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

FY 2011
PERFORMANCE AND ACCOUNTABILITY REPORT

U.S. DEPARTMENT OF JUSTICE

Department Overview

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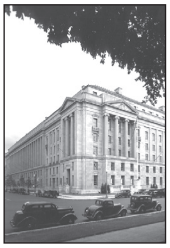




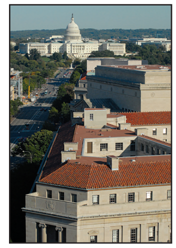

History and Enabling Legislation

The Department of Justice, which has more than 116,000 employees and is often referred to as the largest law office in the world, began in 1789 with a staff of two: The Attorney General and a clerk. The Judiciary Act of 1789 created the Office of the Attorney General, providing for the appointment of "a person, learned in the law, to act as attorney-general for the United States." By 1870, the duties of the Office of the Attorney General had expanded so much that Congress adopted "An Act to establish the Department of Justice" with the Attorney General as its head.

Strategic Goals

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

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

Goal III: Ensure Fair and Efficient Administration of Justice

Mission

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

Location

The Department is headquartered in Washington, DC, at the Robert F. Kennedy Building, occupying a city block bounded by 9th and 10th Street and Pennsylvania and Constitution Avenues, NW. The Department also has field offices in all states and territories and maintains offices in 101 countries worldwide.

Component Organizations

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

U.S. DEPARTMENT OF JUSTICE

FY 2011
PERFORMANCE AND ACCOUNTABILITY REPORT

NOVEMBER 2011

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

November 10, 2011

A MESSAGE FROM THE ATTORNEY GENERAL

Throughout my tenure 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 and significant budgetary challenges, I am proud to report that the Department's law enforcement activities have never been more aggressive, innovative, or effective; and that, across every Department component, our commitment to integrity, accountability, and the highest standards of professionalism has never been stronger.

Over the last year, protecting the American people from terrorism and other national security threats has remained the Department's highest priority. We've built on the achievements of 2009 and 2010, a period in which the Department charged more defendants in federal court with the most serious terror-related offenses than in any similar period since 9/11. We've also expanded our efforts to aggressively pursue emerging threats, and have enhanced our ability to gather and analyze actionable intelligence and engage in outreach that can help prevent terrorism before it occurs – all while upholding the values and the sacred rights that have always defined and distinguished this country.

At the same time, we have strengthened our operations and reinvigorated the Department's traditional missions. Although the national violent crime rate has continued to decline over the past two years, many communities still live in fear of the gun-, gang-, and drug-fueled violence that has already claimed far too many innocent lives. But, through intelligence-driven, threat-based prosecutions, the Justice Department has made meaningful progress in dismantling criminal organizations and putting them out of business for good. One promising model for success in this area is "Project Delirium," a sophisticated recent operation which resulted in nearly 2,000 arrests over 20 months, and included seizures of more than 12 tons of drugs and $62 million in U.S. currency.

The Department also has maximized limited resources by reinforcing key interagency partnerships and new joint initiatives – such as the Financial Fraud Enforcement Task Force and the Health Care Fraud Prevention and Enforcement Action Team (HEAT) – that have transformed the way we protect Americans from fraud crimes. These efforts have helped to secure record recoveries totaling billions of dollars, and have raised awareness about these devastating offenses. Over the last year, we have expanded the number of Medicare Fraud Strike Forces, which are now operating in nine cities across the country. Since the inception of the first Strike Force four years ago, these operations have been instrumental in bringing charges against more than 1,100 defendants who collectively have falsely billed the Medicare program for nearly $3 billion.

In addition, we have reaffirmed our commitment to protecting the most vulnerable members of society by working to prevent – and to stop – the abuse, neglect, exploitation, and trafficking of children, the elderly, and other populations. One major accomplishment in this area has been Operation Delego – an ongoing investigation that was launched in December of 2009 and has targeted hundreds of individuals for their alleged participation in a members-only online bulletin board that promoted pedophilia and encouraged the sexual abuse of very young children. As we carry these efforts into the future, we will continue to protect those most in need of our help by efficiently leveraging and coordinating law enforcement and prosecutorial assets across the Department, and by utilizing new legislative tools and authorities provided under laws such as the landmark Matthew Shepard and James Bird, Jr. Hate Crimes Prevention Act.

The Department is also committed to strong program and fiscal management. Prepared pursuant to the Reports Consolidation Act of 2000 and guidance in Office of Management and Budget (OMB) Circulars A-11, A-123, and A-136, the FY 2011 Department of Justice *Performance and Accountability Report* contains: our performance report, as required by the Government Performance and Results Act; our audited consolidated financial statements, as required by the Chief Financial Officers Act and the Government Management Reform Act; and a statement of assurance regarding our internal control and financial management systems, as required by the Federal Managers' Financial Integrity Act (FMFIA).

In FY 2011, the Department again earned an unqualified audit opinion on our consolidated financial statements. For the fifth straight year, the auditor's report on internal control identified no material weaknesses 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 is implementing a unified standards-based financial system, an integral part of the Department's strategy and commitment to ensure transparency and accountability.

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

The financial and performance data presented in this report are complete and reliable, providing timely and useful information on the Department's accomplishments for the American public. We will continue to build on these accomplishments, and we will continue to be resolute in our efforts to prevent terrorism, to fight crime, to protect our most vulnerable citizens, and to carry out the full scope of our critical mission.

Eric H. Holder
Attorney General

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Section IV: Management Section

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PAR Introduction

This Report's Purpose and Reporting Process

This Performance and Accountability Report (PAR) for fiscal year (FY) 2011 provides financial and performance information, enabling the President, Congress, and the American public to assess the annual performance of the Department of Justice (DOJ or the Department).

This report is prepared under the direction of the Department's Chief Financial Officer (CFO). The financial statements contained within this report are prepared by the Department's Justice Management Division, Finance Staff, and audited by the Office of the Inspector General (OIG). This report includes the Department's financial statements for FY 2011 and for the preceding fiscal year (FY 2010) and reports on all accounts and associated activities of each office, bureau, and activity of the Department. The Department's FY 2011 audited financial statements have been consolidated or combined based upon the results of audits undertaken in each of the nine Departmental financial reporting entities.

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

Organization of the Report

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

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

Section II – FY 2011 Performance Report: This section provides the Department's FY 2011 Performance Report, which presents how the Department is working toward accomplishing its mission. The Performance Report provides a summary discussion of the Department's three strategic goals. It also reports on key performance measures by detailing program objectives and FY 2011 target and actual performance, as well as whether target performance levels were or were not achieved. In addition, this section provides an update on the Department's progress toward achieving the FY 2012 long-term outcome goals set forth in its FYs 2007-2012 Strategic Plan.

Section III – Financial Section: This section begins with a message from the Department's CFO and is followed by the OIG's Commentary and Summary on the Department's FY 2011 Annual Financial Statements. This section also includes the reports of the Independent Auditors and the Department's consolidated financial statements and associated notes.

Section IV – Management Section: This section includes the OIG-identified Top Management and Performance Challenges in the Department of Justice, the Department of Justice Management's response to those challenges, and the corrective action plans required by FMFIA for the internal control weaknesses.

Appendices (A) Improper Payments Information Act Reporting Details; (B) FY 2011 Financial Management Status Report; (C) Major Program Evaluations Completed During FY 2011; (D) Intellectual Property Report; (E) Acronyms; and (F) Department Websites.

This report is available at http://www.justice.gov/ag/annualreports/pr2011/TableofContents.htm.

Compliance with Legislated Reporting Requirements

This report meets the following legislated reporting requirements:

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

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

Government Performance and Results Act of 1993 (GPRA) and GPRA Modernization Act of 2010 (GPRAMA) – Requires performance reporting against all established agency goals outlined in current strategic planning documents

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

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

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

Improper Payments Elimination and Recovery Act of 2010 (IPERA) – Requires reporting on agency efforts to identify and reduce improper payments

SECTION I
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

Section I Management's Discussion and Analysis (Unaudited)

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

Mission

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

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

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

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

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

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

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

Strategic Goals and Objectives

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

The table below provides an overview of the Department's strategic goals and objectives.

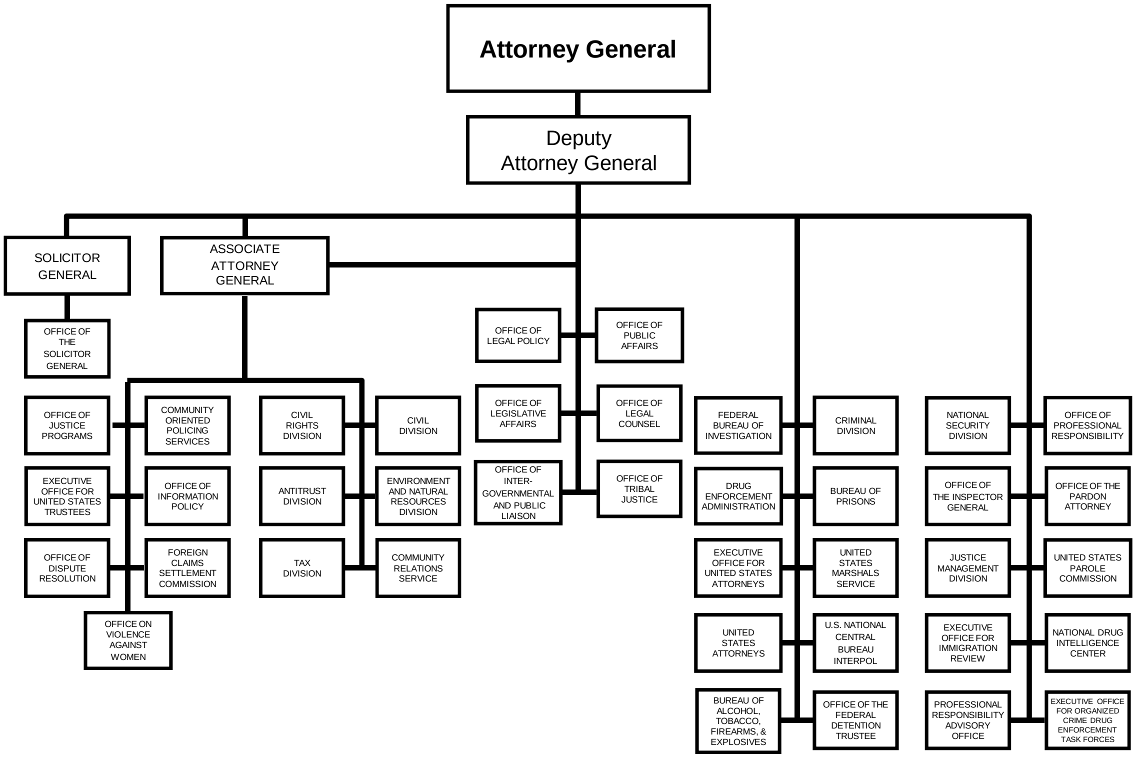
Strategic Goal		Strategic Objectives
I	Prevent Terrorism and Promote the Nation's Security	**1.1** Prevent, disrupt, and defeat terrorist operations before they occur **1.2** Strengthen partnerships to prevent, deter, and respond to terrorist incidents **1.3** Prosecute those who have committed, or intend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

Organizational Structure

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

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

U.S. DEPARTMENT OF JUSTICE



APPROVED BY: ______________________ DATE: Apr. 30, 2010

ERIC H. HOLDER, JR.
ATTORNEY GENERAL

Financial Structure

The Department's financial reporting structure is comprised of nine principal components and various Offices, Boards, and Divisions (OBDs).

