2010 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	132
Number of Defendants:	174
Number of Cases Filed:	74
Number of Defendants:	83
Number of Cases Resolved/Terminated:	84
Number of Defendants:	95
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	84
Number of Defendants Who Were Tried and Found Guilty:	1
Number of Defendants Against Whom Charge Was Dismissed:	8
Number of Defendants Acquitted:	0
Other Terminated Defendants:	2
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	54
1 to 12 Months Imprisonment:	14
13 to 24 Months:	12
25 to 36 Months:	3
37 to 60 Months:	2
61 + Months:	0

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES CODE, SECTION 2319A* - Unauthorized Fixation of and Trafficking in Sound Recordings and Music Videos of Live Musical Performances.

Offense: without the consent of the performer, knowingly and for the purposes of commercial advantage or private financial gain, fixing the sounds or sound and images of a live musical performance, reproducing copies of such a performance from an authorized fixation; transmitting the sounds or sounds and images to the public, or distributing, renting, selling, or trafficking (or attempting the preceding) in any copy of an authorized fixation.

	FY 2010 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	1
Number of Defendants:	1
Number of Cases Filed:	0
Number of Defendants:	0
Number of Cases Resolved/Terminated:	0
Number of Defendants:	0
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	0
Number of Defendants Who Were Tried and Found Guilty:	0
Number of Defendants Against Whom Charge Was Dismissed:	0
Number of Defendants Acquitted:	0
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	0
1 to 12 Months Imprisonment:	0
13 to 24 Months:	0
25 to 36 Months:	0
37 to 60 Months:	0
61 + Months:	0

Total Dollar Value of All Criminal Fines Imposed: Not Available (fines can be assessed in lieu of or in addition to prison sentences.)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES CODE, SECTION 2320* - Trafficking in Counterfeit Goods or Services.

Offense: intentionally trafficking or attempting to traffic in goods or services and knowingly using a counterfeit mark on or in connection with such goods or services.

	FY 2010 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	194
Number of Defendants:	346
Number of Cases Filed:	87
Number of Defendants:	159
Number of Cases Resolved/Terminated:	74
Number of Defendants:	118
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	78
Number of Defendants Who Were Tried and Found Guilty:	4
Number of Defendants Against Whom Charge Was Dismissed:	31
Number of Defendants Acquitted:	2
Other Terminated Defendants:	3
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	48
1 to 12 Months Imprisonment:	16
13 to 24 Months:	9
25 to 36 Months:	4
37 to 60 Months:	3
61 + Months:	2

Total Dollar Value of All Criminal Fines Imposed: Not Available
(fines can be assessed in lieu of or in addition to prison sentences)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTIONS 2318, 2319, 2319A, 2320 OR TITLE 17, UNITED STATES CODE, SECTION 506*

All Districts - All Statutes

Referrals and Cases:	FY 06	FY 07	FY 08	FY 09	FY 10
Number of Investigative Matters Received:	333	368	303	243	343
Number of Defendants:	580	561	467	404	543
Number of Cases Filed:	178	200	179	150	158
Number of Defendants:	297	268	239	203	239
Number of Cases Resolved/Terminated:	155	177	174	175	152
Number of Defendants:	223	278	270	230	212
Disposition of Defendants in Concluded Cases:					
Number of Defendants Who Pleaded Guilty:	178	240	220	198	185
Number of Defendants Who Were Tried and Found Guilty:	9	10	8	5	7
Number of Defendants Against Whom Charges Were Dismissed:	16	15	26	21	14
Number of Defendants Acquitted:	2	1	8	2	2
Other Terminated Defendants:	18	12	8	4	4
Prison Sentencing for Convicted Defendants (# represents defendants):					
No Imprisonment:	91	129	101	114	114
1 to 12 Months Imprisonment:	35	44	46	31	33
13 to 24 Months:	22	33	39	27	25
25 to 36 Months:	13	18	20	6	9
37 to 60 Months:	17	11	19	17	7
61 + Months:	9	15	3	8	4

Statistics on Matters/Cases Originating with the United States Bureau of Customs & Border Protection and Bureau of Immigrations & Customs Enforcement*

Referrals and Cases:	FY 10
Number of Investigative Matters Received:	177
Number of Defendants:	281
Number of Cases Filed:	85
Number of Defendants:	115
Number of Cases Resolved/Terminated:	66
Number of Defendants:	86
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	76
Number of Defendants Who Were Tried and Found Guilty:	4
Number of Defendants Against Whom Charges Were Dismissed:	4
Number of Defendants Acquitted:	2
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	54
1 to 12 Months Imprisonment:	16
13 to 24 Months:	4
25 to 36 Months:	3
37 to 60 Months:	2
61+ Months:	1

*These charts include data on any and all criminal cases/defendants where 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information is based upon the overall outcome of the defendant. These charts may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes. These charts do not include data on the investigation and prosecution of other intellectual property crimes, such as economic espionage, 18 U.S.C. 1831; theft of trade secrets, 18 U.S.C. 1832; signal piracy, 47 U.S.C. 553 and 605; and circumvention of copyright protection systems, 17 U.S.C. 1201 to 1205.

