

The Criminal Division



FY 2011
President's Budget

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I. Overview for the Criminal Division

A. FY 2011 Budget Summary

The Criminal Division requests a total of 770 permanent positions, 766 direct Full-Time Equivalent work years (FTE), and \$187,625,000 in its Salaries and Expenses appropriation for Fiscal Year (FY) 2011. The Division's total requested program improvements for FY 2011 (20 positions, including 13 attorneys, 10 FTE, and 2,255,000) is necessary for the Division to achieve the Department's Strategic Goals One and Two: Prevent Terrorism and Promote the Nation's Security; and Prevent Crime, Enforce Federal Laws and Represent the Rights and Interests of the People.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <http://www.usdoj.gov/jmd/2011justification/>.

B. Criminal Division Mission & Program Activities

The Criminal Division develops, enforces, and supervises the application of all federal criminal laws, except those specifically assigned to other divisions. Every day – whether prosecuting crimes of national and international significance, supporting the U.S. Attorney community in evidence-gathering and other enforcement operations, working around the globe to promote the Rule of Law, or driving forward key policy and legislative initiatives – the Criminal Division is at the forefront of federal criminal law enforcement.

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 the most significant cases and matters;
- Developing and supporting effective crime reduction strategies and programs;
- Driving policy, legislative, and regulatory reforms;
- Providing expert counsel in criminal enforcement matters;
- Coordinating a wide range of criminal investigations and prosecutions that span multiple jurisdictions and involve multiple law enforcement partners;
- Providing advice and assistance to the national and international law enforcement community, including providing training to federal, state, and local prosecutors and investigative agencies and foreign criminal justice systems; and
- Approving and overseeing the use of the most sophisticated investigative tools in the

federal arsenal, including all federal electronic surveillance requests in criminal cases and securing the return of fugitives and other assistance from foreign countries.

These functions can be classified into three broader program activities: (1) investigation and prosecution, (2) expert guidance and advice, and (3) law enforcement tools. With its investigation and prosecution activities, the Division strives to support its mission by investigating and prosecuting aggressively, but responsibly. By providing both national perspective and leadership, the Division undertakes complex cases and ensures a consistent and coordinated approach to the nation's law enforcement priorities, both domestically and internationally. The Division has a "birds-eye" view of white collar crime, public corruption, organized crime, narcotics, violent crime, and other criminal activities, and consequently is uniquely able to ensure that crimes that occur across borders do not go undetected or ignored.

Fulfilling its Critical Mission: An Example of Investigating & Prosecuting Significant Cases
During FY 2009, the Criminal Division's Fraud Section continued to lead the Department of Justice's effort to strengthen the integrity of federal programs. As part of the Medicare Fraud Strike Force (MFSF), which the Fraud Section created and implemented in March 2007, prosecutors have returned indictments against more than 330 defendants in more than 130 cases in Miami, Los Angeles, Detroit, and Houston, involving more than \$700 million in false claims. During FY 2009, the Fraud Section charged 130 defendants with Medicare fraud. Nine defendants were convicted by juries in four separate cases, and a doctor convicted in one trial was sentenced to 360 months in prison (the longest term ever imposed for Medicare fraud). In addition, 43 defendants entered guilty pleas to Medicare fraud offenses during the fiscal year. The Fraud Section staff also continued to collaborate extensively with counterparts from various offices within the Department of Health and Human Services (HHS).

The Criminal Division serves as the strategic hub of legal and enforcement experience, expertise, and strategy in the fight against national and international criminal threats. Consequently, its expert guidance and advice activities are crucial to the successful application of criminal law throughout the country. The Division leads the national effort to address emerging criminal trends, including the increasingly international scope of criminal activity. The guidance provided to U.S. Attorneys' Offices and other federal law enforcement partners ensures the uniform application of the law and furthers the Department of Justice's mission to ensure justice.

The events of September 11, 2001, highlighted the need for increased nationwide coordination and information sharing. The Division serves a critical role in coordinating among the Department's criminal law components, including the U.S. Attorneys' Offices. As a "headquarters" office, the Division also serves as the central point of contact for foreign countries seeking law enforcement assistance. No other organization within the Department or the U.S. Government is equipped to fulfill this role – one that is more critical than ever considering the continually increasing globalization and sophistication of crime.

**Fulfilling its Critical Mission:
An Example of Expert Guidance & Legal Advice**

OCRS has played a leading role in the multi-agency effort to implement The Law Enforcement Strategy to Combat International Organized Crime (IOC Strategy)(DOJ, April 2008). OCRS chairs the IOC Targeting Committee, and was instrumental in developing and publishing the first list of Top International Criminal Organization Targets (TICOT List) for concerted, high-impact law enforcement action. OCRS also assisted in establishing the new International Organized Crime Intelligence and Operations Center (IOC-2), which joins agencies together in a task force setting to combine data, produce actionable leads, and coordinate investigations and prosecutions. In this regard, OCRS arranged, and participated in, two multi-jurisdictional case coordination meetings relating to TICOT list targets. OCRS worked in partnership with AFMLS and the AG's Organized Crime Council, to conduct the first semi-annual Financial Investigation Seminar, an interactive program which simulates a complex IOC activity for prosecutors and agents. Likewise, OCRS and CCIPS litigators combined skills and resources to initiate several ongoing investigations and prosecutions of Romanian Cyber Organizations throughout the U.S. And, consistent with the goals of the IOC Strategy, OCRS has worked collaboratively with public and private institutions, academia, and foreign counterparts to share intelligence, forecast emerging threats and pursue adaptable strategies that will be effective and sustainable far into the future.

Finally, the Division serves as the Department's "nerve center" for many critical operational matters, which entails reviewing and approving the use of many sensitive law enforcement tools available to investigators to ensure that they are used effectively and appropriately. These tools include Title III wiretaps, electronic evidence-gathering authorities, correspondent banking subpoenas, and the Witness Security Program, to name a few. In the international arena, the Division manages the Department's relations with foreign counterparts and coordinates all prisoner transfers, extraditions, and mutual assistance requests. Lastly, the Division handles numerous requests for approval from the field to use sensitive law enforcement techniques in conjunction with particular criminal statutes – for example, reviewing every racketeering indictment that is brought across the nation. In this way, the Division serves a critical role in the nation's law enforcement community.

**Fulfilling its Critical Mission:
An Example of Law Enforcement Tool Review**

In FY 2009, the Division's Office of International Affairs secured completion of all of the necessary legal and procedural steps for the 56 treaty instruments that will comprise new international agreements between the United States, the European Union, and the 27 European Member States on extradition and mutual legal assistance. As a result, the Attorney General was able to sign the final legal act for the two "parent" agreements in October, and the treaties – the first law enforcement treaties between the United States and the EU – will enter into force in February 2010. These treaties will modernize all law enforcement relations with the nation's partners across Europe.

The Criminal Division's budget includes new investments, detailed later in this request, to sustain and improve its current support of the Department's top priorities, specifically to (1) deter and prosecute fraud, (2) support the international organized crime strategy, (3) develop cyber security and digital forensics, (4) increase Southwest border enforcement, and (5) protect children.

C. The Criminal Division's Role in Achieving Outcomes

The Criminal Division leverages its substantial expertise in a broad array of federal criminal subject matters through its program activities to play a substantial role in helping the Department meet the targets for its top two Strategic Goals: (1) Prevent Terrorism and Promote the Nation's Security and (2) Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People. Additionally, as previously discussed, the Division plays the central role in the Department for maintaining global partnerships to further support these strategic goals.

In working to achieve these goals, the Division has identified several key strategic priorities to ensure that the country's most critical justice needs, on both the national and transnational fronts, are effectively addressed:

- Ensuring **trust and confidence in government institutions** by reducing public corruption at every level of government;
- Ensuring the **stability and security of domestic and global markets**, as well as the integrity of government programs, by reducing fraud, money laundering, and other economic crimes;
- **Disrupting and dismantling criminal organizations and networks that act across state and national boundaries** and that threaten our country through violence, drug trafficking, and computer crime;
- **Protecting our children** from exploitation and **vindicating human rights** wherever possible;
- Promoting the **Rule of Law** around the world; and
- **Supporting national security** and crime-fighting efforts across federal, state, and local governments.

Examples of how the Division fulfills its roles to achieve outcomes in each strategic priority area are provided in the following table:

Key Strategic Priority	Prosecuting & Investigating Activities	Expert Guidance & Advice Activities	Law Enforcement Tool Review Activities	Global Partnership Activities
Ensuring Trust & Confidence in Government Institutions	<ul style="list-style-type: none"> ▪ Prosecuting cases aimed at deterring corruption among elected and other government officials ▪ Supporting United States Attorneys' Offices (USAOs) by prosecuting cases from which USAOs are recused 	<ul style="list-style-type: none"> ▪ Providing assistance and guidance to USAOs in sensitive cases ▪ Ensuring election crime matters are handled uniformly and fairly 	<ul style="list-style-type: none"> ▪ Using asset forfeiture tools to seize ill-gotten proceeds of crime ▪ Providing oversight to sensitive operations ▪ Utilizing electronic surveillance in sensitive investigations of government officials 	<ul style="list-style-type: none"> ▪ Training foreign countries in anti-corruption strategies ▪ Supporting investigations focused on deterring the corruption of foreign officials
Ensuring the Stability & Security of Domestic & Global Markets	<ul style="list-style-type: none"> ▪ Vigorously prosecuting those who attempt to defraud tax-payers ▪ Conducting sensitive and complex investigations of corrupt corporations operating inside and outside the United States 	<ul style="list-style-type: none"> ▪ Training thousands of foreign officials on intellectual property crimes ▪ Developing national strategies to combat procurement and Medicare fraud 	<ul style="list-style-type: none"> ▪ Developing regulations to address ways to better detect procurement fraud ▪ Providing oversight to ensure fair application of powerful law enforcement tools 	<ul style="list-style-type: none"> ▪ Establishing international working groups to combat money laundering ▪ Creating working relationships with traditionally closed countries