Components:

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

OBDs*:

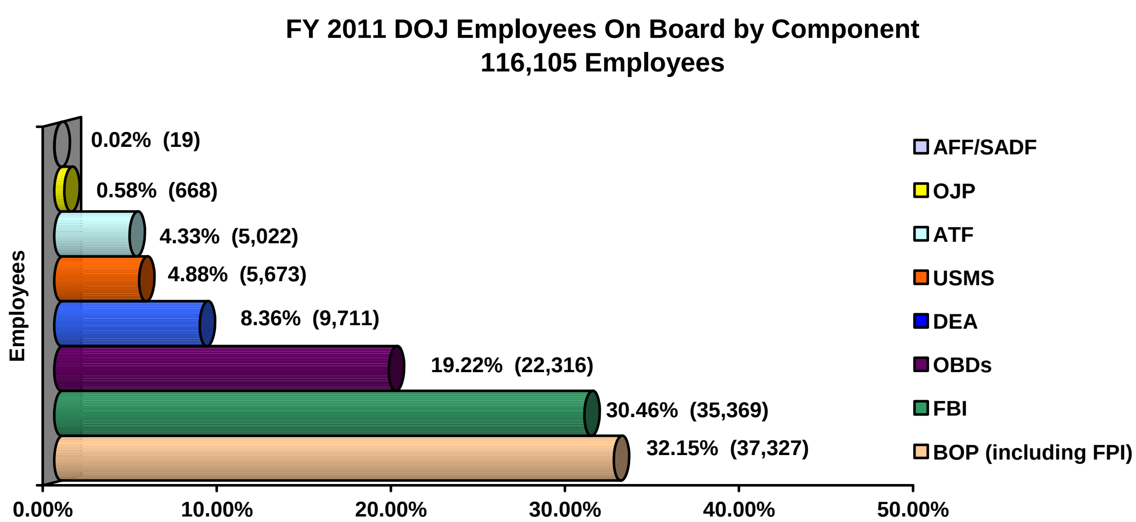
Offices
Office of the Attorney General
Office of the Deputy Attorney General
Office of the Associate Attorney General
Community Relations Service
Executive Office for Immigration Review
Executive Office for U.S. Attorneys
Executive Office for U.S. Trustees
Executive Office for Organized Crime Drug Enforcement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

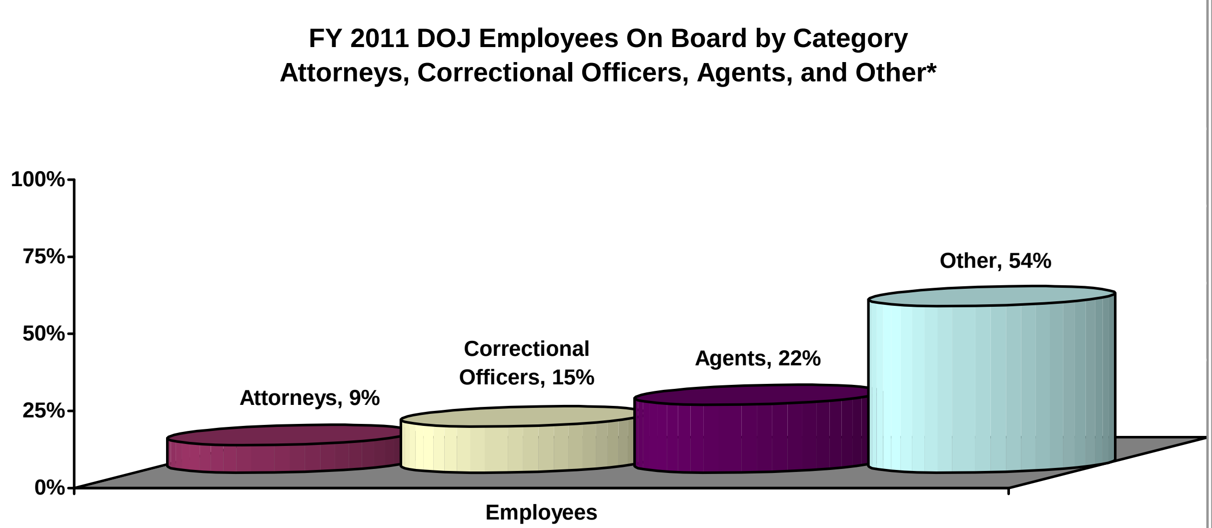
Boards
Foreign Claims Settlement Commission
U.S. Parole Commission

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

FY 2011 Resource Information

The following pages provide summary-level resource and performance information regarding the Department's operations for FY 2011. The charts on this page reflect employees on board as of September 24, 2011.





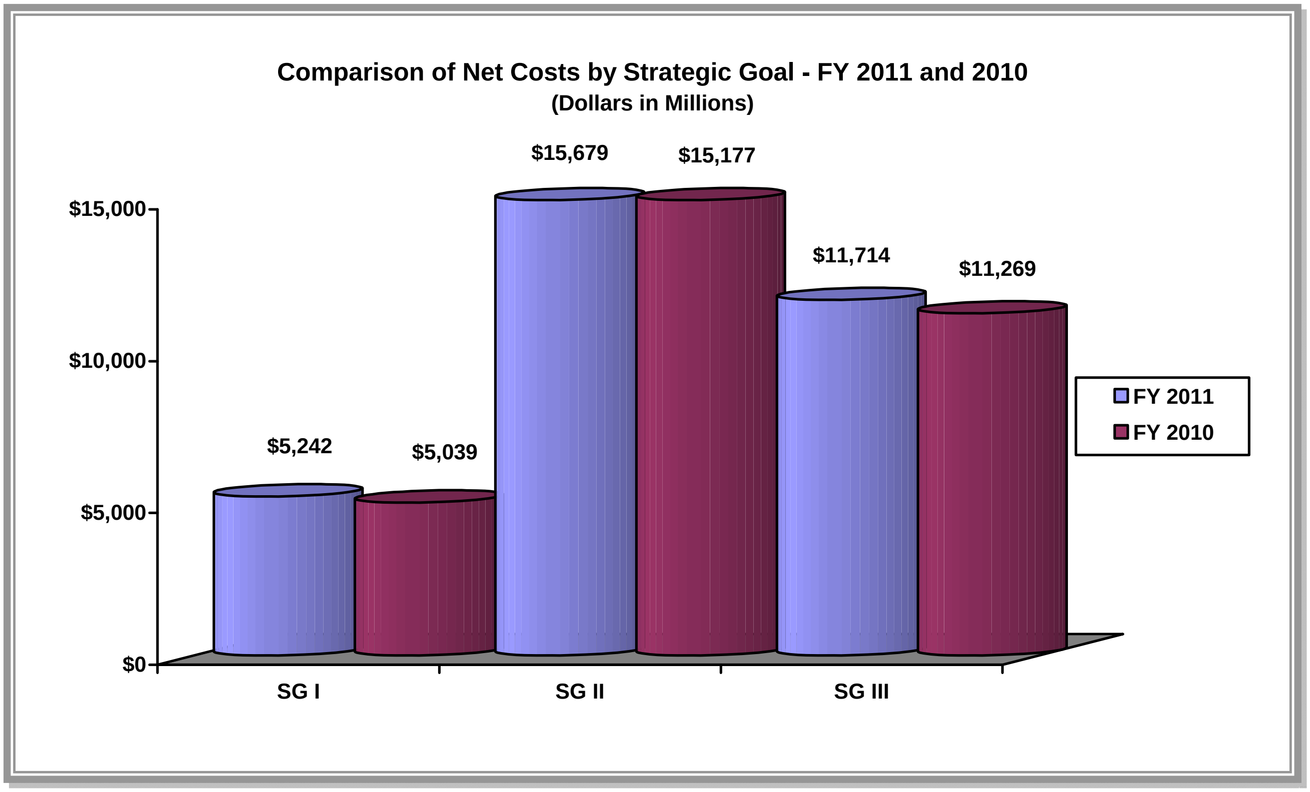
*"Other" includes pay class categories such as general administrative, clerical, analyst, information technology specialist, security specialist, and legal services.

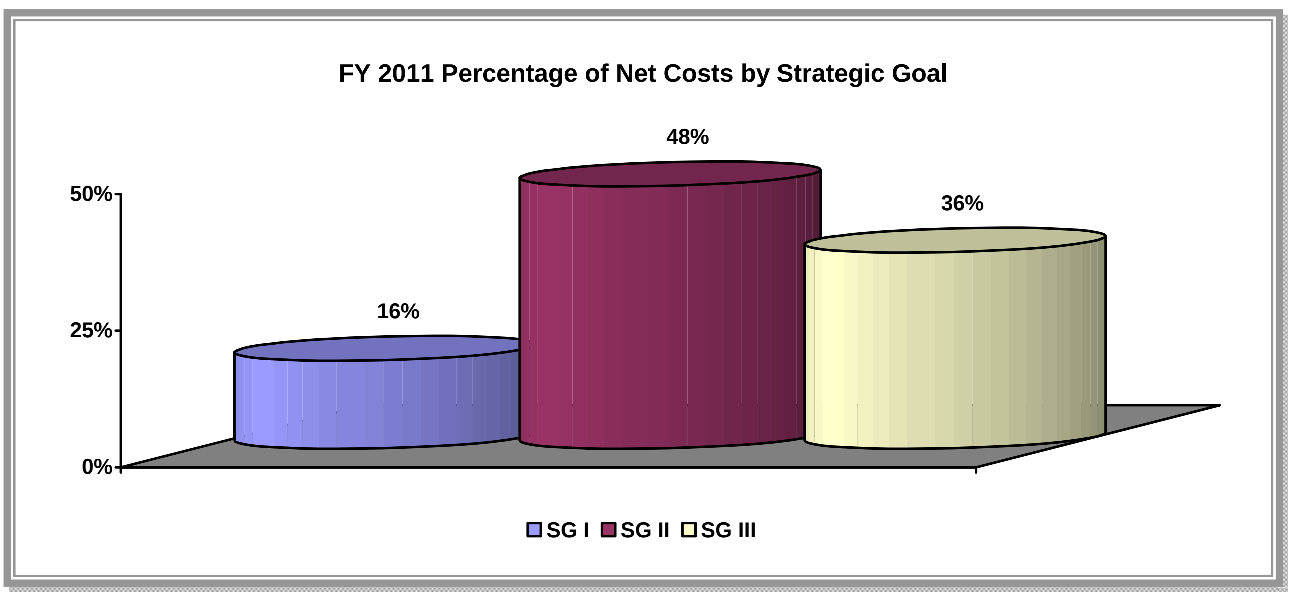
Table 1. Sources of DOJ Resources
(Dollars in Thousands)

Source	FY 2011	FY 2010	% Change
Earned Revenue:	$3,331,777	$3,275,846	**1.7%**
Budgetary Financing Sources:			
Appropriations Received	27,479,834	28,342,153	**-3.0%**
Appropriations Transferred-In/Out	400,839	510,516	**-21.5%**
Nonexchange Revenues	2,004,395	2,367,453	**-15.3%**
Donations and Forfeitures of Cash and Cash Equivalents	1,580,584	1,502,466	**5.2%**
Transfers-In/Out Without Reimbursement	113,735	75,097	**51.5%**
Other Adjustments	(132,256)	(153,751)	**14.0%**
Other Financing Sources:			
Donations and Forfeitures of Property	157,607	71,204	**121.3%**
Transfers-In/Out Without Reimbursement	44,556	(1,889)	**2458.7%**
Imputed Financing from Costs Absorbed by Others	998,485	902,877	**10.6%**
Other Financing Sources	(4,613)	0	
Total DOJ Resources	**$35,974,943**	**$36,891,972**	**-2.5%**

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

	Strategic Goal (SG)	FY 2011	FY 2010	% Change
I	Prevent Terrorism and Promote the Nation's Security			
	Gross Cost	$5,726,094	$5,545,532	
	Less: Earned Revenue	484,009	506,463	
	Net Cost	5,242,085	5,039,069	4.0%
II	Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People			
	Gross Cost	17,227,131	16,665,443	
	Less: Earned Revenue	1,547,697	1,488,093	
	Net Cost	15,679,434	15,177,350	3.3%
III	Ensure the Fair and Efficient Administration of Justice			
	Gross Cost	13,013,658	12,550,173	
	Less: Earned Revenue	1,300,071	1,281,290	
	Net Cost	11,713,587	11,268,883	3.9%
	Total Gross Cost	**35,966,883**	**34,761,148**	
	Less: Total Earned Revenue	**3,331,777**	**3,275,846**	
	Total Net Cost of Operations	**$32,635,106**	**$31,485,302**	**3.7%**


Comparison of Net Costs by Strategic Goal - FY 2011 and 2010
(Dollars in Millions)
$15,000
$10,000
$5,000
$0
$5,242
$5,039
$15,679
$15,177
$11,714
$11,269
SG I
SG II
SG III
FY 2011
FY 2010


FY 2011 Percentage of Net Costs by Strategic Goal
50%
25%
0%
16%
48%
36%
SG I
SG II
SG III

Analysis of Financial Statements

The Department's financial statements, which are provided in Section III of this document, received an unqualified audit opinion for the fiscal years ended September 30, 2011 and 2010. These statements were prepared from the accounting records of the Department in conformity with the accounting principles generally accepted in the United States and Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*. These principles are the standards promulgated by the Federal Accounting Standards Advisory Board (FASAB).