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	1	3	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	1	1	0	0	0	6	5	0	1	0	0
CALIFORNIA EASTERN	2	2	0	0	1	2	0	2	0	0	0
CALIFORNIA NORTHERN	2	3	0	0	1	2	1	0	1	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0	0	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	1	1	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI WESTERN	1	2	0	0	3	3	0	0	3	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0	0	0	0	0	0
NEVADA	0	0	0	0	1	2	0	0	2	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	1	3	2	0	1	0	0
NEW YORK WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	1	1	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	1	1	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	5	5	6	6	4	4	0	0	4	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	1	2	0	0	0	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	1	2	1	0	1	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	1	1	1	1	0	0	0	0	0	0	0
VIRGINIA EASTERN	4	5	1	1	0	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	2	2	1	1	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	26	32	9	9	12	24	9	2	13	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2318 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	4	0	0	0	1	0
CALIFORNIA EASTERN	0	0	0	0	0	2
CALIFORNIA NORTHERN	0	1	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	2	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	0	1	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
Grand Total	6	1	1	0	1	2

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2318 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	2	2	1	1	0	0	0	0	0	0	0
ALASKA	0	0	1	1	1	1	1	0	0	0	0
ARIZONA	1	5	1	4	1	2	2	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	1	1	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	5	5	4	4	4	4	3	0	0	0	1
CALIFORNIA EASTERN	3	4	2	2	1	3	3	0	0	0	0
CALIFORNIA NORTHERN	7	10	1	1	2	3	2	0	1	0	0
CALIFORNIA SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	2	2	2	0	0	0	0
DELAWARE	2	2	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	3	4	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	5	6	1	1	1	1	1	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	2	2	1	0	1	0	0
GEORGIA SOUTHERN	1	1	1	1	1	1	1	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	1	1	1	0	0	0	0
ILLINOIS NORTHERN	1	1	0	0	1	1	1	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	1	1	1	1	0	0	0	0	0	0	0
INDIANA SOUTHERN	1	1	2	2	1	1	1	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	1	1	1	0	0	0	0
KENTUCKY WESTERN	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	1	1	0	0	1	1	1	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	1	1	1	1	0	0	0	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	3	3	1	1	2	2	2	0	0	0	0
MASSACHUSETTS	0	0	0	0	2	2	2	0	0	0	0
MICHIGAN EASTERN	3	3	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	1	1	1	0	0	0	0
MISSISSIPPI SOUTHERN	1	1	1	1	0	0	0	0	0	0	0
MISSOURI EASTERN	2	5	3	5	5	7	5	0	2	0	0
MISSOURI WESTERN	0	0	0	0	3	3	3	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	2	2	1	0	1	0	0
NEVADA	1	1	0	0	1	3	3	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	1	1	1	1	2	2	0	0	1	0	1
NEW MEXICO	0	0	1	1	1	1	1	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK NORTHERN	1	1	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	7	14	2	2	3	3	2	0	1	0	0
NEW YORK WESTERN	2	2	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	3	3	1	1	1	1	1	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	1	1	1	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	3	4	2	2	2	2	1	1	0	0	0
OHIO SOUTHERN	4	4	1	1	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	1	2	0	0	1	1	1	0	0	0	0
OREGON	2	2	0	0	2	2	2	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	1	1	1	1	1	0	0	0	0
PUERTO RICO	35	41	29	29	25	25	24	0	1	0	0
RHODE ISLAND	0	0	1	1	1	1	1	0	0	0	0
SOUTH CAROLINA	3	3	1	1	0	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	2	4	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	1	1	3	3	2	2	2	0	0	0	0
TEXAS EASTERN	1	1	1	1	1	1	1	0	0	0	0
TEXAS NORTHERN	3	4	1	2	1	2	2	0	0	0	0
TEXAS SOUTHERN	1	3	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	0	0	2	2	1	1	1	0	0	0	0
UTAH	1	1	1	1	1	1	1	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	1	1	1	1	0	0	0	0	0	0	0
VIRGINIA EASTERN	10	18	3	6	0	2	2	0	0	0	0
VIRGINIA WESTERN	1	2	0	0	2	2	2	0	0	0	0
WASHINGTON EASTERN	0	0	1	1	0	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	1	1	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	132	174	74	83	84	95	84	1	8	0	2

