



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

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A MESSAGE FROM THE ATTORNEY GENERAL

As Attorney General, I have been privileged to lead our nation's Department of Justice in the critical work of protecting the American people and extending the promise of equal justice under law. Despite growing demands, evolving threats, and significant budgetary challenges, I am proud to report that the department's law enforcement and litigating components have never been more aggressive, more innovative, or more effective; and that, across the department, our commitment to integrity, accountability, and the highest standards of professionalism has never been stronger.

Defending the United States from terrorism and other threats to national security remains the department's greatest responsibility and highest priority. Last year, the Department of Justice continued to strengthen key intelligence-gathering capabilities, refine our ability to identify and disrupt potential terrorist plots, and ensure that those charged with terrorism-related offenses can be held accountable to the fullest extent of the law. And we have repeatedly proven – through convictions of individuals like Sulaiman Abu Ghayth, and hundreds of others, on terrorism-related charges – that America's Article III court system is well-positioned to achieve justice in terrorism cases.

Of course, in carrying out the department's mission to protect our national security, it is imperative that we continue to uphold – and to strengthen – the essential rights and civil liberties that have always defined our country. Over the last year, we have taken significant steps forward in this regard by allowing more detailed disclosures about the number of national security orders and requests that were issued to communications providers, the number of customer accounts targeted under those orders and requests, and the underlying legal authorities. We continued to enforce essential privacy protections and safeguards concerning data possessed by the government as well as the private sector. And we have taken seriously reports of any data breach – particularly those involving personally identifiable or financial information – and vigorously investigated all allegations that were brought to our attention.

We are also fully engaged in fighting for consumers around the country. In FY 2014, the department reached a historic settlement with Bank of America totaling over \$16.6 billion in penalties and consumer relief in our ongoing effort to protect the American people from financial fraud and to hold accountable those whose conduct contributed to the worst economic crisis since the Great Depression. The historic results we've obtained in this case and others demonstrate that no company, no matter how profitable, is above the law. And these outcomes reinforce our steadfast commitment to integrity and equal justice in every case, in every circumstance, and in every community.

In recent years, this commitment has been particularly evident in the department's work to safeguard communities that have been too often overlooked and too often underserved. We have

worked diligently with our federal agency partners to extend applicable benefits to legally married same-sex couples as we continue to implement the Supreme Court's ruling in *United States v. Windsor*, helping to make real the promise of equal protection under the law for all American families. And the department has vigorously enforced federal voting protections in order to help ensure that every eligible American can cast his or her ballot free from intimidation, discrimination, and obstruction.

Beyond all of this work, we have taken historic action to make fundamental, commonsense changes to the federal criminal justice system through the "Smart on Crime" initiative that I announced last year – to strengthen the system across the board; to increase our emphasis on proven diversion, rehabilitation, and reentry programs; and to reduce unnecessary collateral consequences for those seeking to rejoin their communities. These changes will make our criminal justice system more fair, more efficient, and more effective. And in the years ahead, they will continue to drive our broad-based work to reduce crime and ensure justice for everyone in this country.

Prepared pursuant to the Reports Consolidation Act of 2000 and guidance in Office of Management and Budget (OMB) Circulars A-11, A-123, and A-136, the FY 2014 Department of Justice Agency Financial Report contains: our audited consolidated financial statements, as required by the Chief Financial Officers Act and the Government Management Reform Act; and a statement of assurance regarding our internal control and financial management systems, as required by the Federal Managers' Financial Integrity Act (FMFIA).

In FY 2014, the department earned an unmodified, i.e. "clean" audit opinion on our consolidated financial statements. For the fourth straight year, the auditor's report on internal control identified no material weaknesses or significant deficiencies at the consolidated level. While we continue as a department to demonstrate noteworthy progress, we are committed to pursuing actions to correct remaining areas where we have deficiencies. In addition, the department continued the successful implementation of the Unified Financial Management System (UFMS) with the Federal Bureau of Investigation going live in FY 2014. The UFMS is an integral part of the department's strategy and commitment to ensure financial soundness and transparency.

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

The financial and performance data presented in this report are complete and reliable, highlighting the department's accomplishments for the American public. We will not rest on our achievements, but will remain unyielding in our efforts to prevent terrorism, fight violent crime, prosecute financial fraud, protect our most vulnerable citizens, and carry out the entirety of our critical mission.



Eric H. Holder, Jr.
Attorney General