The following information highlights the Department's financial position and results of operations in FY 2011. The complete set of financial statements, related notes, and the opinion of the Department's auditors are provided in Section III of this document.

Assets: The Department's Consolidated Balance Sheet as of September 30, 2011, shows $42.8 billion in total assets, an increase of $2.7 billion over the previous year's total assets of $40.1 billion. Fund Balance with U.S. Treasury (FBWT) was $23.4 billion, which represented 55 percent of total assets. This increase is predominantly due to large investments activity (deposits) related to the Madoff, Barclays and Adelphia cases that occurred in FY 2011.

Liabilities: Total Department liabilities were $13.3 billion as of September 30, 2011, an increase of $2.7 billion from the previous year's total liabilities of $10.6 billion. This increase is primarily due to the offsetting liability related to the large deposits of the seized cash from the Madoff, Barclays, and Adelpia cases that occurred in FY 2011.

Net Cost of Operations: The Consolidated Statement of Net Cost presents the Department's gross and net cost by strategic goal. The net cost of the Department's operations totaled $32.6 billion for the year ended September 30, 2011, an increase of $1.1 billion (3.7 percent) from the previous year's net cost of operations of $31.5 billion. This increase is partially due to an increase in third party and equitable sharing payments related to large cases.

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

Strategic Goal	Description of Major Costs
I	Includes resources dedicated to counterterrorism initiatives for ATF, CRM, DEA, FBI, NSD, USAs, and USMS
II	Includes resources for the AFF, ATF, BOP, COPS, CRS, DEA, FBI, Foreign Claims Settlement Commission (FCSC), Organized Crime Drug Enforcement Task Force (OCDETF), Office of Dispute Resolution (ODR), OJP, Office of Legal Counsel, Office of the Pardon Attorney (OPA), Office of the Solicitor General (OSG), OVW, USAs, USMS, U.S. National Central Bureau (INTERPOL), UST, ATR, CIV, CRT, CRM, ENRD, and TAX
III	Includes resources for BOP, EOIR, Fees and Expenses of Witnesses, FPI, OJP, Justice Prisoner Alien Transportation System, USMS, U.S. Parole Commission, and services to America's crime victims

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

Budgetary Resources: The Department's FY 2011 Combined Statement of Budgetary Resources shows $42.4 billion in total budgetary resources, a decrease of $403 million from the previous year's total budgetary resources of $42.8 billion. This decrease is primarily related to the change in the Temporarily not Available Pursuant to Public Law amount.

Net Outlays: The Department's FY 2011 Combined Statement of Budgetary Resources shows $30.9 billion in net outlays, an increase of $1 billion from the previous year's total net outlays of $29.9 billion.

Data Reliability and Validity

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

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

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

Analysis of Performance Information

According to the Government Performance and Results Act (GPRA) of 1993 and as amended in the GPRA Modernization Act of 2010, an agency's Strategic Plan must be updated every four years and cover a period of not less than four years forward from the fiscal year in which it is submitted. The Department will publish a new FY 2012-2016 Strategic Plan in FY 2012.

The Department's FY 2007-2012 Strategic Plan, which contains three goals, is used for this report. The Department's Plan includes 20 key performance measures addressing its highest priorities toward achieving these long-term outcome goals. The measures are included in the Department's annual *Budget and Performance Summary* and reported on in this document. The Department's full Performance Report for these measures, including an update on our progress toward meeting the FY 2012 long-term outcome goals, is included in Section II of this document. The Department strives to present the highest-level outcome-oriented measures available and fully report the accomplishments achieved during the reporting period. However, data for the 20 key measures are compiled less than 30 days after the end of the fiscal year and, occasionally, data for the entire year are not available at the time of publication.

During FY 2011, Departmental leadership continued to display a clear commitment to performance management through the reliance on formal quarterly status reviews. Additionally, Departmental components have worked to improve the quality and timeliness of financial and performance information that inform quarterly status reporting and operating plans.

For this report, 96 percent of the performance measures have actual data for FY 2011. In some cases, indicators are reported on a calendar year basis while others have a one-year lag time and thus are not included in this report. The Department achieved 80 percent of its key indicators in FY 2011, which is higher than last year's overall success of 77 percent. The Department continues to emphasize long-term and annual performance measure development, placement of key performance indicators on cascading employee work plans, and Department-wide quarterly status reporting.

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

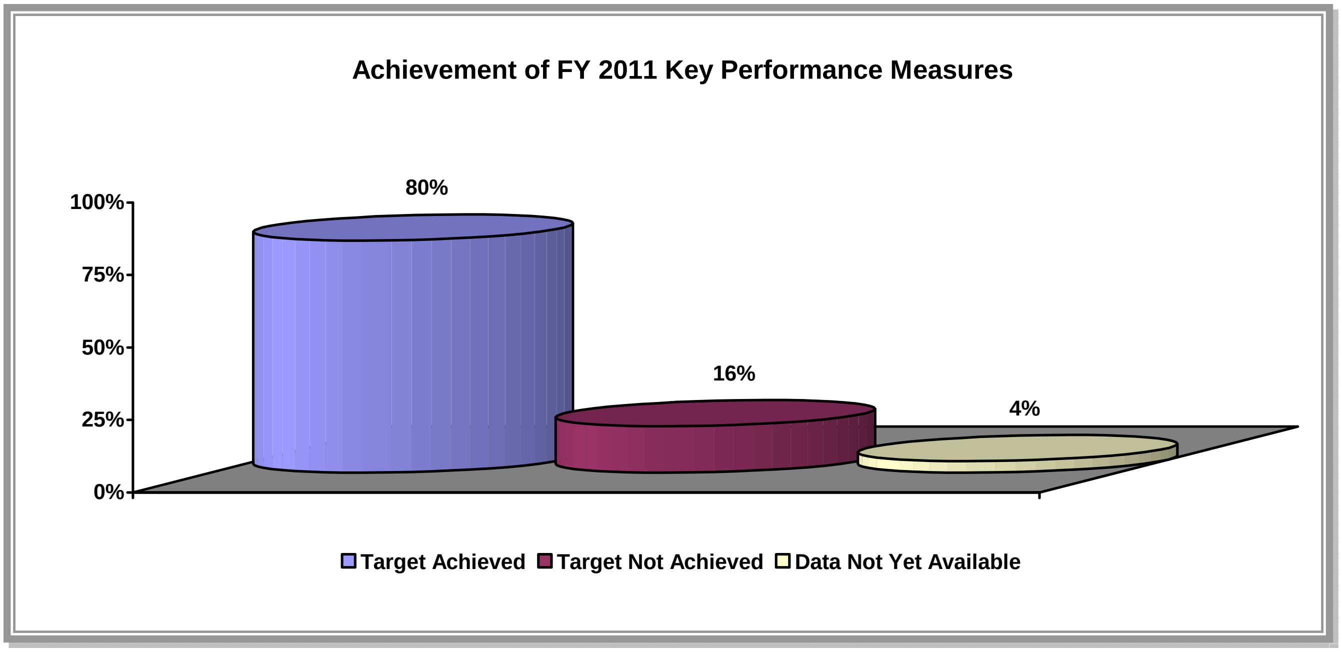
In addition to monitoring its annual progress, the Department continues to monitor progress made toward achieving its FY 2012 long-term outcome goals for each of the 20 key performance measures. As of the close of FY 2011, the Department's long-term key measures are on-track for full achievement against its FY 2012 long-term outcome goals (targets). One full year of performance remains until the Department reports against planned progress, and a number of mechanisms are in place to ensure that the current progress is maintained, including quarterly status reporting and performance-informed budget submissions that request the resources necessary for the Department to reach its goals.

Beginning in FY 2012, the Department will implement its new Strategic Plan for FY 2012-2016. Similar to our existing Plan, the new Plan will include specific long-term outcome goals that reflect the Department's highest priorities. The Department's strategic planning process included a full-scale review of the existing 20 long-term outcome measures. That review revealed that certain goals have been accomplished; some were too output oriented to warrant inclusion on the long-term outcome measure list and some no longer reflected the mission of the reporting components. For the FY 2012-2016 Strategic Plan, the Department will unveil its current list of long-term outcome measures, which will fully align with current priorities and goals. Just as in the past, the Department's annual *Budget and Performance Summary* will target long-term outcome goals and reported each year in this report.

To prepare for the introduction of the FY 2012-2016 key outcome measures, following the FY 2011 report, the Department will be discontinuing the following measures:

1. Catastrophic acts of terrorism
2. Number of organized criminal enterprises dismantled
3. Number of children depicted in child pornography identified by the FBI
4. Number of high-impact Internet fraud targets neutralized
5. Percent of assets/funds returned to creditors – Chapter 7; Chapter 13
6. Percent reduction in DNA backlog (casework only)
7. Percent of children recovered within 72 hours of an issuance of an AMBER alert
8. Number of participants in the Residential Substance Abuse Treatment (RSAT) Program
9. Graduation rate of program participants in the Drug Courts Program
10. Per day jail costs
11. Comparative recidivism for Federal Prison Industries (FPI) inmates versus non-FPI inmates
12. Rate of serious assaults in federal prisons (per 5,000 inmates)
13. Inspection results—Percent of federal facilities with American Correctional Association (ACA) accreditations
14. Percent of Executive Office for Immigration Review (EOIR) priority cases completed within established timeframes
    a. Institutional Hearing Program
    b. Detained Cases – Immigration Court
    c. Detained Appeals

The chart below and the table that follows summarize the Department's achievement of its FY 2011 key performance measures.



Note: For FY 2011, the Department of Justice had 20 key performance measures. Some measures had more than one annual target; therefore, for purposes of illustrating the Department's achievement rate in the chart above, a universe of 25 key performance measures instead of 20 was used.