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant.
However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant.
Displayed defendant outcome information based upon the outcome of the charge only, and does not necessarily represent the overall outcome of a defendant.
Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving
18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	1	0	0	0	0	0
ARIZONA	1	0	1	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	2	1	0	0	0	0
CALIFORNIA EASTERN	3	0	0	0	0	0
CALIFORNIA NORTHERN	0	2	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	1	1	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	0	1	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	1	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	1	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	1	0	0	0
ILLINOIS NORTHERN	1	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	1	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	1	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	1	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	1	0	0	1	0	0
MASSACHUSETTS	0	2	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	1	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	3	1	1	0	0	0
MISSOURI WESTERN	0	0	2	0	1	0
MONTANA	0	0	0	0	0	0
NEBRASKA	1	0	0	0	0	0
NEVADA	1	0	2	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	1	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	1	0	1	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	1	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	1	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	1	0	0	1	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	1	0	0	0	0	0
OREGON	2	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	1	0	0	0	0	0
PUERTO RICO	23	0	1	0	0	0
RHODE ISLAND	1	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	2	0	0	0	0	0
TEXAS EASTERN	0	1	0	0	0	0
TEXAS NORTHERN	1	0	1	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	1	0	0	0	0	0
UTAH	1	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	1	1	0	0	0
VIRGINIA WESTERN	0	1	0	1	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	54	14	12	3	2	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the outcome of the charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
COLORADO	1	1	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0	0	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	1	1	0	0	0	0	0	0	0	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2319A charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	0	0	0	0	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2319A charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	2	2	2	3	0	0	0	0	0	0	0
ALABAMA SOUTHERN	4	5	2	3	1	1	1	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	2	2	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	1	1	1	1	1	0	0	0	0
CALIFORNIA CENTRAL	18	24	15	20	8	17	8	0	8	0	1
CALIFORNIA EASTERN	11	13	1	1	7	7	7	0	0	0	0
CALIFORNIA NORTHERN	4	16	1	11	3	5	4	0	1	0	0
CALIFORNIA SOUTHERN	2	2	1	1	0	0	0	0	0	0	0
COLORADO	2	3	2	5	1	1	0	0	1	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	1	2	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	1	2	1	2	0	0	0	0	0	0	0
FLORIDA MIDDLE	12	25	0	0	1	4	3	0	1	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	3	4	1	2	2	3	2	1	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	4	9	4	7	4	6	4	0	2	0	0
GEORGIA SOUTHERN	0	0	0	0	0	1	0	0	1	0	0
GUAM	3	3	3	3	0	0	0	0	0	0	0
HAWAII	1	8	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	2	2	1	1	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	2	6	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	1	2	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	2	1	2	0	1	1	0	0	0	0
KANSAS	0	2	1	2	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	2	2	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	2	2	1	1	1	1	0	1	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	5	5	2	2	1	1	0	1	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	2	11	2	10	1	1	1	0	0	0	0
MASSACHUSETTS	2	2	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	3	12	1	8	1	1	1	0	0	0	0
MICHIGAN WESTERN	1	3	0	0	2	2	2	0	0	0	0
MINNESOTA	3	10	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	3	3	2	2	0	0	0	0	0	0	0
MISSOURI WESTERN	7	8	1	2	3	3	0	0	3	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	2	2	0	0	1	1	1	0	0	0	0
NEVADA	1	1	0	0	1	2	0	0	2	0	0
NEW HAMPSHIRE	5	7	5	7	1	1	0	0	0	1	0
NEW JERSEY	3	3	1	0	0	1	0	0	1	0	0
NEW MEXICO	1	1	0	0	1	2	2	0	0	0	0
NEW YORK EASTERN	3	23	1	13	4	17	12	0	5	0	0
NEW YORK NORTHERN	3	5	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	5	17	3	5	3	5	5	0	0	0	0
NEW YORK WESTERN	2	2	3	3	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	1	2	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	3	5	0	0	4	6	6	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	1	2	1	1	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	5	15	2	11	1	4	1	0	3	0	0
PENNSYLVANIA MIDDLE	1	1	0	0	1	1	0	1	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
	REFERRALS AND CASES						DISPOSITION OF CHARGE				
PENNSYLVANIA WESTERN	0	0	0	0	1	1	1	0	0	0	0
PUERTO RICO	2	2	2	2	1	1	1	0	0	0	0
RHODE ISLAND	2	3	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	2	2	1	2	3	3	2	0	1	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	4	4	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	2	5	1	2	0	0	0	0	0	0	0
TEXAS NORTHERN	2	2	0	0	0	0	0	0	0	0	0
TEXAS SOUTHERN	8	9	4	4	3	3	2	0	0	0	1
TEXAS WESTERN	7	7	5	5	2	3	3	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	1	1	1	1	0	0	0	0	0	0	0
VIRGINIA EASTERN	11	19	6	8	4	5	4	0	0	1	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	1	1	0	0	3	3	1	0	2	0	0
WASHINGTON WESTERN	5	7	4	5	1	1	1	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	4	4	1	1	2	2	1	0	0	0	1
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	194	346	87	159	74	118	78	4	31	2	3