Key Strategic Priority	Prosecuting & Investigating Activities	Expert Guidance & Advice Activities	Law Enforcement Tool Review Activities	Global Partnership Activities
Disrupting & Dismantling Criminal Organizations	<ul style="list-style-type: none"> ▪ Prosecuting wide-ranging criminal organizations using racketeering and other powerful criminal statutes ▪ Coordinating transnational operations relating to violent gangs 	<ul style="list-style-type: none"> ▪ Training USAOs on effectively using the law to prosecute gangs ▪ Creating a coordinated global approach to dismantle drug trafficking organizations 	<ul style="list-style-type: none"> ▪ Providing oversight for the use of electronic surveillance in violent crime and organized crime cases ▪ Assisting in the protection of witnesses 	<ul style="list-style-type: none"> ▪ Improving relations with law enforcement in various countries where gang leaders reside ▪ Implementing the International Organized Crime Strategy
Protecting Children & Vindicating Human Rights	<ul style="list-style-type: none"> ▪ Prosecuting high-profile and dangerous child predators ▪ Investigating potential war criminal harboring illegally in the U.S. 	<ul style="list-style-type: none"> ▪ Training Project Safe Childhood (PSC) field units in prosecution techniques ▪ Advising foreign counterparts on conducting complex investigations 	<ul style="list-style-type: none"> ▪ Overseeing a high-tech lab to assist law enforcement in gathering critical evidence in child exploitation cases ▪ Developing strategies to effectively capture digital evidence 	<ul style="list-style-type: none"> ▪ Working to form international strategies to combat child sexual exploitation ▪ Prosecuting U.S. government agents who have violated human rights while in other countries

Key Strategic Priority	Prosecuting & Investigating Activities	Expert Guidance & Advice Activities	Law Enforcement Tool Review Activities	Global Partnership Activities
Promoting the Rule of Law Internationally	<ul style="list-style-type: none"> ▪ Coordination of bi-lateral investigations ▪ Seeking the extradition of criminal defendants who have fled overseas 	<ul style="list-style-type: none"> ▪ Assisting foreign countries in the development of laws and legal procedures ▪ Training of our foreign counterparts 	<ul style="list-style-type: none"> ▪ Obtaining evidence from or for foreign countries ▪ Supporting trans-national investigations 	<ul style="list-style-type: none"> ▪ Providing direct technical assistance on case-specific matters ▪ Participating in international policy groups
Supporting National Security	<ul style="list-style-type: none"> ▪ Prosecuting cases focused on deterring corruption of foreign officials ▪ Supporting investigations aimed at limiting terrorist mobility 	<ul style="list-style-type: none"> ▪ Participating in government-wide anti-terrorism strategy groups ▪ Providing expert guidance on freezing terrorist assets 	<ul style="list-style-type: none"> ▪ Negotiating Mutual Legal Assistance Treaties to obtain foreign evidence ▪ Securing extradition of terrorist suspects 	<ul style="list-style-type: none"> ▪ Strengthening counter-terrorism ability of foreign counterparts ▪ Working with other countries to disrupt terrorist travel networks

D. Challenges to Achieving Outcomes

Many factors, both external and internal, impact the Criminal Division's capacity to accomplish its goals. While some of these factors are beyond its control, the Division has always strived to navigate these obstacles successfully and to minimize the negative impact that these factors could have on the Division's critical mission.

External Challenges

There are many external challenges that affect the Division's ability to achieve our goals successfully. These challenges include the following:

1. **Globalization of Crime:** The increasing globalization of crime and the emergence of transnational threats will continue to bring new challenges to law enforcement both at home and abroad. In its commitment to combat transnational threats, the Criminal Division continues to serve as the Department's "global headquarters," effectively developing criminal policies and legislation, while monitoring both national and transnational criminal trends. As important, the Division is the central clearinghouse for all requests by foreign countries for evidence of crimes that may be in the United States and for all requests by U.S. law enforcement authorities for evidence of crimes that may reside abroad. The Division has the breadth of experience and the unique capability to build essential global partnerships to successfully combat transnational crimes, but requires critical resources to keep pace with the increasing demand for its services.
2. **Advances in Technology:** New technologies have generated cutting-edge methods for committing crimes, such as use of the Internet to commit identity theft and use of peer-to-peer software programs to share large volumes of child pornography in real-time. These technologies continue to pose many challenges to law enforcement agents and prosecutors alike. It is the Division's job to keep pace with these cutting-edge methods of technology and provide training and assistance to other prosecutors and investigators.
3. **Weak International Rule of Law:** Some countries lack effective policies, laws, and judicial systems to investigate and prosecute criminals in their countries. These weaknesses create obstacles for the Division as it tries to bring criminals to justice and seize their ill-gotten profits.
4. **Increasing Mandatory Responsibilities:** Unfunded Congressional mandates and new legislation that increase the Division's responsibilities, with no corresponding increase in resources, has taxed the Division's limited personnel resources.

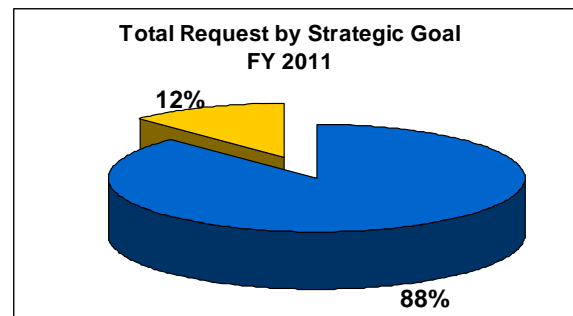
Internal Challenges

The Criminal Division faces a number of internal challenges due to growing demands. These challenges include the following:

1. **Information and Network Security:** To stay one step ahead of criminals, the Division needs to acquire the most advanced IT equipment and software available. Additionally, it must ensure that it is invulnerable to cyber attacks or computer intrusions.
2. **Creation of Central Department Litigation Tracking System:** The Department's Litigation Case Management System (LCMS) will be a shared case management system for the Executive Office for U.S. Attorneys (EOUSA), the 94 U.S. Attorneys' Offices, and all the litigating divisions, including the Criminal Division. This new system will create new requirements for not only our IT personnel, but also for our attorneys and support personnel, who will be required to learn new definitions as well as a new data entry system.

E. Budget & Performance Integration

This budget demonstrates how the Criminal Division's resources directly support the achievement of the Department's strategic goals and priorities and how the additional resources requested in this budget, if approved, will positively impact performance – both nationally and internationally.



The Division reports as a single decision unit; therefore, its resources are presented in this budget as a whole. Total costs represent both direct and indirect costs, including administrative functions and systems. The performance/resources table in Section IV of this budget provides further detail on the Division's performance-based budget.

F. Environmental Accountability

The Criminal Division has taken significant steps in integrating environmental accountability into its daily operations and decision-making process. The Division has a comprehensive recycling program that includes (1) the distribution of individual recycling containers on each CRM occupied floor, (2) inclusion of recycling flyers in all new employee orientation packages, (3) publication of energy and recycling articles in the Division's Security and Operations Support Newsletter, and (4) creation of a recycling section in the Division's Intranet site. Furthermore, the Division represents the Department in a Workplace Recycling Education and Outreach Pilot program involving the Department's Justice Management Division (JMD), Environmental Protection Agency (EPA), and the MITRE Corporation.

The Division has also been working with one of its building management companies to install electrical light timers and motion detectors in corridors and bathrooms to reduce the use and cost of electricity. The Division has also begun balancing the water system to conserve and provide more efficient utilization of our supplemental air conditioning units. Lastly, if the Division moves to a new location, the Division will ensure that environmental advantages will be included from the architectural and engineer phase and continuing through the construction of the project.

II. Summary of Program Changes

Item Name	Description				Page
		Pos.	FTE	Dollars (\$000)	
Deterring & Prosecuting Fraud	<ul style="list-style-type: none"> To increase its capacity to prosecute crimes of financial and mortgage fraud, healthcare fraud, procurement and grant fraud, and violations of the Foreign Corrupt Practices Act 	5	2	\$550	20
International Organized Crime	<ul style="list-style-type: none"> To combat international organized crime by: <ul style="list-style-type: none"> Targeting the most dangerous organized crime groups Participating in the proposed Mobile Investigative Team (MIT) that is charged with combating illicit money network and professional money launderers 	2	1	\$209	25
Cyber Security and Digital Forensics	<ul style="list-style-type: none"> To strengthen the nation's security by: <ul style="list-style-type: none"> Supporting the national cyber security efforts Increasing the digital forensic capabilities Deterring online counterfeiting and piracy 	4	2	\$528	28
Southwest Border Enforcement	<ul style="list-style-type: none"> To support drug, gangs, and firearms investigations and prosecutions stemming from the Southwest border 	5	3	\$550	34
Protecting Children	<ul style="list-style-type: none"> To support the strategies for protecting children in four areas: sex tourism, on-line pornography, training law enforcement nationwide, and child prostitution 	4	2	\$418	39
Adjustment to Travel Expenditure	<ul style="list-style-type: none"> To find efficiencies and costs savings in travel expenditures 	0	0	-\$210	44

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

Not Applicable

Analysis of Appropriations Language

IV. Decision Unit Justification

A. Enforcing Federal Criminal Laws

<i>[Enforcing Federal Criminal Laws]</i> TOTAL	Perm. Pos.	FTE	Amount (Dollars in \$000)
2009 Enacted with Rescissions	746	751	\$164,061
2009 Supplementals	0	0	\$1,648
2009 Enacted w/Rescissions and Supplementals	746	751	\$165,709
2010 Enacted	751	748	\$176,861
Adjustments to Base and Technical Adjustments	-1	8	\$8,719
2011 Current Services	750	756	\$185,580
2011 Program Increases	20	10	\$2,255
2011 Program Offsets	0	0	(\$210)
2011 Request	770	766	\$187,625
Total Change 2010-2011	19	18	\$10,764

1. Program Description

The mission of the Criminal Division is to develop, enforce, and supervise the application of all federal criminal laws, except those specifically assigned to other divisions. The Criminal Division is situated at headquarters to work in partnership with both domestic and international law enforcement. While U.S. Attorneys and state and local prosecutors serve a specific jurisdiction, the Criminal Division addresses the need for centralized coordination, prosecution, and oversight.