	[ ] Designates the reporting entity	FY 2011 Target	FY 2011 Actual	Target Achieved/ Not Achieved
	Strategic Goal I: Prevent Terrorism and Promote the Nation's Security			
1	Catastrophic acts of terrorism [FBI]	Zero	Zero	Achieved
	Strategic Goal II: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People			
2	Number of organized criminal enterprises dismantled [FBI]	37	39	Achieved
3	Number of children depicted in child pornography identified by the FBI [FBI]	140	240	Achieved
	Percentage of firearms investigations resulting in a referral for criminal prosecution [ATF] (Discontinued) [1]	N/A	N/A	N/A
	[1] *ATF is discontinuing this measure and will be replaced with a new outcome measure linked to ATF strategic plan's goals and objectives.*			
4	Consolidated Priority Organizations Target (CPOT)-linked drug trafficking organizations [DEA, FBI (Consolidated data - OCDETF)]			
	Dismantled	157	195	Achieved
	Disrupted	318	408	Achieved
5	Number of high-impact Internet fraud targets neutralized [FBI]	10	11	Achieved
6	Number of criminal enterprises engaging in white-collar crimes dismantled [FBI]	250	340	Achieved
7	Percent of cases favorably resolved: [ENRD, ATR, CRM, USA, TAX, CIV, CRT (Consolidated data - JMD/Budget Staff)]			
	Criminal Cases	90%	93%	Achieved
	Civil Cases	80%	85%	Achieved
	Percent of assets/funds returned to creditors: [USTP] (Discontinued)[2]			
	Chapter 7	N/A	N/A	N/A
	Chapter 13	N/A	N/A	N/A
	[2] *USTP is discontinuing this measure. New measures have been developed that better reflect the mission, outcomes and impacts of the USTP.*			
	Number of homicides per site (funded under the Weed and Seed program) [OJP] (Discontinued)[3]	N/A	N/A	N/A
	[3] *This measure will be replaced with a new outcome measure which collects and analyzes the number of homicides, robberies, aggravated assaults, burglaries, weapons offenses, and drug arrests on the Weed and Seed site, and calculates and tracks the average change in proportion to the overall crime rate of the jurisdiction. The existing measure only reports on homicides because data on the other offenses are harder to collect.*			
8	Percent reduction in DNA backlog (casework only) [OJP]	25%	33%	Achieved
9	Percent of children recovered within 72 hours of an issuance of an AMBER alert [OJP]	76%	90%	Achieved

	[ ] Designates the reporting entity	FY 2011 Target	FY 2011 Actual	Target Achieved/ Not Achieved
	Strategic Goal III: Ensure the Fair and Efficient Administration of Justice			
10	Number of participants in the Residential Substance Abuse Treatment (RSAT) Program [OJP]	28,000	TBD[4]	TBD
	[4]Data are collected on a calendar-year basis and reported with a one-year lag.			
11	Graduation rate of program participants in the Drug Courts Program (adult drug court participants only) [OJP]	73%	43%	Not Achieved[5]
	[5]In FY 2011, OJP established a new graduation rate target based on both historical grantee reporting and extensive research into a national average drug court graduation rate.			
12	Ensure judicial proceedings are not interrupted due to inadequate security [USMS]	Zero	Zero	Achieved
13	Number and percent of primary felony fugitives apprehended or cleared [USMS]			
	Number	34,000	34,629	Achieved
	Percent	56%	52%	Not Achieved[6]
	[6]While the target number was met for this measure, the percentage target of 56% was not met due to a larger than expected increase in the number of wanted primary federal felony fugitives.			
14	Per day jail costs [OFDT]	$74.02	$72.88	Achieved
15	Percent of system-wide crowding in federal prisons [BOP]	38%	39%	Not Achieved[7]
	[7]BOP was not able to achieve the target due to greater than expected inmate growth and lack of funding to bring on-line the medium security beds at FCI Mendota.			
16	Ensure zero escapes from secure BOP facilities [BOP]	Zero	Zero	Achieved
17	Comparative recidivism for Federal Prison Industries (FPI) inmates versus non-FPI inmates [FPI / BOP provides data]			
	Percentage less likely to recidivate: 3 years after release	15%	12%	Not Achieved[8]
	[8]The results of this ongoing research may differ from earlier findings due to changes in the program, improved research methods, changes in the composition of the inmate population, and changes in the quality and comprehensiveness of data. Comparing results from one year to the next is inherently speculative.			
18	Rate of serious assaults In federal prisons (per 5,000 Inmates) [BOP]	16/5,000 Assaults/Inmates	10/5,000	Achieved
19	Inspection results—Percent of federal facilities with American Correctional Association (ACA) accreditations [BOP]	99%	100%	Achieved
20	Percent of Executive Office for Immigration Review (EOIR) priority cases completed within established timeframes [EOIR]			
	Institutional Hearing Program	85%	88%	Achieved
	Detained Cases – Immigration Court	85%	88%	Achieved
	Detained Appeals	90%	94%	Achieved

FY 2010 – 2011 Priority Goals

The FY 2011 OMB Budget and Performance Plan guidance memorandum required federal agencies to identify a limited number of Priority Goals that are considered priorities for both the Administration and the agency, have high relevance to the public or reflect the achievement of key agency missions, and would produce significant results over a 12 to 24 month timeframe. The Priority Goals should also represent critical elements of a federal agency's strategic plan.

The following comprise the Department's six Priority Goals for FY 2010–2011 and are linked to the larger DOJ policy framework and strategic plan goals.

<u>Priority Goal 1, National Security</u>: Increase the percentage of total counterterrorism investigations targeting top priority threats by 5 percent by the end of FY 2011

Terrorism remains a serious threat to the national security of the United States and the safety of all Americans. The Department of Justice is the leader of the nation's domestic counterterrorism efforts, and the Federal Bureau of Investigation (FBI) has the lead role in investigating both international and domestic terrorism within the United States and terrorism against U.S. persons and interests abroad. The FBI Counterterrorism Division (CTD) includes both the Domestic Terrorism and International Terrorism programs. Accordingly, this Priority Goal involves increasing the percentage of total counterterrorism investigations targeting both top priority domestic and international terrorism threats. With more investigations targeting high priority terrorist threats, the FBI is better positioned to detect, penetrate, and disrupt the most serious terrorist activity that threatens our country.

- <u>Status</u>: The Department did not achieve its FY 2011 goal of targeting 65.1 percent of all counterterrorism investigations toward Top Priority threats, having achieved 62.7 percent. The Department's inability to achieve the target for this measure is believed to stem from several causes:
  - Principally, the counterterrorism threats which comprise the FBI's "top priority" have evolved since this measure was adopted at the end of FY 2009. New threats have emerged, requiring the diversion of resources away from the threats originally defined to be within the scope of this measure. Because of these emerging threats, the FBI's performance on this measure appears unresponsive, when in actuality the FBI has allocated its investigative resources properly against the most significant counterterrorism threats.
  - Additionally, data collection for this Priority Goal has led to improved accounting for investigative resources within the FBI's Counterterrorism Division (CTD). The CTD now follows various strategies to better track its investigations against priority threats, including guidance it provides to FBI Field Offices on how to appropriately classify investigations, and a stronger internal review process which can identify new threats and aid FBI Field Offices in their response.
  - The FBI anticipates that these actions will improve its response capability for terrorist threats facing the United States.

<u>Priority Goal 2, White Collar Crime</u>: Increase white collar crime caseload by 5 percent by FY 2012, with emphasis on mortgage fraud, health care fraud, and official corruption, and with 90 percent of cases favorably resolved

The Department will pursue criminal and civil litigation to protect the federal fisc and hold accountable corrupt officials and those who commit fraud. The Department will also pursue criminal and civil litigation to preserve the environment and our limited natural resources, and promote transparency in markets by preserving competition and protecting consumers and investors.

- Status: The Department surpassed its FY 2011 caseload target. In addition, the Department favorably resolved 92.6 percent of its white collar crime cases through the fourth quarter, surpassing its annual target.

Priority Goal 3, Violent Crime: Increase agents and prosecutors by 3 percent, in order to reduce incidents of violent crime in high crime areas by FY 2012

The Violent Crime Priority Goal focuses on the aspects of the Department's overall violent crime strategy that involve tackling uniquely federal issues, such as prosecuting national and international gangs, and partnering with state and local law enforcement to lend support in addressing the most significant local challenges. The Department's value is in providing the leadership necessary to bring different federal, state, and local partners together to focus on multi-jurisdictional problems within a particular community.

- Status: The Department surpassed its FY 2011 annual target of increasing the number of agents and prosecutors assigned to violent crime.

Priority Goal 4, Immigration: Increase immigration judges by 19 percent by the end of FY 2011 so that as Department of Homeland Security (DHS) criminal alien enforcement activity increases, not less than 85 percent of the immigration court detained cases are completed within 60 days

An increased number of immigration judges will help the DOJ Executive Office for Immigration Review keep up with the workload created by increased enforcement against criminal aliens by the DHS, so that the immigration courts can continue to complete at least 85 percent of detained cases within 60 days.

- Status: The Department was unable to meet its targeted increase of immigration judges due to the Department-wide hiring freeze and the FY 2011 enacted funding level, which was $19 million less than the FY 2011 President's Budget request; $11 million of that reduction would have funded 21 additional immigration judges. The Department did, however, complete 88 percent of detained immigration court cases within 60 days, surpassing its target.

Priority Goal 5, Public Safety: Support 7,200 additional police officers by FY 2012 via Office of Community Oriented Policing Services (COPS) Hiring Programs to promote community policing strategies that are evidence-based

The Department's COPS Office goal is to support 7,200 additional police officers by FY 2012 via COPS Office Hiring Programs to promote community policing strategies that are evidence-based. This Priority Goal also addresses efforts to enhance the ability of the officers funded (or redeployed veterans) to use community policing strategies that are evidenced based.

- Status: The Department supported 7,115 officers via COPS Office Hiring Programs through the fourth quarter of FY 2011, narrowly missing its target of 7,200 by barely more than one percent. The target of 7,200 was based in part on estimated cost of living adjustments (COLAs). The COLA costs in FY 2010 and FY 2011 were greater than anticipated, reducing available resources to support additional officers. The FY 2011 enacted funding level was less than anticipated. While significant progress toward this Priority Goal was made, the goal was not achieved by the end of FY 2011. The COPS Office anticipates achievement of this goal during FY 2012.

<u>Priority Goal 6, Civil Rights</u>: Increase the number of people favorably impacted by the resolution of civil rights cases and matters:

- **By the end of 2011 increase the criminal civil rights caseload by 18 percent with 80 percent of cases favorably resolved**
- **By the end of 2011 increase the non-criminal civil rights caseload by 28 percent, with 80 percent of cases favorably resolved**
- **By the end of 2011 increase the number of complaints finalized by mediation by 10 percent, with 75 percent of mediation complaints successfully resolved**

Some of our nation's most critical and treasured laws are those that advance equal justice and secure equal opportunity. It is the mission of the Civil Rights Division to make sure those laws continue to fulfill their purpose – namely, to protect the rights of all individuals so that equal opportunity can be a reality for everyone across the nation. We are focusing our efforts on matters with a broader impact, which will allow us to better leverage our existing tools and use our laws to their fullest extent, while taking on more complex investigations and cases that are more resource intensive. This will ultimately result in relief to more people and expand the reach of the Division in its critical protection of the rights of all Americans.

- <u>Status</u>: The Department met or surpassed all of its targets for this Priority Goal, with one exception – the FY 2011 goal to increase the criminal civil rights caseload by 18 percent. The impact of the Department-wide hiring freeze and reduced funding limited the Civil Rights Division's ability to staff the criminal program fully. The Criminal Section of CRT was down between seven and nine attorney staff and was not able to fill those vacancies. The Criminal Section was therefore unable to continue breaking records in the number of criminal civil rights cases brought for a third straight year.

Internal Control Program in the Department of Justice

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

The Department's internal control continues to improve through the corrective actions implemented by senior management. The Department's commitment to management excellence, accountability, and compliance with applicable laws and regulations is evidenced in our continuing actions to establish effective controls, make sound determinations on corrective actions, and verify and validate the results. This commitment is further evidenced by the many control improvements and actions taken by Departmental management in response to new legislation, OMB initiatives, and OIG recommendations. For example, in FY 2011, the Department implemented a top-down approach to assess the risk of significant improper payments across the Department's mission-aligned programs as required by the Improper Payments Elimination and Recovery Act of 2010 (IPERA or Act) and the OMB April 2011 implementing guidance, Appendix C of OMB Circular A-123, *Requirements for Effective Measurement and Remediation of Improper Payments*. The Department also expanded the scope of its payment recapture audits to contracts, grants, and benefit and other payments as required by the Act and implementing guidance. The Department's enhanced improper payments internal control framework leverages and builds on existing controls within the Department, such as the annual assessment of internal control for Appendix A of OMB Circular A-123, *Internal Control over Financial Reporting*, and promotes consistency across the Department in implementing the Act. Details on additional actions taken by Departmental management to implement the IPERA are provided later in this section and in Appendix A.