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2320 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	1	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	1	0	0	0	0	0
CALIFORNIA CENTRAL	4	0	2	1	0	1
CALIFORNIA EASTERN	6	1	0	0	0	0
CALIFORNIA NORTHERN	3	1	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	2	1	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	3	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	1	1	2	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	1	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	1
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	1	0
MAINE	0	0	0	0	0	0
MARYLAND	1	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	1	0	0	0	0	0
MICHIGAN WESTERN	1	1	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	1	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	2	0	0	0	0	0
NEW YORK EASTERN	5	4	0	2	1	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	2	0	1	1	1	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	6	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	1	0	0	0	0
PENNSYLVANIA MIDDLE	1	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	1	0	0	0	0	0
PUERTO RICO	1	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	1	0	1	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	1	1	0	0	0	0
TEXAS WESTERN	1	0	2	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	1	2	1	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	1	0	0	0	0
WASHINGTON WESTERN	1	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	1	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	48	16	9	4	3	2

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2320 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	1	1	1	2	0	0	0	0	0	0	0
ALABAMA SOUTHERN	4	5	1	2	1	1	1	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	1	3	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	1	1	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	1	1	1	1	1	0	0	0	0
CALIFORNIA CENTRAL	8	9	7	7	3	3	3	0	0	0	0
CALIFORNIA EASTERN	6	7	0	0	2	2	2	0	0	0	0
CALIFORNIA NORTHERN	10	26	1	11	3	4	4	0	0	0	0
CALIFORNIA SOUTHERN	1	1	1	1	0	0	0	0	0	0	0
COLORADO	2	2	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	1	2	1	2	0	0	0	0	0	0	0
FLORIDA MIDDLE	13	25	0	0	1	3	3	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	3	4	1	2	1	1	0	1	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	2	2	3	3	3	3	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	3	3	3	3	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	2	2	1	1	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	1	2	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	2	1	2	0	1	1	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	1	1	1	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	2	2	1	1	1	1	0	1	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	3	3	3	3	1	1	0	1	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	1	9	2	10	1	1	1	0	0	0	0
MASSACHUSETTS	2	2	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	1	2	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	1	3	0	0	2	2	2	0	0	0	0
MINNESOTA	3	10	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	3	3	2	2	0	0	0	0	0	0	0
MISSOURI WESTERN	1	2	1	2	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	2	2	0	0	3	3	3	0	0	0	0
NEVADA	1	1	0	0	0	0	0	0	0	0	0
NEW HAMPSHIRE	3	5	5	7	1	1	0	0	0	1	0
NEW JERSEY	1	1	1	0	0	0	0	0	0	0	0
NEW MEXICO	1	1	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	1	4	0	2	3	14	14	0	0	0	0
NEW YORK NORTHERN	3	5	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	7	25	1	1	1	2	2	0	0	0	0
NEW YORK WESTERN	2	2	1	1	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	1	2	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	2	4	1	1	1	1	0	1	0	0	0
OHIO SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	1	1	1	0	0	0	0
OREGON	0	1	0	0	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	1	2	0	0	1	3	0	0	3	0	0
PENNSYLVANIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED

FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	36	42	29	29	24	24	24	0	0	0	0
RHODE ISLAND	0	0	1	1	1	1	1	0	0	0	0
SOUTH CAROLINA	2	2	0	0	3	3	2	0	1	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	3	3	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	4	5	0	0	0	0	0	0	0	0	0
TEXAS SOUTHERN	8	9	2	2	1	1	1	0	0	0	0
TEXAS WESTERN	7	7	5	5	0	0	0	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	1	1	1	1	0	0	0	0	0	0	0
VIRGINIA EASTERN	10	17	5	7	3	5	4	0	0	1	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	1	1	0	0	0	0	0	0	0
WASHINGTON WESTERN	3	3	2	2	1	1	1	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	1	1	0	0	1	1	1	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	177	281	85	115	66	86	76	4	4	2	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	1	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	1	0	0	0	0	0
CALIFORNIA CENTRAL	1	0	1	1	0	0
CALIFORNIA EASTERN	1	1	0	0	0	0
CALIFORNIA NORTHERN	3	1	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	2	1	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	1	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	3	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	1	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	1	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	1
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	1	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	1	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	1	1	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	2	0	0	0	1	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	6	7	0	1	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	2	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	1	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	1	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	23	0	1	0	0	0
RHODE ISLAND	1	0	0	0	0	0
SOUTH CAROLINA	1	0	1	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	1	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	1	2	1	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	1	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	1	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	54	16	4	3	2	1