The Division complements the work of its foreign and domestic law enforcement partners by centrally housing subject matter experts in all areas of federal criminal law, as reflected by the 20 Sections and Offices that make up the Division's Decision Unit "Enforcing Federal Criminal Laws:"

Appellate Section; Asset Forfeiture and Money Laundering Section; Capital Case Unit; Child Exploitation and Obscenity Section; Computer Crime and Intellectual Property Section; Domestic Security Section; Executive Office of the Organized Crime Drug Enforcement Task Force; Fraud Section; Gang Unit; International Criminal Investigative Training Assistance Program; Narcotic and Dangerous Drug Section; Office of Administration; Office of the Assistant Attorney General; Office of Enforcement Operations; Office of International Affairs; Office of Overseas Prosecutorial Development, Assistance and Training; Office of Policy and Legislation; Office of Special Investigations; Organized Crime and Racketeering Section; and Public Integrity Section.

The concentration of formidable expertise in a broad range of critical subject areas strengthens and shapes the Department's efforts in bringing a broad national perspective to areas of national and transnational criminal enforcement and prevention. To capture this range of expertise, the

Division's Performance and Resource Table is organized into three functional categories: prosecutions and investigations; expert guidance and legal advice; and law enforcement tools.

PERFORMANCE AND RESOURCE TABLE

Decision Unit: Enforcing Federal Criminal Laws

DOJ Strategic Goal/Objective: Goal One: Prevent Terrorism and Promote the Nation's Security

1.1 Prevention, 1.2 Partnership, 1.3 Investigation/Prosecution

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

2.2 Violent Crime, 2.3 Crimes against Children, 2.4 Drug, 2.5 Corruption/Fraud, 2.6 Constitutional Rights

WORKLOAD/RESOURCES		Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2009		FY 2009		FY 2010 Enacted		Current Services Adjustments and FY 2011 Program Changes		FY 2011 Request	
Total Costs and FTE (reimbursable FTE are included)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		883	\$164,061	852	\$163,141	957	\$176,861	29	\$10,764	986	\$187,625
TYPE/ Strategic Objective	PERFORMANCE	FY 2009		FY 2009		FY 2010 Enacted		Current Services Adjustments and FY 2011 Program Changes		FY 2011 Request	
Program Activity	1. Prosecutions and Investigations	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		386	\$79,454	362	\$80,354	417	\$88,203	15	\$6,052	432	\$94,255
Workload	Cases Opened	426		430		423		12		435	
Workload	Cases Closed	299		324		326		9		327	
Workload	Cases Pending	1,193		1,171		1,268		108		1,376	
Workload	Appellate Work - Opened	3,960		3,922		3,840		0		3,840	
Workload	Appellate Work - Closed	3,860		3,542		3,560		0		3,560	
		2,398		2,636		2,916		280		3,196	

Workload	Appellate Work - Pending										
Workload	Matters Opened	909		873		935		26		961	
Workload	Matters Closed	538		880		813		23		836	
Workload	Matters Pending at EOY	2,161		1,739		1,861		125		1,986	
Program Activity	2. Expert Guidance and Legal Advice	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		325	\$49,160	339	\$48,623	368	\$51,881	9	\$2,930	377	\$54,811
Workload	Number of Legislative and Policy Analysis Matters Completed	6,650		6,683		6,492		182		6,674	
Workload	Number of Programmatic Coordination Activities	2,428		3,242		2,902		81		2,983	
Workload	Number of Legal Advisory Matters Completed	16,573		22,710		22,919		642		23,561	
Workload	Number of Training Sessions/ Presentations	2,194		2,660		2,241		63		2,304	
Program Activity	3. Law Enforcement Tools	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		172	\$35,447	151	\$34,164	172	\$36,777	5	\$1,782	177	\$38,559
Workload	Number of Mandatory Reviews Completed	22,376		25,909		32,139		914		33,053	
EFFICIENCY MEASURE	Ratio of Administrative Costs to Program Costs	69.90%		70.27%		69.90%		N/A		N/A	

OUTCOME	Favorably Resolve Criminal Cases	90%	97%	90%	0	90%
OUTCOME	Favorably Resolve Civil Cases	80%	100%	80%	0	80%
<p>Data Definition, Validation, Verification, and Limitations: Definitions: <u>Prosecutions and Investigations:</u> This program activity includes cases or investigatory matters in which the Criminal Division has sole or shared responsibility. The case breakouts include cases from the following Sections/Offices: Fraud Section, Public Integrity Section, Computer Crimes and Intellectual Property Section, Child Exploitation and Obscenity Section, Organized Crime and Racketeering Section, Narcotic and Dangerous Drug Section, Asset Forfeiture and Money Laundering Section, Office of Special Investigations, Domestic Security Section, Gang Unit, and Capital Case Unit. <u>Appeals:</u> Appellate Section. <u>Expert Guidance & Legal Advice:</u> This program activity includes oral and written advice and training to federal, state, local, and foreign law enforcement officials; coordination and support of investigations, prosecutions, and programs at the national, international and multi-district levels; and oral and written analysis of legislation and policy issues, development of legislative proposals, advice and briefing to Departmental and external policy makers, and participation in inter-agency policy coordination and discussions. <u>Law Enforcement Tools:</u> This program activity includes the work the Division does in specific areas of criminal law in reviewing and approving the use of law enforcement tools throughout the law enforcement community.</p> <p>Validation: In FY 2002, the Division initiated a multi-phased workload tracking improvement initiative. To date, improvements include definition and policy clarifications, uniform guidance and reporting, case tracking database improvements for end user benefit, and a regular data validation process to ensure system integrity.</p>						

PERFORMANCE MEASURE TABLE											
Decision Unit: Enforcing Federal Criminal Laws											
Performance Report and Performance Plan Targets		FY 2003	FY 2004	FY 2005	FY 2006	FY 2007*	FY 2008	FY 2009		FY 2010	FY 2011
		Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
OUTCOME Measure	Favorably Resolved Criminal Cases**	97%	94%	96%	98%	97%	95%	90%	97%	90%	90%
OUTCOME Measure	Favorably Resolve Civil Cases**	100%	100%	100%	90%	87%	75%	80%	100%	80%	80%
Efficiency Measure	Ratio of Administrative Costs to Program Costs***	N/A	N/A	69.61%	70.27%	70.40%	70.00%	69.90%	70.27%	69.90%	N/A

N/A = Data unavailable

* As of Fiscal Year 2007, the workloads of the Counterterrorism and Counterespionage Sections are not included in the Criminal Division.

** Denotes inclusion in the DOJ *Performance & Accountability Report*

***Beginning FY 2011, the Criminal Division will no longer track or report its efficiency measure.

3. Performance, Resources, and Strategies

Criminal Division: Enforcing Federal Criminal Laws	
Department Goal(s)	<i>Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security</i> <i>Strategic Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People</i>
Department Objective(s)	<i>Strategic Objective 1.1: Prevent, disrupt, and defeat terrorist operations before they occur</i> <i>Strategic Objective 1.2: Strengthen partnerships to prevent, deter, and respond to terrorist incidents</i> <i>Strategic Objective 1.3: Investigate and prosecute those who have committed, or intend to commit, terrorist acts in the United States</i> <i>Strategic Objective 2.2: Reduce the threat, incidence, and prevalence of violent crime</i> <i>Strategic Objective 2.3: Prevent, suppress, and intervene in crimes against children</i> <i>Strategic Objective 2.4: Reduce the threat, trafficking, use, and related violence of illegal drugs</i> <i>Strategic Objective 2.5: Combat public and corporate corruption, fraud, economic crime, and cybercrime</i> <i>Strategic Objective 2.6: Uphold the civil and constitutional rights of all Americans</i>

a. Performance Plan and Report for Outcomes

Outcome Measure

The Departmental long-term outcome goal for the litigating divisions, including the Criminal Division, is the percentage of criminal and civil cases favorably resolved in the Fiscal Year. The goals are 90 percent (criminal) and 80 percent (civil). In FY 2009, the Division favorably resolved 97 percent of its criminal cases and 100 percent of its civil cases - exceeding the Departmental goal. The Division is on-track to meet both of its outcome goals in FY 2010.

Prosecutions and Investigations Workload

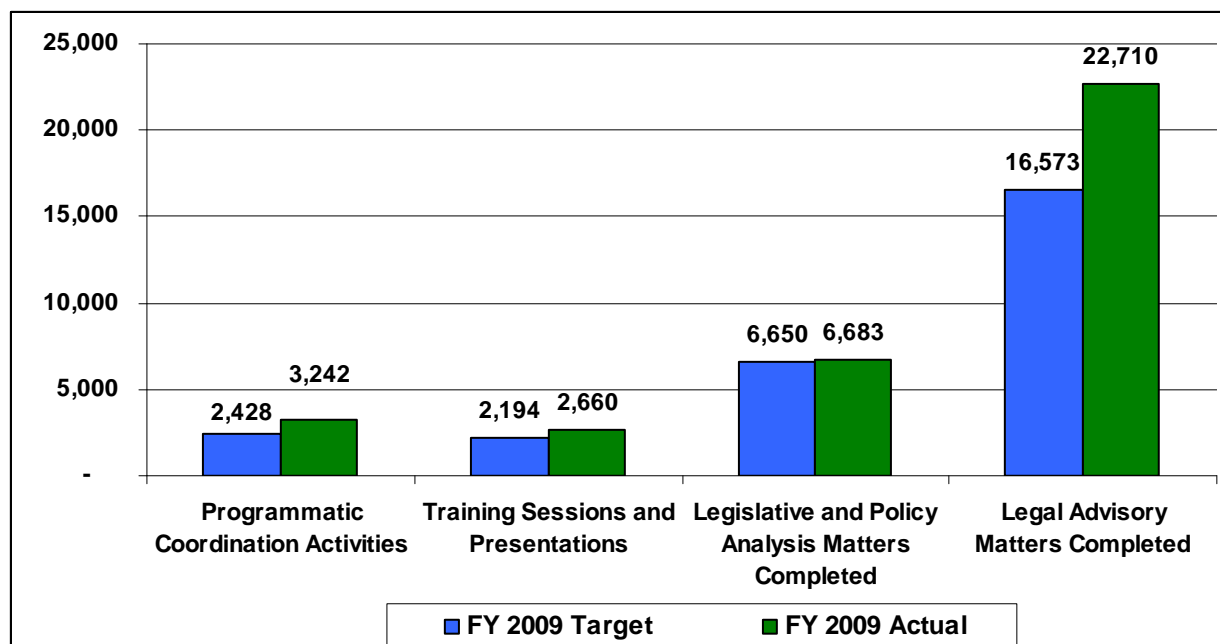
The Division leads complex investigations and brings significant prosecutions. Many of these cases are of national significance; require international coordination; have precedent-setting implications; involve the coordination of cross-jurisdictional investigations; and require intensive resources. From FY 2008 and FY 2009, the Division prosecutions and investigations workload reflected the following:

- The number of cases and matters opened by the Division decreased by 12%
- The number of cases and matters closed increased by 20%
- The Division's pending workload increased by 2%

If the requested program increases are funded in FY 2011, the Division is projecting a 2.8% increase in its litigation work.