Departmental management continued in FY 2011 to further strengthen and maximize the effectiveness of its annual assessment of internal control over financial reporting. Examples of such actions include:

- refining the assessment framework,
- enhancing the oversight process to ensure prompt implementation of corrective actions,
- providing direct assistance to components with previously identified reportable conditions, and
- continuing to support and commit resources to Departmental component internal review programs.

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

Management Assurances

Federal Managers' Financial Integrity Act of 1982

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

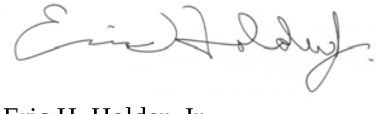
Guidance for implementing the Integrity Act is provided through OMB Circular A-123, *Management's Responsibility for Internal Control.* In addition to requiring agencies to provide an assurance statement on the effectiveness of programmatic internal controls and conformance with financial system requirements,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

FMFIA Assurance Statement

Department of Justice management is responsible for establishing and maintaining effective internal controls and financial management systems that meet the objectives of the FMFIA. In accordance with OMB Circular A-123, the Department conducted its annual assessment of the effectiveness of internal controls to support effective and efficient programmatic operations, reliable financial reporting, and compliance with applicable laws and regulations (FMFIA § 2). The Department also assessed whether its financial management systems conform to financial system requirements (FMFIA § 4). Based on the results of the assessments, the Department can provide qualified assurance that its internal controls and financial management systems meet the objectives of the FMFIA. The assessment of systems did not identify any non-conformances required to be reported under FMFIA § 4; however, the assessment of internal controls identified one programmatic material weakness required to be reported under FMFIA § 2. This weakness involves the need to reduce the Federal Bureau of Prisons (BOP) crowding rate, currently at 39 percent over the rated capacity. Details of the weakness are provided in the section Summary of Material Weakness and Corrective Actions. Other than the exception noted, the internal controls were operating effectively as of September 30, 2011, and the assessment found no other material weaknesses in the design or operation of the controls.

In accordance with Appendix A of OMB Circular A-123, the Department conducted its assessment of the effectiveness of internal control over financial reporting, which included the safeguarding of assets and compliance with applicable laws and regulations. Based on the results of this assessment, the Department can provide reasonable assurance that its internal control over financial reporting was operating effectively as of June 30, 2011, and the assessment found no material weaknesses in the design or operation of the controls.

The Department of Justice is committed to maintaining strong program and financial management as we continue our mission of fighting terrorism and protecting our communities from crime. We take our program and financial accountability seriously and are dedicated to ensuring that funds received are expended responsibly and in a transparent manner. We will continue to strengthen controls in areas where we are aware of concerns identified through the Department's internal review activities or by the Office of the Inspector General and Government Accountability Office. We look forward in FY 2012 to building on our achievements as we continue the important work of the Department.



Eric H. Holder, Jr.
Attorney General
November 10, 2011

Federal Financial Management Improvement Act of 1996

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

FFMIA Compliance Determination

During FY 2011, the Department assessed its financial management systems for compliance with the FFMIA and determined that, when taken as a whole, they substantially comply with the FFMIA. This determination is based on the results of Federal Information Security Management Act of 2002 (FISMA) reviews and testing performed for OMB Circular A-123, Appendix A. Consideration was also given to issues identified during the Department's financial statement audit. A summary of the Department's compliance with the specific requirements of the FFMIA is provided at the end of this sub-section.

Financial Management Systems Strategy, Goals, and Framework

The Department's financial management systems strategy is to replace the three remaining major non-integrated legacy accounting systems in use in the Department with the single, integrated financial management system the Department is deploying – the Unified Financial Management System (UFMS). UFMS delivers standard, core accounting processes, as well as the data needed for effective financial and budget management. In FYs 2009 through 2011, the Department made measurable progress in implementing UFMS. In FY 2009, the DEA successfully migrated to UFMS and, importantly, obtained an unqualified audit opinion on its financial statements produced from UFMS that year and in every year since. As expected, the DEA project was a large, complex, and difficult migration, but one that helped to lay the foundation for the migration of the ATF, which occurred in the first quarter of FY 2011, and the migrations of the USMS and FBI, which are underway and scheduled for completion in FYs 2013 and 2014, respectively. UFMS implementation goals, such as the migrations of the USMS and FBI, leverage lessons learned from previous migrations and are based on and aligned with operational risks and requirements unique to each component.

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

Summary of Financial Statement Audit and Management Assurances

The following two tables summarize the results of the Department's financial statement audit and management assurances regarding the effectiveness of internal control over programmatic operations and financial reporting (FMFIA § 2), conformance with financial management system requirements (FMFIA § 4), and compliance with the FFMIA.

Table 3. Summary of Financial Statement Audit

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

Table 4. Summary of Management Assurances

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

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

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

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

Summary of Material Weakness and Corrective Actions

A summary of the material weakness identified in the Department's FY 2011 assessment of the effectiveness of internal control over programmatic operations (FMFIA § 2) follows, along with details regarding corrective actions. The associated Corrective Action Plan is provided in Section IV of this document.

Programmatic Material Weakness and Corrective Actions – Prison Crowding

As of September 30, 2011, the inmate population housed in BOP-operated institutions exceeded the rated housing capacity by 39 percent. The BOP's Long Range Capacity Plan relies on multiple approaches to house the increasing federal inmate population, such as contracting with the private sector and state and local facilities for certain groups of low-security inmates; expanding existing institutions where infrastructure permits, programmatically appropriate, and cost effective to do so; and acquiring, constructing, and activating new facilities as funding permits.

To address this material weakness, the BOP will continue implementing its Long Range Capacity Plan, making enhancements and modifications to the plan, as needed, commensurate with funding received through enacted budgets. For example, in FY 2011, the BOP modified its Plan because the enacted budget did not include the funding needed to activate two newly constructed prisons, acquire a new facility, or contract for the increased use of private sector and state and local facilities for low-security inmates, all three of which would have increased housing capacity and decreased the prison over-crowding rate. The BOP's formal Corrective Action Plan includes utilizing contract facilities; expanding existing institutions; and acquiring, constructing, and activating new institutions as funding permits. The BOP will continue to validate progress on construction projects at new and existing facilities through on-site inspections or by reviewing monthly construction progress reports.

This material weakness was first reported in 2006. Remediation of the weakness through increasing prison capacity is primarily dependent on funding. Other correctional reforms and alternatives will require policy and/or statutory changes. Other initiatives notwithstanding, if the acquisition, expansion, construction, and activation plans detailed in the BOP's Long Range Capacity Plan are funded as proposed, the over-crowding rate for FY 2014 is projected to be 43 percent. Without the funding and the BOP's other mitigating actions, the projected over-crowding rate would be 50 percent.

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

Improper Payments Elimination and Recovery Act of 2010

The Department recognizes the importance of maintaining adequate internal controls to ensure proper payments and is committed to the continuous improvement of the overall disbursement management process. A summary of actions taken by Departmental management in FY 2011 to implement the Improper Payments Elimination and Recovery Act (IPERA) follow. Additional details, as well as the Department's submission of the required improper payments reporting, are provided in Appendix A of this document.

Risk Assessment

The IPERA and OMB April 2011 implementing guidance, OMB Circular A-123, Appendix C, *Requirements for Effective Measurement and Remediation of Improper Payments*, require agencies to review all programs and activities they administer to identify those that are susceptible to significant improper payments. The IPERA defines significant improper payments as gross annual improper payments (i.e., the total amount of overpayments plus underpayments) in a program exceeding (1) both 2.5 percent of program outlays and $10 million of all program or activity payments made during the fiscal year reported or (2) $100 million, regardless of the improper payment percentage of total program outlays.

In FY 2011, the Department updated its top-down approach for assessing the risk of significant improper payments to allow the reporting of results by the Department's five mission-aligned programs – Law Enforcement; Litigation; Prison and Detention; State, Local, Tribal, and Other Assistance; and Administrative, Technology, and Other.

In accordance with the IPERA and OMB implementing guidance, the Department assessed its programs and activities for susceptibility to significant improper payments. Based on the results of the risk assessment for the period ending September 30, 2011, the Department concluded there were no programs susceptible to significant improper payments, i.e., improper payments exceeding the IPERA thresholds of both 2.5 percent of program outlays and $10 million, or $100 million.

Payment Recapture Audits

The IPERA and OMB implementing guidance require agencies to conduct payment recapture audits (also known as recovery audits) for each program and activity that expends $1 million or more annually – including contracts, grants, and benefit payments – if conducting such audits would be cost-effective. Previously, payment recapture audits were only required for agencies that entered into contracts with a total value in excess of $500 million in a fiscal year, and for certain other programs that were not applicable to the Department. The OMB implementing guidance also requires agencies to establish annual targets for their payment recapture audit programs – based on the rate of recovery – to drive performance. Agencies have the discretion to set their own payment recapture targets for review and approval by OMB, but agencies are to strive to achieve annual recapture targets of at least 85 percent within three years (with the first reporting year being FY 2011 and the third, FY 2013).

In FY 2011, the Department expanded the scope of its payment recapture audits to contracts, grants, and benefit and other payments as required by the IPERA and OMB implementing guidance. The Department also established annual payment recapture targets through FY 2014 to drive performance.

In accordance with the IPERA and OMB implementing guidance, the Department measured payment recapture performance under the expanded scope of its payment recapture audits. Based on performance for the period ending September 30, 2011, the Department achieved an overall improper payment recovery rate of 86 percent – 1 percent better than the OMB target rate of 85 percent that agencies are to strive to achieve by FY 2013.

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

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

James Zadroga 9/11 Health and Compensation Act of 2010

- Potential increase in DOJ workload resulting from the James Zadroga 9/11 Health and Compensation Act of 2010. The Act provides compensation to any individual (or personal representative of a deceased individual) who suffered physical harm as a result of the terror-related aircraft crashes of September 11, 2001, or the debris removal efforts that took place in the immediate aftermath. The Department could see a high volume of claims in the near future, FY 2012-2013.

Immigration Enforcement

- As the Department of Homeland Security hires additional border patrol agents, the number of illegal immigrant and criminal smugglers detained for attempting to cross the border will undoubtedly increase. Increased apprehension will in turn require increased Department resources to account for the additional detainees. EOIR in particular would require additional immigration judges to keep pace with the increased caseload, area U.S. Attorneys' offices could also see increased prosecution caseloads, and the Civil Division could see an increase in appeals of removal decisions.

Technology

- Advances in high-speed telecommunications, computers, and other technologies are creating new opportunities for criminals, new classes of crimes, and new challenges for law enforcement.
- Growing dependence on technology is creating an increasing vulnerability to illegal acts, especially white collar crime and terrorism.

Economy

- Amount of regulation and the pace of economic growth and globalization are changing the volume and nature of anti-competitive behavior.
- The interconnected nature of the world's economy is increasing opportunities for criminal activity, including money laundering, white collar crime, and alien smuggling, as well as the complexity and scope of civil justice matters.

Government

- Changes in the fiscal posture or policies of state and local governments could have dramatic effects on their capacity to remain effective law enforcement partners, e.g., the ability and willingness of these governments to allow federal use of their jail space affects achievement of detention goals.

Globalization

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

Social-Demographic

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

American Recovery and Reinvestment Act

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

- The following table summarizes appropriations, obligations, and outlays by component, as of September 30, 2011:

(Dollars in Thousands)

Component	Appropriation Amount	Obligations	Outlays
OJP	$2,761,930	$2,761,197	$2,285,487
OVW	$225,564	$223,067	$162,043
COPS	$1,002,506	$996,367	$422,188
ATF	$10,000	$9,948	$8,159
OIG	$2,000	$900	$900
DOJ Total	**$4,002,000**	**$3,991,479**	**$2,878,777**

Unpredictable

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

Limitations of the Financial Statements

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

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

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

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SECTION II

PERFORMANCE SECTION

(UNAUDITED)

Section II Performance Section – FY 2011 Performance Report (Unaudited)

Overview

This section of the document presents to the President, the Congress, and the public a clear picture of how the Department of Justice (DOJ or the Department) is working toward accomplishing its mission. The Performance Report provides a summary discussion of the Department's three strategic goals. It also reports on the 20 key performance measures for these goals by detailing program objectives and FY 2011 targets and actual performance, as well as whether targets were or were not achieved. Each key performance measure also includes information related to data collection and storage, data validation and verification, and data limitations. In addition, this section includes information regarding the Department's progress toward achieving the FY 2012 long-term outcome goals set forth in its FYs 2007-2012 Strategic Plan.