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED

CRIMINAL CASELOAD STATISTICS*

FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	2	2	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	2	2	2	3	0	0	0	0	0	0	0
ALABAMA SOUTHERN	5	6	2	3	1	1	1	0	0	0	0
ALASKA	0	0	1	1	1	1	1	0	0	0	0
ARIZONA	2	8	1	4	1	2	2	0	0	0	0
ARKANSAS EASTERN	2	2	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	1	1	1	1	1	1	1	0	0	0	0
CALIFORNIA CENTRAL	24	30	19	24	12	24	20	0	2	0	2
CALIFORNIA EASTERN	16	19	3	3	8	12	10	2	0	0	0
CALIFORNIA NORTHERN	13	29	2	12	4	6	5	0	1	0	0
CALIFORNIA SOUTHERN	3	3	1	1	0	0	0	0	0	0	0
COLORADO	3	4	2	5	1	1	1	0	0	0	0
CONNECTICUT	0	0	0	0	2	2	2	0	0	0	0
DELAWARE	3	4	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	4	6	1	2	0	0	0	0	0	0	0
FLORIDA MIDDLE	18	32	1	1	2	5	5	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	4	5	1	2	2	3	2	1	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	4	9	4	7	5	7	7	0	0	0	0
GEORGIA SOUTHERN	1	1	1	1	1	2	1	0	1	0	0
GUAM	3	3	3	3	0	0	0	0	0	0	0
HAWAII	1	8	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	1	1	1	0	0	0	0
ILLINOIS NORTHERN	3	3	1	1	1	1	1	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	3	7	1	1	0	0	0	0	0	0	0
INDIANA SOUTHERN	2	3	2	2	1	1	1	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	2	1	2	0	1	1	0	0	0	0
KANSAS	0	2	1	2	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	1	1	1	0	0	0	0
KENTUCKY WESTERN	3	3	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	3	3	1	1	2	2	1	1	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	5	5	3	3	1	1	0	1	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	5	14	3	11	3	3	3	0	0	0	0
MASSACHUSETTS	2	2	0	0	2	2	2	0	0	0	0
MICHIGAN EASTERN	6	15	1	8	1	1	1	0	0	0	0
MICHIGAN WESTERN	2	4	0	0	2	2	2	0	0	0	0
MINNESOTA	3	10	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	1	1	1	0	0	0	0
MISSISSIPPI SOUTHERN	2	2	1	1	0	0	0	0	0	0	0
MISSOURI EASTERN	5	8	5	7	5	7	5	0	2	0	0
MISSOURI WESTERN	8	10	1	2	3	3	3	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	2	2	0	0	3	3	3	0	0	0	0
NEVADA	2	2	0	0	1	3	3	0	0	0	0
NEW HAMPSHIRE	5	7	5	7	1	1	0	0	0	1	0
NEW JERSEY	4	4	2	1	2	3	2	0	0	0	1
NEW MEXICO	1	1	1	1	2	3	3	0	0	0	0
NEW YORK EASTERN	3	23	1	13	4	17	17	0	0	0	0
NEW YORK NORTHERN	4	6	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	12	31	5	7	6	10	9	0	1	0	0
NEW YORK WESTERN	4	4	3	3	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	5	6	1	1	1	1	1	0	0	0	0
NORTH CAROLINA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	1	1	1	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	6	9	2	2	6	8	7	1	0	0	0
OHIO SOUTHERN	4	4	1	1	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	1	2	0	0	1	1	1	0	0	0	0
OREGON	3	4	1	1	2	2	2	0	0	0	0
PENNSYLVANIA EASTERN	6	16	2	11	1	4	1	0	3	0	0
PENNSYLVANIA MIDDLE	1	1	0	0	1	1	0	1	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	1	1	2	2	2	0	0	0	0
PUERTO RICO	37	43	31	31	26	26	25	0	1	0	0
RHODE ISLAND	2	3	1	1	1	1	1	0	0	0	0
SOUTH CAROLINA	5	5	2	3	3	3	2	0	1	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	2	4	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	4	4	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	1	1	3	3	2	2	2	0	0	0	0
TEXAS EASTERN	3	6	2	3	1	1	1	0	0	0	0
TEXAS NORTHERN	6	8	1	2	1	2	2	0	0	0	0
TEXAS SOUTHERN	9	12	4	4	3	3	2	0	0	0	1
TEXAS WESTERN	7	7	6	6	3	4	4	0	0	0	0
UTAH	1	1	1	1	1	1	1	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	1	1	1	1	0	0	0	0	0	0	0
VIRGINIA EASTERN	24	41	9	14	4	7	6	0	0	1	0
VIRGINIA WESTERN	1	2	0	0	2	2	2	0	0	0	0
WASHINGTON EASTERN	1	1	1	1	3	3	1	0	2	0	0
WASHINGTON WESTERN	7	9	4	5	1	1	1	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	4	4	1	1	2	2	2	0	0	0	0
WISCONSIN WESTERN	1	1	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	343	543	158	239	152	212	185	7	14	2	4