Other Critical Division Workload

In addition to investigating and prosecuting criminal cases, the Division plays a central role by reviewing the use of critical law enforcement tools, including approving all requests for wiretapping under Title III. In addition, the Division provides expert guidance and legal advice on significant legislative proposals, analyzes Department-wide and government-wide law enforcement policy, conducts training for the field, and engages in programmatic coordination.



- The number of programmatic coordination activities completed exceeded the 2009 target by 34%
- The number of training sessions/presentations completed exceeded the 2009 target by 21%
- The number of legislative and policy analysis matters completed exceeded the 2009 target by 1%
- The number of legal advisory matters completed exceeded the 2009 target by 37%

If the requested program increases are funded in FY 2011, the Division is projecting a general increase of about 2.8% in its workload.

b. Strategies to Accomplish Outcomes

The Criminal Division's mission is to develop, enforce, and exercise general oversight for all federal criminal laws. In fulfilling this mission, the Division plays a central role in assisting the Department in accomplishing its Strategic Goals One and Two. Section I (Overview) of this budget fully discusses the Division's current strategies to accomplish these outcomes.

V. Program Increases by Item

Item Name: **Deterring & Prosecuting Fraud**

Budget Decision Unit: Enforcing Federal Criminal Laws

Strategic Goal(s) & Objective(s): **Goal 2:** Prevent crime, enforce federal laws, and represent the rights and interests of the people
Objective 2.5: Combat public and corporate corruption, fraud, economic crime, and cybercrime

Organizational Program: Criminal Division

Program Increase: Positions 5 Atty 3 FTE 2 Dollars \$550,000

Description of Item

The Criminal Division is requesting 5 positions (3 attorneys), 2 FTE, and \$550,000 to increase its capacity to prosecute financial crimes, including mortgage fraud, mass-marketing and corporate fraud, procurement and grant fraud, and violations of the Foreign Corrupt Practices Act.

1	Deterring and Prosecuting Fraud	3 pos, 2 attys, 1 FTE, \$341,000
2	Resources Needed for Effective Support of Prosecutions	2 pos, 1 atty, 1 FTE, \$209,000

Justification

1. Deterring and Prosecuting Fraud

Financial Institution and Mortgage Fraud

Mortgage fraud and the related deterioration of credit markets continue to be major challenges for the nation's economy, as evidenced by a threefold increase in FBI mortgage fraud investigations over the past five years. During the same period of time, the overall number of prosecutions and investigations pending in the Division's Fraud Section has increased 130%. Though the FBI's agent ranks have been increased to meet the rising demands, there has been no commensurate increase of prosecutors for mortgage fraud. Due to a lack of new resources to keep up with the increasing number of investigations, the Division has been able to take on very few cases recently. While the FY 2010 Appropriations provided new resources to increase the Division's capacity to prosecute mortgage fraud cases, additional resources are needed if the Division is to vigorously respond to the dramatic growth of mortgage fraud casework with real time prosecutions of mortgage and securitization fraud. As such, the requested resources are needed to fully staff this team so that it can combat this virulent economic threat.

Mass-marketing & Corporate Fraud

The nation's current economic crisis has had significant and devastating effects on credit markets and the banking system. The government has committed hundreds of billions of dollars to bail out the financial sector and has distributed it quickly to meet the needs of our nation. This has created an environment ripe for fraud and associated corruption in areas beyond the financial sector. Indeed, the economic downturn has seen a dramatic surge in large-scale Ponzi and investment fraud cases and matters that are outstripping available resources in the Criminal Division. The requested enhancements will enable the Criminal Division to continue its aggressive pursuit of those who victimize investors and undermine the integrity of the nation's financial markets.

The Division expects enforcement efforts directed at large-scale mass-marketing schemes to increase in the next few years. These additional resources will also enhance the Division's capability to prosecute transnational schemes, which necessitate extensive interaction with foreign law enforcement partners. The Division's current corporate and mass-marketing caseload consists of approximately 54 cases and matters. This number is expected to increase in FYs 2010 and 2011 as current investigations and multi-national enforcement initiatives generate additional cases.

Procurement Fraud

Government spending on procurements and grants has skyrocketed this year as a result of the government's wars and reconstruction efforts in Afghanistan and Iraq. In addition, \$800 billion in stimulus and recovery funds have been allocated to government agencies, which have already started disbursing the funds in the form of procurements and grants. As a result, the potential for procurement and grant fraud is enormous. Indeed, the Division has opened up an unprecedented number of procurement and grant fraud cases, especially relating to contract fraud associated with the war effort. Accordingly, more resources are necessary to investigate and prosecute these cases.

Foreign Corrupt Practices Act (FCPA) Enforcement

The distribution of money across all sectors of the government has also led to increased opportunity for the bribery and corruption of foreign public officials in international business transactions, which constitute violations of the Foreign Corrupt Practices Act (FCPA). The Criminal Division's Fraud Section, which is legally mandated to enforce FCPA across the nation, currently has more than 100 ongoing FCPA investigations. The Section has at least another 20 matters that are awaiting investigation once resources are available.

FCPA investigations have increased in recent years due to a number of factors: increased civil enforcement; a sharp rise in the number of corporate voluntary disclosures leading to FCPA referrals; and the expansion in scope of FCPA by the Organization for Economic Cooperation and Development (OECD) Convention. As a result, a tremendous strain has been placed on the Division's existing resources for enforcing FCPA, as evidenced by the workload numbers provided below:

Fiscal Year	Caseload (# On-going investigations)	% Change
2007	30	n/a
2008	50	67%
2009 as of 7/20/09	100	100%

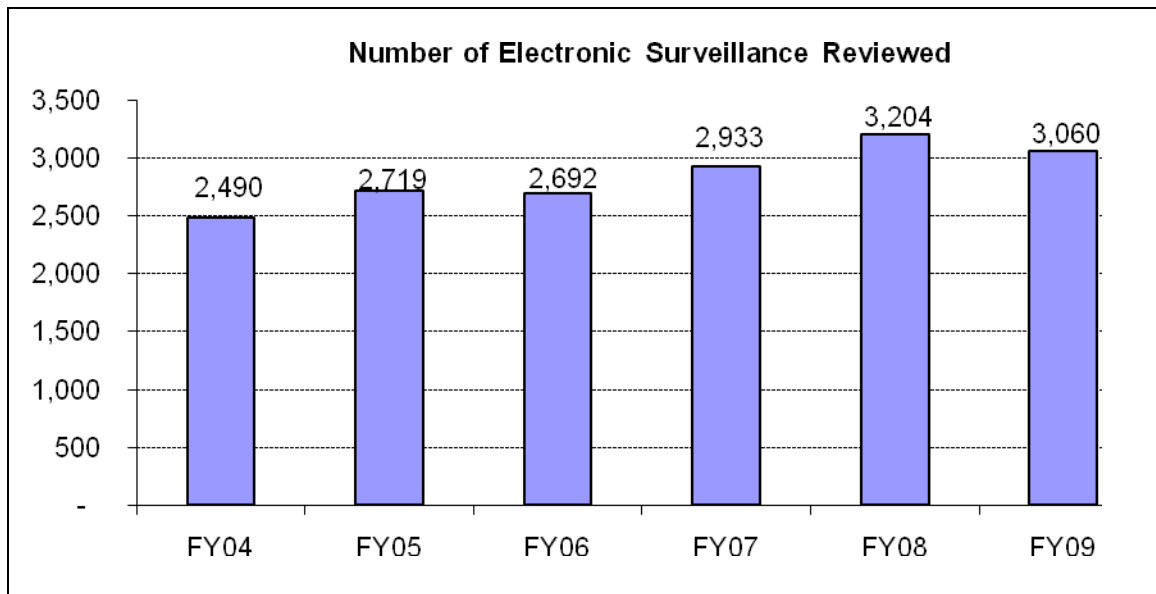
FCPA enforcement is consistent with the Obama Administration's goals of promoting transparency, democracy, sustainable development, and good governance. The global economic crisis presents a real threat to our progress in promoting integrity in international business. Since 2002, the Division's FCPA prosecutions have resulted in fines and penalties totaling more than \$1 billion. The success of its efforts has only led to increased awareness of FCPA enforcement and, consequently, ever-increasing caseloads. This workload has been handled by the equivalent of 8 full-time employees. Without additional resources, the Division will not be able to fulfill its mandate and handle its existing significant caseload, much less the influx of new cases.

2. Resources Needed for Effective Support of Prosecutions

In addition to bringing complex fraud prosecutions, an effective law enforcement response to fraud requires law enforcement officers to rely on sophisticated investigative techniques such as wiretaps, use of the witness security program, mutual legal assistance treaty (MLAT) requests to other nations, and computer forensic searches. In these areas, the Criminal Division plays a central role.

The Criminal Division's Office of International Affairs (OIA) acts as Central Authority for all U.S. MLATs, and all U.S. extradition requests are reviewed and approved by OIA. An increase in attorney staffing is required to meet the increased numbers of MLAT and extradition requests that are triggered by financial fraud investigations. OIA has to quickly and effectively ensure that MLAT requests are processed. Because OIA attorneys are already working at full capacity securing foreign evidence and fugitives in currently pending cases, additional resources are needed. In FY 2009, OIA made 1,553 requests for foreign evidence. Of those requests, 1,094 were fraud-related (90% of which came from the U.S. Attorneys' Offices). OIA must have more resources in order to ensure that these critical financial fraud investigations and cases are not hamstrung by an inability to obtain crucial foreign evidence.

Similarly, the Criminal Division's Office of Enforcement Operations (OEO) is the office within the Department of Justice charged with, among other things, reviewing and approving critical law enforcement techniques such as witness immunity requests, all electronic surveillance requests, entry of applicants into the federal witness security program, use of press subpoenas, use of attorney subpoenas for unprotected or fraudulent communications, and applications for S visas. Experience in prosecuting complex white collar crime has demonstrated that to be effective in addressing crime and fraud, the Division needs more attorneys to apply for authorization for such critical investigative techniques. As fraud prosecutions continue to grow, so, too, will the volume of approval requests that OEO must process.