At the Department, performance planning and reporting is companion to the budget process. We recognize that performance information is vital to making resource allocation decisions and should be an integral part of the budget. The Department provides detailed component-specific annual performance plans within individual budget submissions, which also serve as the Department's annual performance plan.

In FY 2011, the Department continued to demonstrate clear management commitment to timely and accurate financial and budget information through the use of Department-wide quarterly status reporting. As the Department continues to develop its capacity to gather and use performance information, we will continue to communicate performance information. Quarterly status reporting has provided the Department the ability to identify problems early, take necessary corrective actions, develop more effective strategies, and allocate necessary resources.

Measuring Departmental Impact

Throughout FY 2011, the Department continued to improve its key performance measures and track the progress of long-term performance goals. Our long-term performance goals reflect results, not just workload or processes. For example, we have focused law enforcement efforts on disrupting and dismantling targeted criminal groups, such as major drug trafficking organizations. In areas such as litigation, where results-oriented measurement is particularly difficult, we continue to reevaluate our long-term targets to ensure that we are being aggressive enough in our goals for case resolutions for all of our litigating divisions.

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

Measure Refinement, Data Revisions, and Subsequent Year Reporting

The *FY 2011 Performance and Accountability Report* presents the highest-level outcome-oriented measures available and fully reports on the accomplishments achieved during the reporting period. Occasionally, however, data for an entire year are not available at the time of publication. Hence, the data reported in the Department's *FY 2010 Performance and Accountability Report* that have since been revised/updated are reported as *FY 2010 Revised Actual*, where appropriate. Also, the Department is unable to report on a limited number of performance measures due to calendar year reporting or other limitations. In those instances, performance for those measures will be reported in the subsequent year's *Performance and Accountability Report*. For performance that occurred in FY 2010, but due to calendar year reporting or other limitations was not available for reporting that year, FY 2010 data and discussion of results are reported for the first time in the pages that follow. For this report, ten years of data will be presented unless the performance outcome goal has less than ten years, in which case all information is then presented.

In certain cases, performance measures can be discontinued and/or replaced with new measures. For this report, the changes are noted prior to the title of the measure, where appropriate, and designated as a "Discontinued" or "New" measure.

As described in Section I, the Department anticipates the release in FY 2012 of the new Strategic Plan for FY 2012-2016. However, for purposes of this report, the Department's FY 2007-2012 Strategic Plan is used with key performance measures fully aligning to the existing Plan's priorities and goals. Therefore, the *FY 2011 Performance and Accountability Report* highlights the key goals and performance measures reflected in the FY 2007-2012 Strategic Plan. The Report also provides details on the Department's success in meeting its performance measure targets in FY 2011. Additional programmatic and performance information can be found in individual components' budget submissions, specifically within the Performance and Resources Tables.

As we prepare for the introduction of the 2012-2016 key indicators, the following measures will be discontinued following the FY 2011 Report:

1. Catastrophic acts of terrorism
2. Number of organized criminal enterprises dismantled
3. Number of children depicted in child pornography identified by the FBI
4. Number of high-impact Internet fraud targets neutralized
5. Ensure judicial proceedings are not interrupted due to inadequate security
6. Percent reduction in DNA backlog (casework only)
7. Percent of children recovered within 72 hours of an issuance of an AMBER alert
8. Number of participants in the Residential Substance Abuse Treatment Program
9. Graduation rate of program participants in the Drug Courts Program
10. Per day jail costs
11. Comparative recidivism for Federal Prison Industries (FPI) inmates versus non-FPI inmates
12. Rate of serious assaults In federal prisons (per 5,000 Inmates)
13. Inspection results—Percent of federal facilities with American Correctional Association (ACA) accreditations
14. Percent of Executive Office for Immigration Review (EOIR) priority cases completed within established timeframes
    a. Institutional Hearing Program
    b. Detained Cases – Immigration Court
    c. Detained Appeals

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

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

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

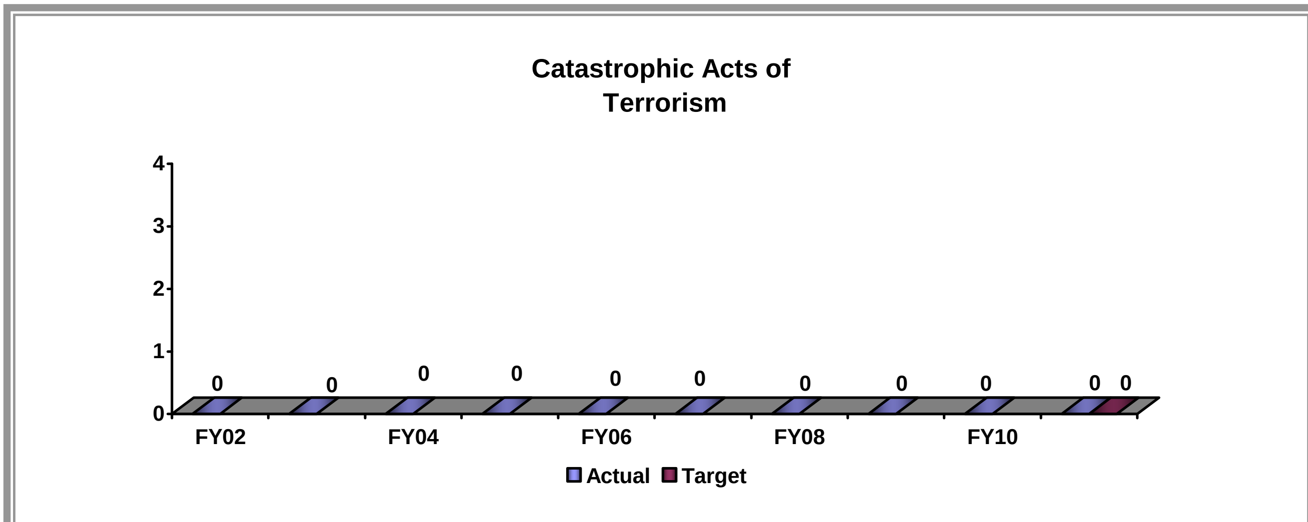
FY 2012 Outcome Goal: No catastrophic acts of terrorism
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

Under the leadership of the FBI Director, the FBI has overhauled CT operations, expanded its intelligence capabilities, modernized its business practices and technology, and improved coordination with its partners. The FBI is dedicated to disrupting terrorist plots before they are executed.

***Performance Measure*:** Catastrophic Acts of Terrorism
FY 2011 Target: 0
FY 2011 Actual: 0

Discussion of FY 2011 Results: The FBI has achieved its target of zero catastrophic terrorist acts for this measure for FY 2011 and will continue its efforts to keep the American people safe from terrorism.



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

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

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

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

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

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

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

FY 2012 Outcome Goal: Dismantle a cumulative total of 212 organized criminal enterprises (FY 2007-2012)
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

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

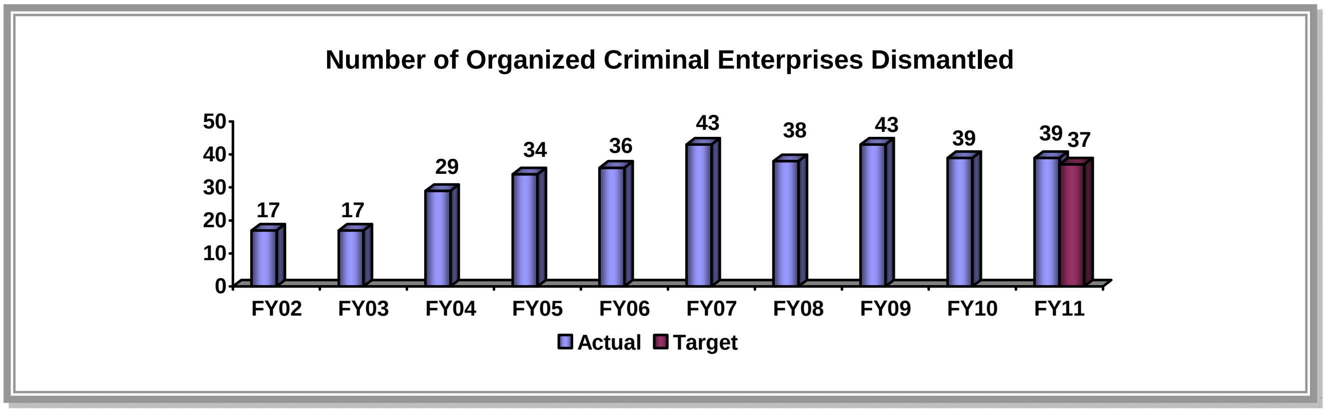
FY 2011 Target: 37
FY 2011 Actual: 39

Discussion of FY 2011 Results: The FBI achieved its target for this measure in FY 2011. The FBI's Transnational Organized Crime Program exceeded the target of 37 dismantlements through the refinement and capitalization of the advantages of intelligence driven investigations. In addition, the FBI increased coordination and intelligence sharing with domestic and international law enforcement and intelligence agencies. Several significant law enforcement actions during FY 2011 highlighted the effectiveness of these efforts, including the examples listed below.

An Armenian Thief-In-Law (TIL) was successfully prosecuted for racketeering for the first time in the United States. The Armenian TIL and 72 other members and associates of an Armenian-American organized crime group were indicted for activities related to more than $163 million in fraudulent Medicare claims.

127 subjects were arrested for racketeering related crimes, including murder and extortion, resulting in the largest single day operation against La Cosa Nostra.

As stated in the data limitations, it should be noted that there is a potential lag in the reporting of the data for this measure, meaning that the final result may ultimately vary from this report. Final results will be reflected in the FY 2013 Congressional Justifications.



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

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

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. The data are subsequently verified through the FBI's inspection process. Inspections of ISRAA data occur at least once a year at each FBI Field Office. Using statistical sampling methods, data are traced back to source documents contained in FBI files.

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

FY 2012 Outcome Goal: Target a cumulative total of 793 children depicted in child pornography identified by the FBI
FY 2011 Progress: The Department is on target to achieve this long-term goal.

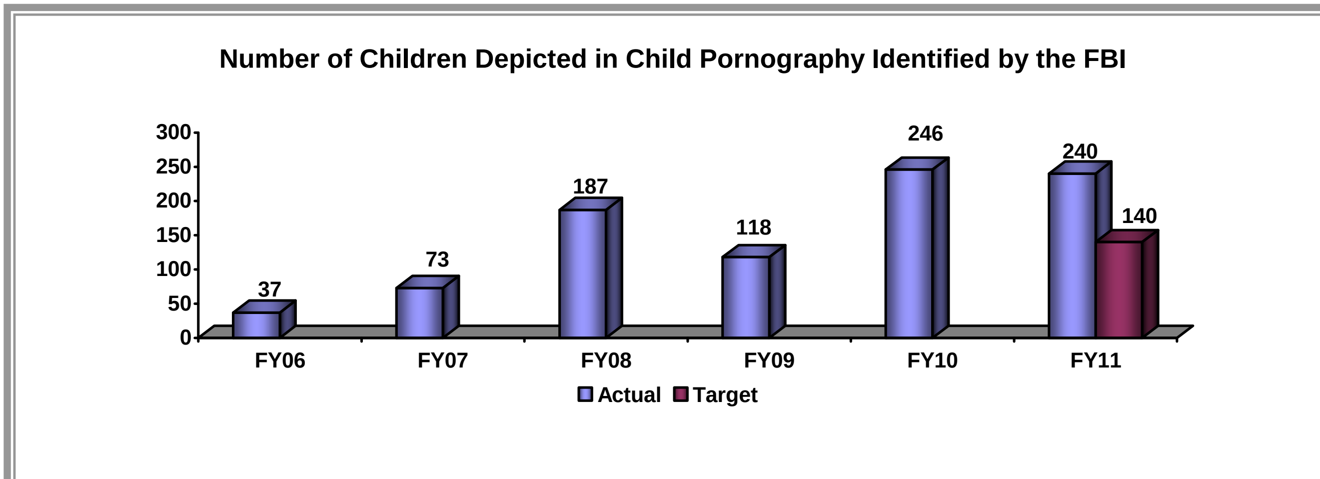
Background/Program Objectives: Facilitation of crimes against children through the use of a computer and the Internet is a national crime problem that is growing dramatically. The Innocent Images National Initiative (IINI), a component of the FBI's Cyber Crimes Program, is an intelligence-driven, proactive,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

Performance Measure: Number of Children Depicted in Child Pornography Identified by the FBI
FY 2011 Target: 140
FY 2011 Actual: 240

Discussion of FY 2011 Results: The FBI significantly surpassed its target for this measure. The FBI continues its collaboration with the National Center for Missing & Exploited Children's (NCMEC) Child Victim Identification Program (CVIP), CyberTipline, the Innocent Images International Task Force, the Endangered Child Alert Program, and other related efforts.

