



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.

A handwritten signature in black ink, appearing to read "Eric H. Holder". The signature is fluid and cursive, with a prominent initial "E".

Eric H. Holder
Attorney General