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	1	0	0	0	0
ALASKA	1	0	0	0	0	0
ARIZONA	1	0	1	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	1	0	0	0	0	0
CALIFORNIA CENTRAL	11	1	5	1	1	1
CALIFORNIA EASTERN	9	1	0	0	0	2
CALIFORNIA NORTHERN	3	2	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	1	0	0
CONNECTICUT	1	1	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	3	2	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	3	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	4	1	2	0	0	0
GEORGIA SOUTHERN	0	0	0	0	1	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	1	0	0	0
ILLINOIS NORTHERN	1	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	1	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	1	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	1	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	1	0	0	0	1
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	1	0
MAINE	0	0	0	0	0	0
MARYLAND	2	0	0	1	0	0
MASSACHUSETTS	0	2	0	0	0	0
MICHIGAN EASTERN	1	0	0	0	0	0
MICHIGAN WESTERN	1	1	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	1	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	3	1	1	0	0	0
MISSOURI WESTERN	0	0	2	0	1	0
MONTANA	0	0	0	0	0	0
NEBRASKA	2	0	0	0	1	0
NEVADA	1	0	2	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	1	0	1	0	0	0
NEW MEXICO	3	0	0	0	0	0
NEW YORK EASTERN	7	7	0	2	1	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	4	0	2	2	1	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	1	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	1	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	7	0	0	1	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	1	0	0	0	0	0
OREGON	2	0	0	0	0	0
PENNSYLVANIA EASTERN	0	1	0	0	0	0
PENNSYLVANIA MIDDLE	1	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2010 REPORTED as of SEPTEMBER 30, 2010**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	2	0	0	0	0	0
PUERTO RICO	24	0	1	0	0	0
RHODE ISLAND	1	0	0	0	0	0
SOUTH CAROLINA	1	0	1	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	2	0	0	0	0	0
TEXAS EASTERN	0	1	0	0	0	0
TEXAS NORTHERN	1	0	1	0	0	0
TEXAS SOUTHERN	1	1	0	0	0	0
TEXAS WESTERN	2	0	2	0	0	0
UTAH	1	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	1	3	2	0	0	0
VIRGINIA WESTERN	0	1	0	1	0	0
WASHINGTON EASTERN	0	1	0	0	0	0
WASHINGTON WESTERN	1	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	2	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	114	33	25	9	7	4

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2010 numbers are actual data through the end of September 2010.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

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APPENDIX F

Acronyms

A

ACA	American Correctional Association
ACM	Asbestos Containing Materials
ACS	Automated Case Support
AFF	Assets Forfeiture Fund
AFF/SADF	Assets Forfeiture Fund and Seized Asset Deposit Fund
AFMLS	Asset Forfeiture and Money Laundering Section (Criminal Division)
AFR	Agency Financial Report or Performance and Accountability Report
AIG	American International Group, Inc.
AMBER	America's Missing: Broadcasting Emergency Response
AOC	Albanian Organized Crime
AOUSC	Administrative Office of U.S. Courts
ARRA	American Recovery and Reinvestment Act
ASARCO	American Smelting Refining Company LLC
ASU	Analytical Support Unit
ATEB	Alcohol and Tobacco Enforcement Branch
ATF	Bureau of Alcohol, Tobacco, Firearms and Explosives
ATR	Antitrust Division
ATDD	Alcohol Tobacco Diversion Division
AUSA	Assistant United States Attorneys
AOUSC	Administrative Office of U.S. Courts

B

BIA	Board of Immigration Appeals
BIFS	Border Intelligence Fusion Sections (DHS)
BJA	Bureau of Justice Assistance
BJS	Bureau of Justice Statistics
BLO	Benny Lusha Organization
BMR	Basic Minimum Requirements
BOP	Bureau of Prisons

C

CASE	Case Access System for EOIR
CBP	Customs and Border Patrol
CCDO	Community Capacity Development Office
CDR	Chronological Disciplinary Record
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CHRP	COPS Hiring Recovery Program (under Recovery Act)

CIO	Chief Information Officer
CIV	Civil Division
CJIS	Criminal Justice Information Services
CNP	Cambodian National Police
CODIS	Combined DNA Index System
COG	Continuity of Government
COOP	Continuity of Operations
COPS	Office of Community Oriented Policing Services
COTS	Commercial-Off-The-Shelf
CPC	Capacity Planning Committee
CPOT	Consolidated Priority Organization Target
CRPB	Corporate Resource Planning Board (FBI)
CRM	Criminal Division
CRS	Community Relations Service
CRT	Civil Rights Division
CSOs	Court Security Officer
CSRS	Civil Service Retirement System
CT	Counterterrorism
CTD	Counterterrorism Division
CVIP	Child Victim Identification Program
CY	Calendar Year/Current Year

D

DCIA	Debt Collection Improvement Act of 1996
DCM	Debt Collection Management
DEA	Drug Enforcement Administration
Department, The	Department of Justice
DHS	Department of Homeland Security
DIOG	Domestic Investigations and Operations Guide
DIRB	Department Investment Review Board
DNA	Deoxyribonucleic Acid
DOJ	Department of Justice
DOL	Department of Labor

E

ECs	Electronic Communication
ECAP	Endangered Child Alert Program
ENRD	Environment and Natural Resources Division
EOIR	Executive Office for Immigration Review
EOUSA	Executive Office for U.S. Attorneys
EPC	Emergency Preparedness Committee
EPIC	El Paso Intelligence Center
ESF	Emergency Support Function