A major contributor to IINI's FY 2011 performance is IINI's presence at NCMEC. Currently, IINI details three employees to NCMEC. For example, an actionable lead relayed to the Jacksonville Field Office in late FY 2010 from a NCMEC CyberTipline Report has led to the identification of 44 child victims to date.

As stated in the data limitations, it should be noted that there is a potential lag in the reporting of the data for this measure, meaning that the final result may ultimately vary from this report. Final results will be reflected in the FY 2013 Congressional Justifications.



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

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

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

Data Limitations: Historical data (prior to FY 2008) for this measure had to be retrieved from a manual count of identified victims in ECs during the years reviewed.

FY 2012 Outcome Goal: Increase the percentage of firearms criminal investigations resulting in referrals for prosecution to 62% (FY 2007-2012)
FY 2011 Progress: N/A

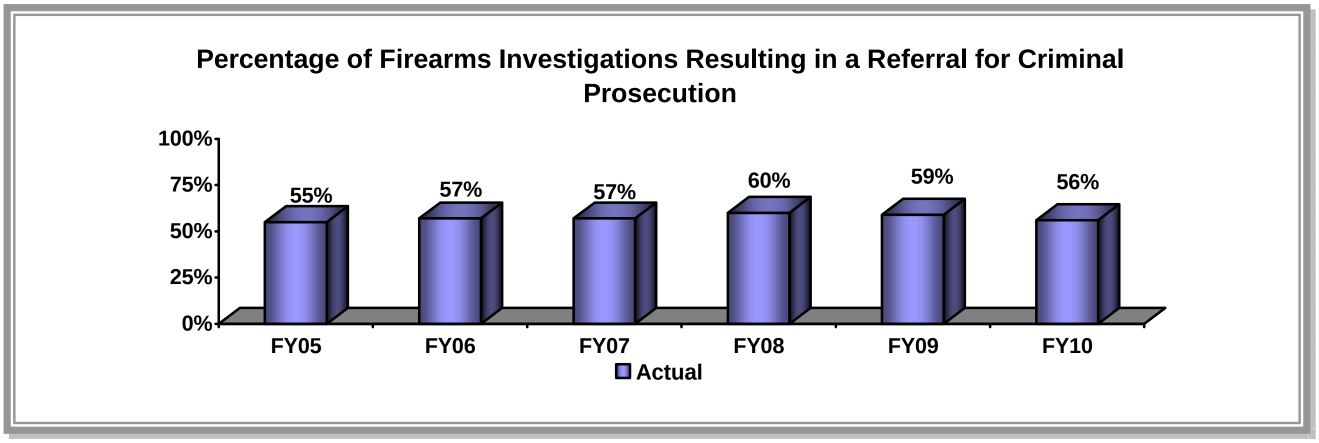
Background/Program Objectives*:* Violent firearms crime remains a significant and complex domestic problem, fueled by a variety of causes that vary from region to region. The common element, however, is the relationship between firearms violence and the unlawful diversion of firearms out of commerce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

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

Performance Measure: (DISCONTINUED MEASURE) Percentage of Firearms Criminal Investigations Resulting in a Referral for Criminal Prosecution

FY 2011 Target: N/A
FY 2011 Actual: N/A - See Discussion of FY 2011 Results

Discussion of FY 2011 Results: This measure was discontinued at the end of FY 2010. As part of ATF's FY 2010 – FY 2016 Strategic Plan, a Performance Index was developed to measure ATF's 10 core functions as well as the strategic goals and strategic objectives. The Index includes a performance goal statement for each core function to provide comprehensive tracking and measurement of ATF's performance across the enterprise. In the Index, each performance goal statement aligns with specified strategic objectives and their corresponding performance indicators. This structure allows ATF to evaluate performance at each level: enterprise, budget decision unit, core function/performance goal statement, and strategic objective, and to use performance indicators to track progress against targets. ATF will incorporate the newly developed indicators into future submissions and align them to the Department's strategic plan.



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

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

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

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

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

FY 2012 Outcome Goal: Dismantle 810 Consolidated Priority Organization Target (CPOT)-linked drug trafficking organizations (FY 2007-2012). Disrupt 1,260 CPOT-linked drug trafficking organizations (FY 2007-2012)
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

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

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

FY 2010 Revised Actual:
Dismantled: 182 (Previous Actual: 176)
Disrupted: 367 (Previous Actual: 365)

FY 2011 Target:
Dismantled; 157
Disrupted: 318

FY 2011 Actual:
Dismantled: 195
Disrupted: 408

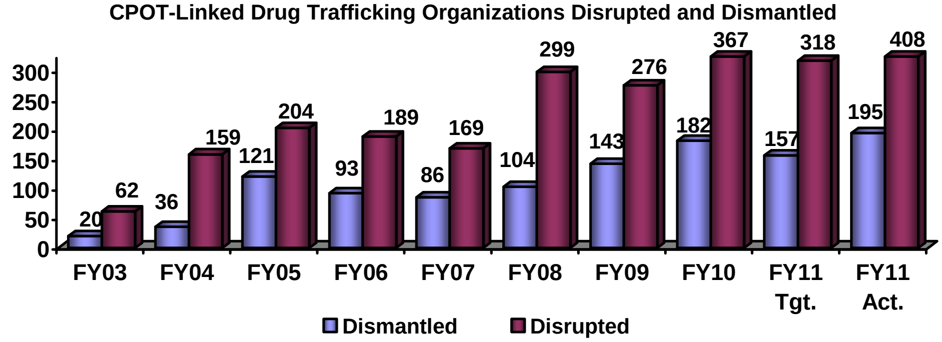
Discussion of FY 2011 Results: The Department achieved unprecedented results during FY 2011 in dismantling and disrupting CPOT-linked drug trafficking organizations. The Department dismantled 195 CPOT-linked organizations in FY 2011, exceeding its target by 24 percent. This is a 7 percent increase over the 182 dismantled in FY 2010. The Department disrupted 408 CPOT-linked organizations in FY 2011, exceeding its target by 28 percent. This is an 11 percent increase over the 367 reported in FY 2010 and a 48 percent increase over the 276 reported in FY 2009.

During FY 2011, in addition to making important gains against CPOT-linked organizations, the Department continued to achieve significant successes against the CPOTs themselves. Over the course of the last year, six CPOT targets were dismantled and six CPOT targets were disrupted. Through these dismantlements and disruptions, the Department made significant impacts against the Gulf Cartel and other significant cartels operating out of South America. Five of the six dismantled CPOT targets were arrested and extradited to the United States for prosecution. These six dismantled CPOTs had a significant impact on the illegal drug supply in the United States. It is estimated that their individual activities included: the capability of importing and distributing 100,000 tablets of 3,4-methylenedioxymethamphetamine (MDMA) per month into the United States and distributing MDMA, cocaine, marijuana, hash, and methamphetamine around the world; distributing 40 kilograms of heroin to the New York area on a monthly basis; and moving cocaine valued in excess of $4 billion into the United States since 2004.

In addition to arrests, the Department made other significant gains against the dismantled and disrupted CPOT targets including seizing nearly two million MDMA tablets from a dismantled CPOT target; securing the forfeiture of $35 million from a dismantled CPOT and seizing 24 properties in excess of 12,000 acres; and seizing approximately $245 million in assets and financial instruments, over 90 labs, and 24 tons of cocaine from a disrupted CPOT target. Law enforcement activity targeting these CPOTs involved complex and coordinated intelligence driven investigations, with exceptional cooperation between U.S. law enforcement agencies and international partners.

The Department's FY 2011 unprecedented successes dismantling or disrupting 603 CPOT-linked drug trafficking organizations, a 10 percent increase over the 549 dismantled or disrupted in FY 2010, as well as the significant enforcement actions against CPOTs themselves have resulted in keeping multi-ton quantities of illegal drugs such as cocaine, heroin, marijuana and methamphetamine from ever entering the United States.

CPOT-Linked Drug Trafficking Organizations Disrupted and Dismantled



Note: FY 10 actual and FY 11 target data have been updated and do not reflect the numbers reported in FY 2012 Performance and Budget Summary.

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

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

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

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

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

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

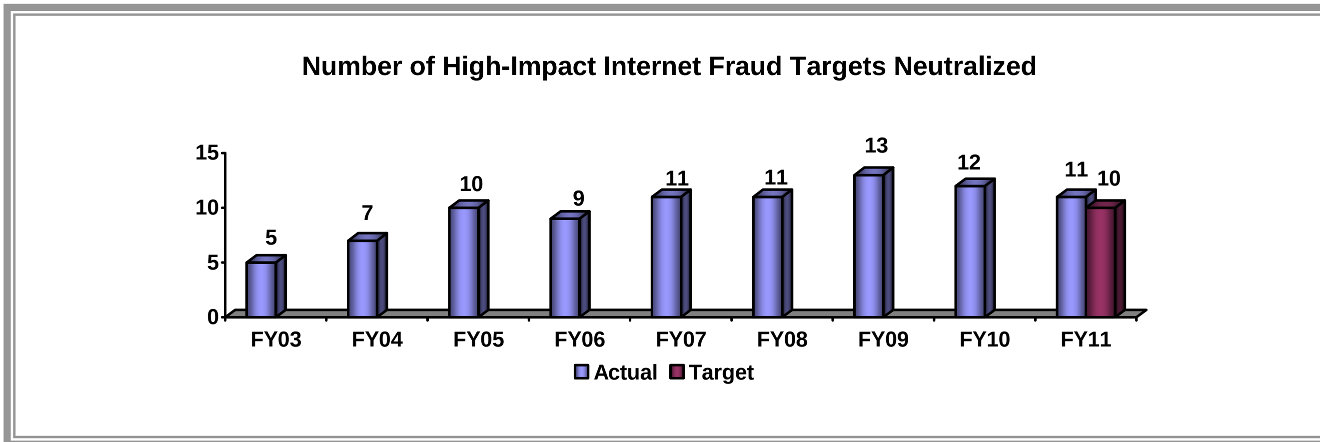
FY 2012 Outcome Goal: Neutralize a cumulative total of 78 high-impact Internet fraud targets (FY 2007-2012)
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

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

Performance Measure: Number of High-Impact Internet Fraud Targets Neutralized
FY 2011 Target: 10
FY 2011 Actual: 11

Discussion of FY 2011 Results: The FBI's actual performance in FY 2011 fell slightly from prior years, but was still above the target.



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

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

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

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

FY 2012 Outcome Goal: Dismantle a cumulative total of 745 criminal enterprises engaging in white-collar crime (FY 2007-2012)
FY 2011 Progress: The Department is on target to achieve this long-term goal.