Lastly, fraud cases are unusually complex and document intensive. A single case can result in the analysis and review of literally millions of documents. The digestion of this quantity of information in a timely fashion requires computer and technology resources. This support is crucial to successfully investigating and prosecuting complex cases. This, too, will require the additional resources requested in this initiative.

Impact on Performance (Relationship of Increase to Strategic Goals)

These requested resources will directly support the Department's *Strategic Goal 2: Prevent crime, enforce federal laws, and represent the rights and interests of the people, Strategic Objective 2.5 Combat public and corporate corruption, fraud, economic crime, and cybercrime.*

The current economic crisis has led Congress to funnel hundreds of billions of dollars into the financial sector, which remains vulnerable to unscrupulous individuals poised to take advantage of the current weak climate. **Funding these program enhancements will enable the Division to capitalize on its unique expertise and ability to the benefit of the entire nation.** The U.S. Attorneys' Offices and all law enforcement agencies will also benefit from the funding of this request because they rely on the Criminal Division to secure foreign evidence and approve the use of sensitive law enforcement techniques such as wiretaps.

Funding

Base Funding

FY 2009 Enacted (w/resc./supps)				FY 2010 Enacted				FY 2011 Current Services			
Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)
57	37	57	\$12,501	62	42	60	\$14,911	62	42	62	\$16,262

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2011 Request (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Attorney	\$132	3	\$396	\$282
Professional	\$77	2	\$154	\$58
Total Personnel		5	\$550	\$340

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2011 Request (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
N/A				
Total Non-Personnel				

Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
Current Services	62	42	62	\$16,262	\$0	\$16,262	\$0
Increases	5	3	2	\$550	\$0	\$550	\$340
Grand Total	67	45	64	\$16,812	\$0	\$16,812	\$340

Item Name: **International Organized Crime**

Budget Decision Unit(s): **Enforcing Federal Criminal Laws**

Strategic Goal(s) & Objective(s):

Goal One: 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
Goal Two: Prevent Crime, Enforce Federal Laws and Represent the Rights and Interests of the People	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 cyber crime
	2.6 Uphold the civil and Constitutional rights of all Americans

Organizational Program: **Criminal Division**

Program Increase: Positions 2 Atty 1 FTE 1 Dollars \$209,000

Description of Item

“The globalization of criminal networks and advances in technology have made international criminal organizations a significant threat to the safety and security of our nation. But we are answering that threat by developing a 21st century organized crime program that will be nimble and sophisticated enough to combat the danger posed by these criminals for years to come.”

*Attorney General Eric Holder
Prepared Remarks, G8 Meeting
May 28, 2009*

Organized crime can no longer be associated exclusively with traditional, domestic groups, but is now fully international in its origin, composition, and scope. International organized crime (IOC) poses unprecedented threats to U.S. national and economic security. These threats range from attempts by organized criminals to exploit our energy and other strategic sectors, support to terrorists and hostile governments, manipulate our financial, securities, and commodities markets, among other serious criminal activities.

Recognizing the new realities of international organized crime and the demand for a strategic, targeted, and concerted U.S. Government response, the Department of Justice drafted the *Law Enforcement Strategy to Combat International Organized Crime* (U.S. Department of Justice,

April 2008). This strategy presents a comprehensive plan to ensure that the federal law enforcement community has the tools, capabilities, and resources needed to reduce the growing threat IOC poses to the United States and its citizens. The strategy emphasizes that its success will hinge on close cooperation among U.S. law enforcement, the intelligence community, and our non-law enforcement partners to marshal intelligence, target IOC figures and groups, and utilize all available means to thwart IOC activities.

The globalization of legal and illegal businesses, advances in technology, particularly the Internet, and the evolution of symbiotic relationships between criminals, public officials, and business leaders have combined to create a new, less restrictive environment within which international organized criminals can operate. As international organized crime grows and adapts, so must the Department. The Criminal Division brings expertise and broad international experience to the effort.

The Criminal Division requests the following enhancement to support its efforts to combat international organized crime consistent with the Department's *International Organized Crime Strategy*.

1	Mobile Investigative Team	2 pos, 1 atty, 1 FTE, \$209,000
	Support the International Organized Crime Intelligence and Operations Center (IOC-2) and Implementation of the Organized Crime Strategy	4 pos, 3 attys, 3 FTE, \$474,000 This reimbursable enhancement is part of the Department's General Administration request for IOC.

Justification

1. Mobile Investigative Team

The Mobile Investigative Team (MIT) will be charged with combating illicit money networks and professional money launderers who move money on behalf of all forms of criminal actors. Illicit money networks have developed sophisticated command and communications networks and branched out into the global market place. The networks have developed the capability to operate in the United States from abroad and to disperse their operations throughout the United States. Traditionally, law enforcement officials targeted major metropolitan areas, but IOC syndicates have adapted their practices to avoid investigation and prosecution under this old tactic. The MIT will bring a fresh and aggressive new approach that will combat the evolving nature of illicit money networks. The MIT will be based in the Washington, D.C. metropolitan area, but will travel to foreign and domestic locations, as necessary, to implement a more nimble law enforcement response. To ensure success, the MIT will bring together a comprehensive and sophisticated group of professionals, including: the Federal Bureau of Investigation (FBI), the Division's Organized Crime and Racketeering Section (OCRS), criminal investigative agents and other staffing from the Internal Revenue Service, and potentially other member agencies of the Attorney General's Organized Crime Council.

Impact on Performance (Relationship of Increase to Strategic Goals)

The Division's efforts to combat international organized crime directly support both the Department's Goal 1 and Goal Two. **Without additional funding**, the Division will not be able to play its integral role in the proposed Mobile Investigative Team.

Funding

Base Funding

FY 2009 Enacted (w/resc./supps)				FY 2010 Enacted				FY 2011 Current Services			
Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)
0	0	0	\$0	0	0	0	\$0	0	0	0	\$0

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2011 Request (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Attorney	\$132	1	\$132	\$94
Professional	\$77	1	\$77	\$29
Total Personnel		2	\$209	\$123

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2011 Request (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
N/A				
Total Non-Personnel				

Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
Current Services	0	0	0	\$0	\$0	\$	\$0
Increases	2	1	1	\$209	\$0	\$209	\$123
Grand Total	2	1	1	\$209	\$0	\$209	\$123

Item Name: **Cyber Security & Digital Forensics**

Budget Decision Unit(s): Enforcing Federal Criminal Laws

Strategic Goal(s) & Objective(s): **Goal 1:** Prevent terrorism and promote the Nation’s security
Objective 1.1: Prevent, disrupt, and defeat terrorist operations before they occur
Objective 1.2: Strengthen partnerships to prevent, deter, and respond to terrorist incidents in the United States
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People
Objective 2.5: Combat public and corporate corruption, fraud, economic crime, and cybercrime

Organizational Program: Criminal Division

Program Increase: Positions 4 Atty 4 FTE 2 Dollars \$528,000

Description of Item

The Criminal Division requests 4 attorney positions, 2 FTE, and \$528,000 to aid in its efforts to continue providing sufficient support to the Department’s top Strategic Goal: prevent terrorism and promote the nation’s security as well as its second goal, preventing crime and enforcing federal laws. These new investments will allow the Division to prosecute cybercrime and provide support to national cyber security efforts.

Justification

Prosecuting intrusion and cyber-terrorism cases is a top priority for the Administration; the Division’s Computer Crime and Intellectual Property Section (CCIPS) has the legal expertise and technical acumen to ensure that the Administration’s priorities are implemented effectively and expertly. CCIPS attorneys are key players in the *Comprehensive National Cyber Initiative*, which aims to develop a law enforcement strategy to secure key networks against cyber threats that affect national security. As the Department’s experts in these issues, CCIPS must prosecute the most complex and significant cases. For example, CCIPS prosecutors have been involved in the some of the country’s most significant data breach and hacking cases, the success of which requires a subtle understanding of the loosely-organized worldwide groups that work together to plan and execute data breaches and major hacks. Thus, the Division is requesting a total of 4 attorney positions to (1) provide support to national cyber security efforts, (2) prosecute hacking and data breach cases, and (3) enhance our digital forensic capabilities.

Support to National Cyber Security Efforts

CCIPS has long provided, and continues to provide, significant assistance and support to terrorism cases, intrusion cases relating to intelligence and infrastructure protection, and development of cyber security policy. CCIPS houses the legal expertise and technical acumen

that are essential to the Department's cyber security efforts. CCIPS assists with legal reviews of tools and programs to protect critical government networks against security threats and attacks and fills a critical need, both as a resource to prosecutors and as a coordination point for the Department when responding to attacks on critical systems.

The importance of these roles is reflected in the high demand for the Section's expertise across the Department:

- At present, the two main CCIPS experts on cyber security policy and law enforcement are detailed to the leadership offices of the National Security Division and the Criminal Division, providing advice and guidance to senior Department officials on cyber security issues.
- CCIPS attorneys have been directly and significantly involved in every major U.S. government cyber security effort since the late 1990s.
- CCIPS attorneys have been increasingly involved in the *Comprehensive National Cyber Initiative* and the work related to the White House 60-day review of cyber security, including development of a law enforcement strategy and extensive cooperative work in the legal review of security initiatives and programs.

On May 31, 2009, President Obama released a White House review of cyber security policy and noted that "the country faces the dual challenge of maintaining an environment that promotes efficiency, innovation, economic prosperity, and free trade while also promoting safety, security, civil liberties, and privacy rights." Due to its expertise in balancing these competing priorities, CCIPS is poised to help significantly in meeting these challenges. Although the shape of national cyber policy for the current administration is still being developed, the requested resources will assist with CCIPS' and the Department's coordination with other components in Justice, including the National Security Division, the intelligence and military communities, and the Department of Homeland Security.

As increased resources are funneled into the FBI and other investigative agencies, CCIPS' prosecution workload has increased dramatically: since FY 2003, its number of pending prosecutions and investigations has increased 211% and its new litigation workload has increased 161%. This marked increase clearly demonstrates that the demand for CCIPS' attorneys is growing and highlights the unquestionable need for additional attorneys. However, the Section has not received new resources in longer than five years. In FY 2010, the FBI received 260 additional positions to combat cyber security. This increase of resources for the FBI will result in even more prosecutions and investigations referred to CCIPS, as demonstrated by the historical trends discussed above. Without new resources, CCIPS will hit a saturation point and will not be able to keep pace with the increasing demand for its attorneys.