F

FASAB	Federal Accounting Standards Advisory Board
FBI	Federal Bureau of Investigation
FBWT	Fund Balance with U.S. Treasury
FCI	Federal Correctional Institution
FCSC	Foreign Claims Settlement Commission
FECA	Federal Employees Compensation Act
FEGLI	Federal Employees Group Life Insurance Program
FEHB	Federal Employees Health Benefits Program
FERS	Federal Employees Retirement System
FFETF	Financial Fraud Enforcement Task Force
FFL	Federal Firearms Licensee
FFMIA	Federal Financial Management Improvement Act
FHA	Fair Housing Act
FIG	Field Intelligence Group
FISA	Foreign Intelligence Surveillance Act
FISMA	Federal Information Security Management Act
FMFIA	Federal Managers' Financial Integrity Act
FMIS	Financial Management Information System
FMIS	Financial Management Information System 2
FPI	Federal Prison Industries, Inc.
FSAB	Financial Systems Advisory Board
FTE	Full-Time Equivalent
FY	Fiscal Year

G

GangTECC	National Gang Targeting, Enforcement, and Coordination Center
GAO	Government Accountability Office
GAN	Grant Adjustment Notice
GMRA	Government Management Reform Act
GPRA	Government Performance and Results Act
GPRS	Grants Management System
GRIT	Gun Runner Impact Team

H

HHS	Department of Health and Human Services

I

IAFIS	Integrated Automated Fingerprint Identification System
IC3	Internet Crimes Complaint Center
ICE	Immigration and Customs Enforcement
IG	Inspector General
IGA	Intergovernmental Agreement

IHP	Institutional Hearing Program
IIITF	Innocent Images International Task Force
IINI	Innocent Images National Initiative
Integrity Act	Federal Managers' Financial Integrity Act
INTERPOL	International Criminal Police Organization
IPIA	Improper Payments Information Act
IRS	Internal Revenue Service
ISRAA	Integrated Statistical Reporting and Analysis Application
IT	Information Technology
IVRS	Integrated Violence Reduction Strategy
IWN	Integrated Wireless Network

J

JDIS	Justice Detainee Information System
JMD	Justice Management Division
JRSA	Justice Research and Statistics Association

K

KG	Weight in Kilograms

L

LCM	Lower of average cost or market value
LCMS	Litigation Case Management System
LLC	Limited Liability Company
LLP	Limited Liability Partnership

M

MS	Mara Salvatrucha

N

N/A	Not Applicable
NCIC	National Crime Information Center
NCMEC	National Center for Missing and Exploited Children
NCR	Washington National Capital Region
NDIC	National Drug Intelligence Center
NGI	Next Generation Identification
NGIC	National Gang Intelligence Center
NIJ	National Institute of Justice
NPC	Novartis Pharmaceuticals Corporation
NSD	National Security Division
NSL	National Security Letter

NSLB	National Security Law Branch
NW3C	National White Collar Crime Center

O

OAAM	Office of Audit, Assessment, and Management
OBDs	Offices, Boards and Divisions
OCDETF	Organized Crime Drug Enforcement Task Forces
OCIO	Office of the Chief Information Officer
OCSE	Online Child Sexual Exploitation
ODAG	Office of the Deputy Attorney General
ODR	Office of Dispute Resolution
OFC	OCDETF Fusion Center
OFDT	Office of the Federal Detention Trustee
OIG	Office of the Inspector General
OIP	Office of Information Policy
OJP	Office of Justice Programs
OJJDP	Office of Juvenile Justice and Delinquency Prevention
OLC	Office of Legal Counsel
OLP	Office of Legal Policy
OMB	Office of Management and Budget
ONDCP	Office of National Drug Control Policy
ONR	Operations No Refuge
OPA	Office of Pardon Attorney
OPM	Office of Personnel Management
OPR	Office of Professional Responsibility
OSG	Office of Solicitor General
OTJ	Office of Tribal Justice
OVP	Office of the Vice President
OVW	Office on Violence Against Women

P

PAR	Performance and Accountability Report
PCA	Project Civic Act
PHS	Public Health Services
PL	Public Law
PMT	Performance Measurement Tool
PREA	Prison Rape Elimination Act of 2003
PSOB Act	Public Safety Officers' Benefits Act of 1976
PTS	Prisoner Tracking System
PY	Prior Year

R

RBM	Risk-Based Management
RCA	Reports Consolidation Act of 2000
RECA	Radiation Exposure Compensation Act
Recovery Act	American Recovery and Reinvestment Act of 2009

RFTF	Regional Fugitive Task Force
RICO	Racketeering Influenced Corrupt Organization
RRA	Rothstein Rosenfeldt and Adler, P.A.
RSAT	Residential Substance Abuse Treatment

S

SAC	Special Agent in Charge
SBF	Special Benefits Fund
SBR	Statement of Budgetary Resources
SCNP	Statement of Changes in Net Position
SENTRY	Bureau of Prisons' primary mission-support database
SFFAS	Statement of Federal Financial Accounting Standards
SG	Strategic Goal
SOD	Special Operations Division