Digital Forensic Capabilities

During the last two decades, the volume of digital evidence has exploded. This volume has placed a tremendous burden on the Department's prosecutors to learn and understand the myriad complexities of computer forensics, cybercrime, and new technologies. Because of these complexities and the fast pace of advancing technologies, federal prosecutors often lack the

technical knowledge necessary to know what digital evidence to ask for, or how to best use digital evidence to further their prosecutions.

Law enforcement agencies are overwhelmed with requests for digital forensics. The backlog and processing time for computer forensic analysis can exceed several years, which significantly undermines effective prosecutions. Recently, the Division has heard hundreds of complaints from prosecutors across the nation, indicating that fewer cases are being resolved by plea agreement due to delays in receiving digital evidence analysis. These delays put a tremendous burden on the Department of Justice and the court system.

To combat this worrying trend, CCIPS used existing resources to create the CCIPS Cybercrime Lab in FY 2006 and has successfully implemented a model approach to filling the ever-growing need for greater technical and forensics skills. The CCIPS Cybercrime Lab model is a 4-tiered approach that provides technical and forensic support to litigation, legislative initiatives, and national security issues in the following areas:

1. Consultations for prosecutors on technical issues
2. Forensic Support (rapid triage and advanced forensics)
3. Education and Training
4. Expert Testimony

In the past 2 years, this model has provided support to prosecutors from almost every United States Attorney's Office nationwide and almost every division within the Department of Justice.

Consultations. Providing a single resource to prosecutors across the Department for digital forensics consultations will bring an unprecedented level of stability and consistency to the quality of computer forensic and technical information used in cases. Having a high-quality in-house expert for prosecutors does not supplant or circumvent the investigative and forensic support of individual law enforcement agencies; rather, the Lab provides prosecutors with the information on which digital evidence is most valuable to their case, so that agencies can then focus their considerable resources on comprehensive analysis of that evidence.

Forensic Support. The Lab provides rapid triage of computer systems to identify digital evidence for prosecutors early in investigations. This kind of timely evidence production is not only essential to advancing investigations in many cases, but it also increases prosecutors' abilities to exercise due diligence before offering plea agreements to the targets of an investigation. This type of "triage" forensic examination is accomplished in a fraction of the time necessary for a full, trial-ready forensic exam. Therefore, if made more readily available, it should reduce the overall burden on the forensic resources of federal investigative agencies by allowing more cases to be settled by plea agreements.

Education and Training. The Lab has already established a strong reputation for excellence within the Department. Its analysts have developed several new courses on computer forensics for prosecutors and cybercrime/online undercover investigative issues. There is a long waiting list of Assistant U.S. Attorneys (AUSAs) waiting to get in to each class. The Lab's reputation is not limited to the federal prosecution community. It has also provided at least 2½ hours of

computer forensics and cybercrime training to every U.S. Magistrate Judge in the United States. The Lab Director is also currently providing training to U.S. District Court judges, and recently completed training for all of the Chief Judges in the 9th Circuit. This training will help immeasurably to ensure the standard application of law across the nation – part of the Criminal Division’s core mission.

Significant additional resources are needed to sustain even this level of training, given the increased demand on the Lab for forensics support and analysis. But there is a critical need for even more training from within the federal prosecutorial and judicial communities that could be addressed with the requested resources.

Expert Testimony. Computer forensic examiners are routinely called as expert witnesses to testify about their findings. These officers do an exceptional job representing their findings and analytical approach. However, the defense routinely tries to undermine their credibility by suggesting bias or lack of competence. The Lab’s analysts have served as secondary experts or rebuttal expert witnesses in several cases, bringing added credibility or weight to the evidence, techniques, or findings of the examiner. Establishing a larger in-house resource for Department prosecutors will improve trial presentations and may, ultimately, save time and money in retaining outside experts.

The Lab’s workload has grown consistently since its inception and it is consistently recognized as a key support for the more than 200 Assistant U.S. Attorneys that make up the Computer Hacking and Intellectual Property Coordinators Network. One could say that CCIPS routinely acts as a force-multiplier for the Department of Justice by exporting its expertise with the U.S. Attorneys’ Offices. Since FY 2004, training provided to the field has increased 27%; and, the amount of advice provided to the field has increased 132% in just the last two years. CCIPS needs additional resources to continue providing this level of service to the field, ensuring that prosecutions and investigations are handled appropriately, efficiently, and using the most cutting-edge knowledge of digital forensics available. The requested additional resources are necessary to support this important initiative.

Data Breaches and Hacking

Over the last several years, CCIPS prosecutors have become increasingly involved in the investigation and prosecution of major data breach cases. The issue has gained frequent national attention because of the breadth of effects of the data losses. Between FYs 2004 and 2008, identity theft-related convictions across the country have increased 138%.

CCIPS has played an often-indispensible role in these multi-district and often multi-national investigations, because of its ability to function as a coordinator. Frequently, CCIPS is the primary – and very often the sole – entity that can bring together information from investigations and prosecutions across the United States, financial institutions, card issuers, payment processors, regulators, and international partnerships fostered over fifteen years of training and development. Whether CCIPS has played a direct leading role in the investigations and prosecutions or has provided key support to the field, its expertise and resources have been essential to each nationally-recognized success.

Proving data breaches and attributing the conduct to responsible parties often requires a complex and lengthy investigation that draws together technical expertise, financial forensics, and the development and use of undercover sources. It also requires a subtle understanding of the loosely-organized worldwide groups that work together to plan and execute data breaches and the resulting monetization of that data through organized financial fraud and theft. It also requires a thorough understanding of the techniques that can be used to infiltrate these groups, identify participants, and disrupt and deter their criminal activity.

The data breach problem is rapidly increasing and, with it, the need for additional resources. Even now, CCIPS prosecutors are working on several developing investigations relating to large data breaches at payment processing firms. The FBI, U.S. Secret Service, and U.S. Attorneys' Offices have all made these investigations a top national priority. These agencies are devoting increasing investigative resources to these cases and rely on CCIPS prosecutors to coordinate nationwide investigations, directly support investigations and trials, and assist in obtaining international cooperation when these breaches lead outside the United States. Additional resources are necessary for the successful prosecution of this increasing caseload.

Impact on Performance (Relationship of Increase to Strategic Goals)

These requested resources will directly support the Department's *Strategic Goal 1: Prevent terrorism and promote the Nation's security* and *Strategic Goal 2: Prevent crime, enforce federal laws, and represent the rights and interests of the people*, *Strategic Objective 2.5 Combat public and corporate corruption, fraud, economic crime, and cybercrime*.

- **With additional funding**, the Division will be able to increase its critical support to a top priority government-wide initiative; improve use of legal tools to secure networks against attacks and lawfully collect evidence for prosecution when criminals and criminal groups attack critical networks; and promote better preparation and coordination among federal prosecution resources to respond to organized and international criminal threats against critical national resources. The Division will also be able to direct technical support to the broad spectrum of prosecutions undertaken by the Criminal Division; train prosecutors and judges, so to avoid problems that arise from key misunderstandings of technological matters involving data forensics; provide better support on technical matters to high-level DOJ decision-makers; and train key foreign counterparts to increase their technical support to the United States in combating terrorism and related transnational crime.
- **Without additional funding**, the Division will be less capable of assisting in the litigation of difficult, specialized electronic evidence issues in key terrorism and national security cases; prosecution and law enforcement coordination with DHS, intelligence, and military communities will be hampered; and investigations involving attacks on critical networks will not be adequately supported. Also, deficiencies in prosecutor and judicial competencies regarding key forensics issues will continue and investigations and prosecutions will be hampered and delayed due to lack of sufficient technical support.

Funding

Base Funding

FY 2009 Enacted (w/resc./supps)				FY 2010 Enacted				FY 2011 Current Services			
Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)
19	12	19	\$4,014	19	12	19	\$4,300	19	12	19	\$4,484

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2011 Request (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Attorney	\$132	4	\$528	\$376
Total Personnel		4	\$528	\$376

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2011 Request (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
N/A				
Total Non-Personnel				

Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
Current Services	19	12	19	\$4,484	\$0	\$4,484	\$0
Increases	4	4	2	\$528	\$0	\$528	\$376
Grand Total	23	16	21	\$5,012	\$0	\$5,012	\$376

Item Name: **Southwest Border Enforcement**

Budget Decision Unit(s): Enforcing Federal Criminal Laws

Strategic Goal(s) & Objective(s): **Goal 2:** Prevent crime, enforce federal laws, and represent the rights and interests of the people
Objective 2.2: Reduce the threat, incidence, and prevalence of violent crime.
Objective 2.4: Reduce the threat, trafficking, use, and related violence of illegal drugs

Organizational Program: Criminal Division

Program Increase: Positions 5 Atty 3 FTE 3 Dollars \$550,000

Description of Item

The Southwest Border (SWB) region of the United States poses a myriad of cross-border law enforcement challenges. Human trafficking and the flow of narcotics north into the United States, along with the smuggling of illegal firearms and criminal monetary proceeds south out of the United States, has had a devastating effect on the United States and Mexico, particularly along the SWB. The organizations and elements associated with these cross-border criminal activities often engage in acts of violence, which has required greater federal law enforcement and prosecution attention to the region. To address these challenges and to support drug, gangs, and firearms investigations and prosecutions along the SWB, the Criminal Division is requesting 5 positions (3 attorneys), 3 FTE, and \$550,000 for:

- Southwest Border Anti-Gang and Firearms Trafficking Initiative
- Investigation and Prosecution of Mexico Drug Cartels and Coordination of Special Operations Division (SOD)-multi-district cases

Justification

The conflicts within and among a limited number of sophisticated, transnational criminal organizations are the root cause of the explosion of violence in Mexico and the associated criminal activity along the Southwest Border. While these hierarchical, Mexico-based cartels' primary business is drug trafficking, they also sponsor a panoply of other crimes such as murder, extortion, trafficking, and use of firearms and other weapons that support their illegal operations. Given this Administration's and Department's focus on working side-by-side with our Mexican partners to systematically attack violent crime on the Southwest Border, the demand for the Division's expertise in gang violence, weapons trafficking, and in coordinating multi-district operations will increase.