T

TAX	Tax Division
TBD	To Be Determined
Treasury, the	Department of Treasury
Trust Fund	Federal Prison Commissary Fund
TSP	Federal Thrift Savings Plan

U

UDO	Undelivered Orders
UFMS	Unified Financial Management System
UNICOR	Federal Prison Industries, Inc.
USAs	United States Attorneys
USAO	United States Attorneys' Offices
USC	United States Code
USERRA	Uniformed Services Employment and Reemployment Rights Act
USMS	United States Marshals Service
USNCB	United States National Central Bureau
USSGL	U.S. Standard General Ledger
UST	United States Trustee
USTP	United States Trustees Program

V

VOI/TIS	Violent Offender Incarceration and Truth-In Sentencing

W

WCC	White-Collar Crime
WIN	Warrant Information Network System
WMD	Weapons of Mass Destruction

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APPENDIX G

Department Component Websites

Component	Website
American Indian and Alaska Native Affairs Desk (OJP)	www.ojp.usdoj.gov/programs/aiana.htm
Antitrust Division	www.justice.gov/atr/index.html
Bureau of Alcohol, Tobacco, Firearms and Explosives	www.atf.gov/
Bureau of Justice Assistance (OJP)	www.ojp.usdoj.gov/bja/
Bureau of Justice Statistics (OJP)	bjs.ojp.usdoj.gov/
Civil Division	www.justice.gov/civil/index.html
Civil Rights Division	www.justice.gov/crt/
Community Oriented Policing Services - COPS	www.cops.usdoj.gov/
Community Capacity Development Office (OJP)	www.ojp.usdoj.gov/ccdo/welcome_flash.html
Community Relations Service	www.justice.gov/crs/index.html
Criminal Division	www.justice.gov/criminal/
Diversion Control Program	www.deadiversion.usdoj.gov/
Drug Enforcement Administration	www.justice.gov/dea/index.htm
Environment and Natural Resources Division	www.justice.gov/enrd/
Executive Office for Immigration Review	www.justice.gov/eoir/
Executive Office for U.S. Attorneys	www.justice.gov/usao/eousa/
Executive Office for U.S. Trustees	www.justice.gov/ust/
Federal Bureau of Investigation	www.fbi.gov/
Federal Bureau of Prisons	www.bop.gov/
Foreign Claims Settlement Commission of the United States	www.justice.gov/fcsc/
INTERPOL - U.S. National Central Bureau	www.justice.gov/usncb/
Justice Management Division	www.justice.gov/jmd/
National Criminal Justice Reference Service (OJP)	www.ncjrs.gov/
National Drug Intelligence Center	www.justice.gov/ndic/
National Institute of Corrections	www.nicic.gov/
National Institute of Justice (OJP)	www.ojp.usdoj.gov/nij/
National Security Division	www.justice.gov/nsd/
Office of the Associate Attorney General	www.justice.gov/asg/index.html
Office of the Attorney General	www.justice.gov/ag/
Office of the Deputy Attorney General	www.justice.gov/dag/
Office of Dispute Resolution	www.justice.gov/odr/
Office of the Federal Detention Trustee	www.justice.gov/ofdt/index.html
Office of Information Policy	www.justice.gov/oip/oip.html
Office of the Inspector General	www.justice.gov/oig/
Office of Intelligence Policy and Review	www.justice.gov/nsd/oipr-redirect.htm
Office of Intergovernmental and Public Liaison	www.justice.gov/oipl/index.html
Office of Justice Programs	www.ojp.usdoj.gov/
Office of Juvenile Justice and Delinquency Prevention (OJP)	www.ojjdp.gov/
Office of Legal Counsel	www.justice.gov/olc/index.html
Office of Legal Policy	www.justice.gov/olp/
Office of Legislative Affairs	www.justice.gov/ola/
Office of the Pardon Attorney	www.justice.gov/pardon/
Office of Professional Responsibility	www.justice.gov/opr/index.html
Office of Public Affairs	www.justice.gov/opa/index.html
Office of the Solicitor General	www.justice.gov/osg/
Office of Tribal Justice	www.justice.gov/otj/index.html
Office for Victims of Crime (OJP)	www.ojp.usdoj.gov/ovc/
Office on Violence Against Women	www.ovw.usdoj.gov/
Tax Division	www.justice.gov/tax/
U.S. Attorneys	www.justice.gov/usao/
U.S. Marshals Service	www.justice.gov/marshals/
U.S. Parole Commission	www.justice.gov/uspc/

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We Welcome Your Comments and Suggestions!

Thank you for your interest in the *Department of Justice FY 2010 Performance and Accountability Report.* We welcome your comments and suggestions on how we can improve this report for FY 2011. Please email any comments to: performance@usdoj.gov

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http://www.justice.gov/ag/annualreports/pr2010/TableofContents.htm

Please view our Strategic Plan at:
http://www.justice.gov/jmd/mps/strategic2007-2012/index.html

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