1. Southwest Border Anti-Gang and Firearms Trafficking Initiative

Narcotics-related firearms violence, including kidnappings and murders, has skyrocketed in Mexico and along the SWB as major trafficking cartels increasingly smuggle firearms into Mexico for use in battling one another for control of lucrative drug smuggling corridors and fighting the Mexican police and military forces. Due to the sharp increase in firearms-related violent crimes along the SWB, the Attorney General held meetings in Mexico on April 1, 2009, to discuss how the U.S. and Mexican governments can work collaboratively to address this problem. It was agreed that the vast majority of the traced firearms used to commit violent crimes in Mexico were smuggled into Mexico from the United States. It was also recognized that much of the violence along the SWB is directly related to the activities of Mexican drug trafficking organizations. As a result, part of the Department's strategy to reduce this violence is to focus on investigating and prosecuting the networks that illegally obtain and transfer weapons to these Mexican drug trafficking organizations.

Many of the Department's efforts to reduce SWB violence through this focus on weapons trafficking are overseen by the Criminal Division's Gang Unit. The Gang Unit's primary mission is to investigate and prosecute the most significant regional, national, and international gangs. But it is also responsible for the investigation and prosecution of firearms-related offenses, with a focus on both domestic and international firearms trafficking networks. Based on the Gang Unit's expertise and successes on this front, representatives from the Mexican Attorney General's Office recently requested that the Chief of the Gang Unit specifically designate federal prosecutors to work closely with Mexican prosecutors on investigations of cross-border firearms trafficking networks. These mission-specific prosecutors would have the benefit of not only working closely with Mexican authorities, but also of leveraging the expertise of offices in Washington, D.C., including the Division's Office of International Affairs (OIA) and the Department of State. These prosecutors would also have the flexibility to work hand-in-glove with all of the United States Attorneys' Offices located in the federal districts along the SWB.

The Gang Unit already has pending prosecutions and investigations that span the United States and require the use of substantial existing resources. These Gang/ Racketeer Influenced and Corrupt Organizations Act (RICO) prosecutions are inherently complex. Increasingly, the Unit is increasingly prosecuting cases involving charges that trigger the death penalty – cases which are immensely resource intensive. Additionally, the Gang Unit has recently been called upon to investigate and prosecute cases involving weapons trafficking to Mexico, a critical priority of this Department and of our Mexican partners. Furthermore, the Gang Unit is also increasingly called upon to provide expert guidance to the Department components and to U.S. Attorneys' Offices seeking statutory, tactical, and strategic advice on violent crime prosecutions: as an example, the total training provided by the Gang Unit increased 44% between FY 2007 to FY 2009, while operations coordination and facilitation activities increased 52% between FY 2007 to FY 2009. These statistics demonstrate that, as other agencies learned of the Gang Unit and its work, their expertise was called upon for assistance.

The Gang Unit has seen a significant and increasing demand for its expertise. To ensure the continued success of the Gang Unit, the Criminal Division needs 3 positions (2 attorneys), 2

FTE, and \$341,000 to help them meet this ever-rising demand, including the immediate demands arising from the Department's need to combat criminal activity along the SWB. Additional resources to address the wide range of issues the Gang Unit is called upon to handle will contribute not only to the Gang Unit's success in targeting gang violence domestically, but also to its specific mandate to target firearms trafficking and gang violence along the SWB.

2. *Investigation and Prosecution of Mexico Drug Cartels and Coordination of SOD-multi-district cases*

As the U.S. and Mexico increasingly focus on stopping the drug cartels and associated violence, especially along the Southwest border, an increasing number of investigations and cases are referred to the Division's Narcotic and Dangerous Drug Section (NDDS) by overseas and domestic offices for prosecution or assistance. NDDS needs additional prosecutors to handle these investigations and cases and to help the Special Operations Division (SOD) coordinate multi-district cases involving the Southwest border.

The work of NDDS is critical to the Department's fight against the Mexican cartels. As an example of the work it is able to do, recent indictments were unsealed charging several high-level Mexican leaders of the Zetas, the Gulf Cartel and 18 of their top lieutenants. According to one of the indictments, the organization, known as the Company, controlled hundreds of miles of Mexican territory along the U.S./Mexico border, dividing the territory into areas known as "plazas" and assigning each plaza region a leader known as the "plaza boss." The superseding indictment alleged that the leaders of the organization directed the Company's cocaine and marijuana shipments via boats, planes, and cars from Colombia and Venezuela to Guatemala, as well as, to various cities and "plazas" in Mexico. From Mexico, the drugs were then shipped into cities in Texas for distribution to other cities in the United States. These coordinated indictments were a direct result of the work done not only by the Criminal Division's NDDS litigators, but also those prosecutors at SOD who carefully coordinated the multi-district investigation.

In recent years, the number of NDDS international narcotics investigations has continually increased, while the number of prosecutors within NDDS's Litigation Unit has been reduced. Additionally, with the heightened security concerns along the U.S. and Mexico border, NDDS must play a critical role in prosecuting the most significant Mexican drug trafficking organizations and cartels. The Unit currently has 28 cases involving drug trafficking organizations in Mexico and 34 cases involving drug trafficking organizations in Colombia. In 2009, NDDS indicted 39 defendants including the top leadership and management of the Mexican Gulf Coast Cartel. Additional investigations are ongoing. Additionally, the Unit also has indicted, and is pursuing the investigation of, several other major Mexican drug traffickers who import illegal drugs into the United States, including Consolidated Priority Organization Targets (CPOTs). As one example, Vincente Zambada-Niebla, who managed the cartel's activities in Sinaloa, Mexico, was arrested in March 2009 and NDDS prosecutors are currently seeking his extradition.

Furthermore, the operational caseload at the SOD has increased significantly over the past few years. Optimally, each SOD prosecutor should handle 30 operations in order to effectively

balance the coordination and deconfliction duties in these cases with other programmatic responsibilities. With the growing cooperation between Mexican and U.S. law enforcement, NDDS anticipates an even further increase in cases. Furthermore, each year additional law enforcement agencies and military components are becoming partners with SOD - most recently, the U.S. Secret Service, and the U.S. Postal Inspection Service (USPIS). In addition, SOD's Counter Narcotics Terrorism Operations Center (CNTOC) and Internet Investigations Unit have seen an increase in complex multi-national investigations. These additional members have already greatly impacted the workload for NDDS's prosecutors assigned to SOD. Currently, each NDDS/SOD prosecutor is responsible for coordinating over 80 distinct multi-district operations. The addition of another NDDS/SOD-coordination prosecutor would enable SOD to deliver an even more potent and coordinated blow to these Mexican cartels – a significant priority for the Department and Administration.

Additional attorney positions would enable NDDS/SOD to dedicate appropriate prosecutorial resources to handle SOD's Southwest Border Unit portfolio, including working closely with senior DEA, FBI, and ICE agents to target Mexican transportation cartels moving cocaine, heroin, and methamphetamine into the U.S. The addition of another NDDS/SOD-coordination prosecutor would enable SOD to deliver an even more potent and coordinated blow to these Mexican cartels – a significant priority for the Department and Administration. Thus, the Division requests 2 positions (1 attorney), 1 FTE, and \$209,000.

Impact on Performance (Relationship of Increase to Strategic Goals)

The Division's efforts to improve SWB enforcement directly support the Department's *Strategic Goal 2: Prevent crime, enforce federal laws, and represent the rights and interests of the people, Strategic Objective 2.2, Vigorously prosecute organized crime and Strategic Objective 2.4, Reduce the threat, trafficking, use, and related violence of illegal drugs*. With this enhancement, the Division will be able to implement strategies to continue its mission-critical work of ending violent and organized crime and drug cartels.

1. With additional resources, the Gang Unit will be able to keep pace with the **expected growth** in incoming prosecutions and investigations and will continue to provide **excellent and much needed training, advice, and assistance** to the law enforcement community working along the Southwest Border.
2. With additional resources, NDDS will be able to **handle expected growth** in investigations and cases due to increase in resources and focus on the Southwest border by agents and prosecutors alike. Its expertise in drug and drug trafficking organization will become invaluable tools for the fight against drug traffickers, particularly the Mexican drug cartels.

Funding

Base Funding

FY 2009 Enacted (w/resc./supps)				FY 2010 Enacted				FY 2011 Current Services			
Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)
38	39	37	\$7,862	39	30	39	\$8,767	39	30	39	\$9,166

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2011 Request (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Attorney	\$132	3	\$396	\$282
Professional	\$77	2	\$154	\$58
Total Personnel		5	\$550	\$340

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2011 Request (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
N/A				
Total Non-Personnel				

Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
Current Services	39	30	39	9,166	\$0	\$9,166	\$0
Increases	5	3	3	\$550	\$0	\$550	\$340
Grand Total	44	33	42	\$9,716	\$0	\$9,716	\$340

Item Name: **Protecting Children**

Budget Decision Unit(s): Enforcing Federal Criminal Laws

Strategic Goal(s) & Objective(s): **Goal 2:** Prevent crime, enforce federal laws, and represent the rights and interests of the people
Objective 2.3: Prevent, suppress, and intervene in crimes against children

Organizational Program: Criminal Division

Program Increase: Positions 4 Atty 2 FTE 2 Dollars \$418,000

Description of Item

The protection of children from sexual predators is a topic that has garnered sustained Congressional interest. The Criminal Division's Child Exploitation and Obscenity Section (CEOS) is a relatively small litigation-oriented Section that serves a crucial role in the Department's and Division's mission to protect children from child exploitation. The Division's request of 4 positions (2 attorneys), 2 FTE, and \$418,000 represents necessary resources to support its vigorous prosecution efforts in (1) combating sex tourism, online child pornography and child prostitution, and (2) providing critical training to law enforcement nationwide. This small investment will ensure that the Department's progress on these issues continues.

Justification

The Challenge

Every day, the lives of children in the U.S. are shattered as they fall prey to sexual predators on the internet, become victims of known sex offenders released from prisons, or are trafficked as sex slaves or pimped on our city streets. Untold numbers of children are being sexually molested and physically abused, sometimes for years, while the images of that abuse are shared by predators online - fueling their deviant desires and promoting even more abuse. The expansion of the internet has led to an explosion in the market for child pornography, making it easier to create, access, and proliferate these horrific images that evidence the very real abuse of a child. The unprecedented ability that the internet offers these offenders to gather together emboldens them to act out their deviant fantasies and to circulate and create more and more images of this terrible abuse. Alarming, the trend is towards younger and younger children (including babies and toddlers) and more and more extreme acts of sexual violence.

In the past ten years, reports to the National Center for Missing and Exploited Children (NCMEC) of images of child pornography on the internet have increased from 7,736 in 1999 to 482,474 in 2007. More than 20,000 images of real sexual abuse are posted on the internet each week, and by some estimates, child pornography generates at least \$3 billion annually. One of this nation's greatest challenges is to identify and rescue the children depicted in these images

traded over the internet – some of whom continue to silently suffer these violent sexual assaults that predators can readily access and view online.

Similarly alarming is the practice known as “child sex tourism,” where Americans or U.S. resident aliens travel abroad for the purpose of sexually abusing foreign children (usually in economically disadvantaged countries). Numerous countries in Southeast Asia are so well-known for child sex tourism that they have entire neighborhoods that are considered brothels and open-air markets where children can be purchased for sex. In countries like Cambodia, Thailand, and the Philippines, an estimated 25 percent of child sex tourists are U.S. citizens; in Latin America (primarily Mexico and Costa Rica), the estimate is as much as 80 percent.

Additionally, child prostitution in the United States has become an increasingly troubling phenomenon. Every day, children are trapped in a world of child prostitution, and many of them suffer brutal physical and psychological abuse. According to one study, children die on average within the first seven years of first being prostituted. CEOS has developed the Innocence Lost Initiative to address this problem, which has resulted in the creation of multi-disciplinary federal-state-local task forces. But those task forces and CEOS’s efforts to support and train those task forces are not funded.

The challenges to law enforcement have never been greater. The relative anonymity of the internet, coupled with the technical sophistication of offenders, poses similarly difficult challenges to law enforcement and prosecutors struggling to keep up with the technology and preserve the highly perishable forensic evidence. More resources are needed for us to keep up with the criminals.

The Criminal Division’s Role and the Need for Resources

As previously stated, the Division’s Child Exploitation and Obscenity Section (CEOS) plays a crucial role in the Department’s and Division’s mission to protect children from sexual exploitation. CEOS has brought its federal law enforcement partners to the table to identify challenges and to address them. Some examples of CEOS’s efforts include the following:

- CEOS was at the forefront of working with the Federal Bureau of Investigation (FBI) and NCMEC to develop a national initiative to combat the domestic prostitution of children (*Innocence Lost Initiative*) at a time when no one recognized this as a form of child sex trafficking. Today, this is a growing area of enforcement which is now recognized widely as a vexing crime problem.
- CEOS was instrumental in influencing the FBI to restructure its Innocent Images program in a way that has proven far more effective.
- CEOS led the way with NCMEC and other federal partners to develop a mechanism to identify the children depicted in the images of sexual abuse.
- In 2002, CEOS recognized the severe challenges posed to Assistant U.S. Attorneys (AUSAs) by the technological sophistication of child pornography offenders and the complexities of online crime coupled with the inadequate capacity and ineffective approaches in computer forensics. CEOS responded by creating within CEOS a first-ever High Technology Investigative Unit (HTIU), comprised of computer forensic

specialists co-located with CEOS prosecutors, to give federal prosecutors the “edge” they needed to go toe-to-toe with these tech-savvy offenders.

- To address inadequate child pornography legislation in countries such as Japan and Russia, engendered in part by misconceptions about the danger posed by child pornography offenders, CEOS proposed, developed, and delivered (through the G8 Law Enforcement Projects Sub Group) an International Symposium of experts to identify the correlation between child pornography offenders and contact offenders.
- Recently, CEOS has been leading an effort to address severe forensic shortfalls and the lack of information-sharing among law enforcement agencies.
- Currently, CEOS is leading efforts to develop a government-wide threat assessment in the area of sexual exploitation of children.
- CEOS is creating a multinational “experts” working group at Eurojust and Europol to facilitate the proactive investigation of online child exploitation crimes, and coordinate the international investigations of child sex tourists.

Indeed, the small size of CEOS belies the significant role that it plays and the measurable impact it has. For example, between FY 2007 and FY 2009 new cases and matters opened increased 69% for CEOS, primarily due to resources dedicated to new national operations (Nest Egg, Foreclosure, and Google Hello) and the significant involvement of CEOS’ HTIU in undertaking the forensic investigation necessary to identify the targets of these open matters. In many instances where matters were opened, HTIU was the primary investigative force behind the discovery of evidence leading to the opening of the matter.

CEOS has had numerous successes in the last decade, despite receiving limited resources in the face of an increasing caseload. Since FY 2003, new prosecutions and investigations have increased 120% with only a very small corresponding increase to the prosecutors in the Section. But, its ability to squeeze any more juice out of the proverbial lemon is at an end. Quite simply, more resources are needed in order for the Criminal Division - through CEOS - to fully address these challenges:

- Currently, there are no dedicated resources within the Criminal Division to fight child prostitution. With additional resources, the Division can secure dedicated investigative resources; provide desperately needed training to Innocence Lost task forces; set up a mechanism for systematically gathering and analyzing information and intelligence derived from individual investigations; secure services to victims that are absolutely essential in keeping the children safe from the pimps and available as witnesses; and will see increased prosecutions with significant sentences and an undeniable deterrent effect.
- With additional resources, the fight against child pornography can also be significantly bolstered. CEOS will be able to indict more cases, open more investigations, and generate more leads for the field. Additionally, with more resources, the Criminal Division will be able to support the type of international investigations that are likely to have the greatest impact, such as Operation Joint Hammer (an international operation which has led, as of December 2008, to the execution of over 250 searches and over 60 arrests). These types of operations are ones that the Criminal Division is uniquely situated to coordinate and will not get done without the Criminal Division’s leadership.

- With more resources, the fight against child sex tourism can be significantly strengthened. The Criminal Division can help to support “jump teams” that can set up proactive operations in areas in which children are most likely to be victimized; train local law enforcement on how to conduct these investigations; and quite simply, increase the number of prosecutions that the Division is able to bring.

Impact on Performance (Relationship of Increase to Strategic Goals)

The Criminal Division’s work in crimes against children directly supports the Department’s *Strategic Goal 2: Prevent crime, enforce federal laws, and represent the rights and interests of the people, Strategic Objective 2.3: Prevent, suppress, and intervene in crimes against children.*

Over time, the Criminal Division has demonstrated a capacity to accomplish much in this area with relatively few additional resources. The work of the Division’s Child Exploitation and Obscenity Section is integral to protecting children nationwide from sexual predators. Funding this request will allow the Division to increase its efforts in combating child exploitation, prostitution, sex tourism, and online abuse. Additionally, the new resources will allow for increased law enforcement and prosecutorial training across the nation.

Funding

Base Funding

FY 2009 Enacted (w/resc./supps)				FY 2010 Enacted				FY 2011 Current Services			
Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)
19	12	19	\$4,194	19	12	19	\$4,524	19	12	19	\$4,685

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2011 Request (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Attorney	\$132	2	\$264	\$188
Professional	\$77	2	\$154	\$58
Total Personnel		4	\$418	\$246

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2011 Request (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
N/A				
Total Non-Personnel				

Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2012 Net Annualization (Change from 2011) (\$000)
Current Services	19	12	19	\$4,685	\$0	\$4,685	\$0
Increases	4	2	2	\$418	\$0	\$418	\$246
Grand Total	23	14	21	\$5,103	\$0	\$5,103	\$246

VI. Program Offset by Item

Item Name: **Adjustment to Travel Expenditures**

Budget Decision Unit: Enforcing Federal Criminal Laws

Strategic Goal(s) & Objective(s):

Goal One: 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
Goal Two: Prevent Crime, Enforce Federal Laws and Represent the Rights and Interests of the People	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 cyber crime
	2.6 Uphold the civil and Constitutional rights of all Americans

Organizational Program: Criminal Division

Program Decrease: Positions 0 Atty 0 FTE 0 Dollars -\$210,000

Description of Item

The Criminal Division requests a reduction in travel expenditures of \$210,000.

Summary Justification/Impact on Performance

The Department is continually evaluating its programs and operations with the goal of achieving across-the-board economies of scale that result in increased efficiencies and cost savings. In FY 2011, DOJ is focusing on travel as an area in which savings can be achieved. For the Criminal Division, travel or other management efficiencies will result in offsets of \$210,000. This offset will be applied in a manner that will allow the continuation of effective law enforcement program efforts in support of Presidential and Departmental goals, while minimizing the risk to health, welfare, and safety of agency personnel.

Funding

Base Funding

FY 2009 Enacted (w/resc./supps)				FY 2010 Enacted				FY 2011 Current Services			
Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)	Pos	Atty	FTE	\$(000)
0	0	0	\$3,647	0	0	0	\$4,077	0	0	0	\$4,278

Personnel Reduction Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Reduced	FY 2011 Request (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Not Applicable				
Total Personnel				

Non-Personnel Reduction Cost Summary

Non-Personnel Item	Unit	Quantity	FY 2011 Request (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Travel (OC 21)	1	1	-\$210	\$0
Total Non-Personnel			-\$210	\$0

Total Request for this Item

	Pos	Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2012 Net Annualization (change from 2011) (\$000)
Current Services	0	0	0	\$0	\$4,278	\$4,278	\$0
Decreases	0	0	0	\$0	-\$210	-\$210	\$0
Grand Total	0	0	0	\$0	\$4,068	\$4,068	\$0

VIII. Program Changes by Decision Unit to Strategic Goal

Item Name	Strategic Goal	Decision Unit	FTE	Dollars (\$\$\$)	Number and Type of Positions	
					Position Series	No. of Positions in Series
Deterring & Prosecuting Fraud	2	Enforcing Federal Criminal Laws	2	\$550	905 950	3 2
International Organized Crime	1,2	Enforcing Federal Criminal Laws	1	\$209	905 950	1 1
Cyber Security and Digital Forensics	1,2	Enforcing Federal Criminal Laws	2	\$528	905	4
Southwest Border Enforcement	2	Enforcing Federal Criminal Laws	3	\$550	905 950 300-399	3 1 1
Protecting Children	2	Enforcing Federal Criminal Laws	2	\$418	905 2210	2 2