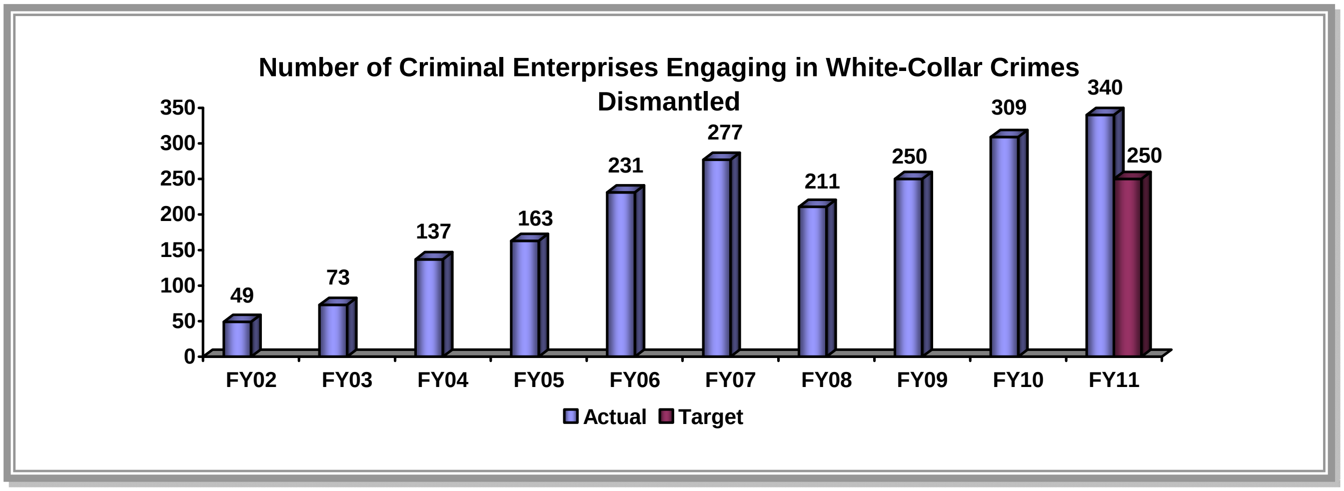
Background/Program Objectives: Through the White-Collar Crime (WCC) Program, the FBI investigates criminals and criminal enterprises that seek illicit gains through fraud and guile. Corporate fraud, health care fraud, financial institution fraud, government fraud (housing, defense procurement, and other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

U.S. citizens and businesses lose billions of dollars each year to criminals engaged in non-violent fraudulent enterprises. Technological advances, the globalization of economic and financial systems, the sophistication of criminal organizations, and declining corporate and individual ethics, have resulted in annual increases in the number of illegal acts characterized by deceit, concealment, or violations of trust. These crimes contribute to a loss of confidence and trust in financial institutions, public institutions, and industry.

Performance Measure: Number of Criminal Enterprises Engaging in White-Collar Crimes Dismantled
FY 2011 Target: 250
FY 2011 Actual: 340

Discussion of FY 2011 Results: The FBI met and exceeded its target for this measure in FY 2011. The FBI's success in meeting this target was largely due to an increase in the number of agents focusing on WCC. In addition, the FBI has developed efficiencies through proactive investigative techniques and technological advances used to address various WCC threats. For example, in relation to Corporate and Securities Fraud, the utilization of Group I Undercover Operations increased from 8 to 11, an increase of 38 percent. These increases, along with advances in the utilization of Title IIIs and other advanced techniques not historically commonly utilized in WCC cases, resulted in significant progress against crime problems such as Insider Trading, as exemplified by the recent conviction and sentencing of Raj Rajaratnam, former founder of hedge fund Galleon Group. In addition, in FY 2011, the FBI was successful at investigating Investment Fraud, as a strong emphasis was placed on this problem through the national "Operation Broken Trust" initiative organized by the Financial Fraud Enforcement Task Force. This initiative was the largest sweep pertaining to investment fraud in U.S. history. Due in part to this initiative and advances in proactive investigations, the FBI obtained the most convictions in the history of its Corporate and Securities Fraud programs.

As stated in the data limitations, it should be noted that there is a potential lag in the reporting of the data for this measure, meaning that the final result may ultimately vary from this report.



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

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

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. The data are subsequently verified through the FBI's inspection process. Inspections of ISRAA data occur at least once a year at each FBI Field Office. Using statistical sampling methods, data are traced back to source documents contained in FBI files.

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

FY 2012 Outcome Goal: Favorably resolve 90% of Criminal Cases (litigating divisions)
FY 2012 Outcome Goal: Favorably resolve 80% of Civil Cases (litigating divisions)
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

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

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

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

The Civil Division (CIV) defends challenges to Congressional statutes, Presidential actions, national security issues, benefit programs, and energy policies; pursues violators of immigration and consumer protection laws; handles thousands of affirmative and defensive cases with billions of dollars at issue related to accident and liability claims, natural disasters and other unprecedented events, and commercial issues such as bankruptcy, contract disputes, banking, insurance, patents, fraud, and debt collection; and administers the Radiation Exposure Compensation Act and the 9/11 Victim Compensation Programs.

The Civil Rights Division (CRT) enforces federal statutes prohibiting discrimination in education, religion, employment, credit, housing fair lending, public accommodations and facilities, conditions of confinement in state and locally operated institutions, national origin, voting, retaliation based on military service, and certain federally funded and conducted programs. Additionally, CRT enforces criminal civil rights responsibilities for human trafficking and involuntary servitude statutes, acts of racial, ethnic, sexual orientation, gender identity, disability or religious violence, "color of law" offenses by local and federal law enforcement officials, and conspiracies to interfere with federally protected rights. CRT also enforces the criminal and civil provisions to protect the rights of people to use the services of reproductive health clinics free from interference.

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

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

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

Performance Measure: Percent of Cases Favorably Resolved

FY 2011 Target:
Criminal Cases: 90%
Civil Cases: 80 %

FY 2011 Actual:
Criminal Cases: 93%
Civil Cases: 85%

Discussion of FY 2011 Results: The U.S. Attorneys continued its efforts combating fraud with its Financial Fraud Enforcement Task Force and 94 regional mortgage fraud task forces and working groups, together with targeted financial fraud training provided at the National Advocacy Center including seminars in the areas of mortgage fraud, bank fraud, securities fraud, and public corruption. Some highlights of these efforts include the following: In April 2011, Lee Bentley Farkas was convicted in a case prosecuted by CRM and the U.S. Attorney's Office for the Eastern District of Virginia, of securities fraud and other crimes in connection with his role in a $2.9 billion fraud scheme which contributed to the failures of one of the 50 largest banks in the United States and one of the largest privately held mortgage lending companies in the United States. On June 30, 2011, Farkas was sentenced to 30 years imprisonment, and on September 26, 2011 was ordered to pay restitution in the amount of $3.5 million. In March and June 2011, respectively, two executive from the A&O Resource Management Ltd., Christian Allmendinger and Adley Abdulwahab, were convicted of numerous offenses that arose from their operation of a group of entities collectively referred to as A&O life settlement fraud scheme. In September 2011, Allmendinger and Abdulwahab were sentenced to 45 years and 60 years, respectively, in prison. Five other individuals pled guilty and are currently serving prison terms in connection with the A&O fraud scheme. The A&O fraud scheme caused more than 800 investors, many of whom were elderly, to lose more than $100 million. In a health care fraud settlement in the District of Massachusetts, GlaxoSmithKline (GSK) paid $600 million to resolve False Claims Act allegations regarding its manufacturing and distribution of certain adulterated drugs made at GSK's facility. In addition, a GSK subsidiary pled guilty to a criminal felony for releasing into interstate commerce adulterated drugs, and paid a criminal fine of $150 million.

The CRM prosecuted and achieved favorable dispositions in FY 2011 in cases covering a wide range of complex case law. Examples of this work include the successful conviction of Lee Bentley Farkas, the former chairman of a private mortgage lending company, Taylor, Bean & Whitaker (TBW), for his role in a more than $2.9 billion fraud scheme that contributed to the failures of Colonial Bank, one of the 25 largest banks in the United States in 2009, and TBW, one of the largest privately held mortgage lending companies in the United States in 2009; the sentencing of the last defendant in a multi-defendant investigation of the Latin Kings gang in Maryland to 22-and-a-half years in prison; a guilty plea of the owner of a mental health care company in Miami for orchestrating a $205 million Medicare fraud scheme, which led to the sentence of 50 years in prison.

The ATR assessed $524.3 million in criminal fines in FY 2011 against antitrust violators. ATR's investigations into the air transportation and cargo and electronic auto parts industries yielded significant restitution and fines which helped fund the Department's Crime Victims Fund. In addition, ATR continued its work with the Financial Fraud Enforcement Task Force and its efforts to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. On the civil side, ATR was successful in protecting competition and U.S. consumers by challenging proposed mergers and agreements in areas as diverse as health insurance, oil and gas, software, credit and debit card networks, dairy, media, and hospital services.

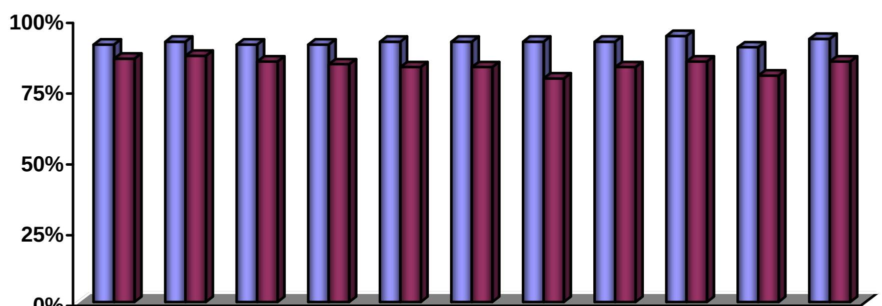
The CIV exceeded its target by defeating billions of dollars in unmeritorious claims, in addition to the successful defense of suits filed against the government as a result of the government's policies, laws, and involvement in commercial activities, domestic and foreign operations and entitlement programs,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

The CRT has made significant strides in fulfilling its mission to vigorously enforce the civil rights of all Americans. In the wake of the foreclosure crisis, CRT substantially increased efforts to enforce the fair lending laws, filing more law suits under the Equal Credit Opportunity Act than in any year in at least a decade, and reached the largest settlement ever under the Fair Housing Act to resolve claims of rental discrimination, as well as obtained the largest amount of monetary relief ever in a Justice Department Fair Lending settlement; training thousands of federal and local law enforcement officials and community stakeholders around the country on the Matthew Shepard and James Byrd Jr. Hate Crimes Prevent Act of 2009, as well as indicting four cases under the Act, and secured the first seven convictions under the Act; winning convictions in a landmark case against five New Orleans police officers involved in shootings of civilians and an extensive cover-up that occurred in the wake of Hurricane Katrina, which also resulted in five additional officers pleading guilty to charges related to the incident; signing comprehensive settlement agreements with Georgia and Delaware to enforce the Supreme Court's *Olmstead* decision, ensuring that thousands of individuals with disabilities will receive services in their communities, rather than being segregated in institutions; issuing the most extensive overhaul of the Americans with Disabilities Act regulations since the passage of the Act in 1990; stepping up enforcement of the voting rights, taking an unprecedented number of actions to protect the voting rights of military and overseas voters in the 2010 election cycle; expanded other efforts to protect members of the military and their families, including a $20 million settlement with Bank of America/Countrywide to resolve allegations that the bank illegally foreclosed on members of the military without court orders; and conducting one of the most extensive reviews ever of a law enforcement agency, and are working with city officials, the police department and the community to develop a comprehensive blueprint for sustainability reform of the New Orleans Police Department.

The ENRD continued to enforce the Clean Water Act, the Clean Air Act, and pipeline safety laws. Specifically, the Division participated in an agreement between the Environmental Protection Agency, and the U.S. Department of Transportation with BP Exploration Alaska, Inc. (BP Alaska) under which the company will pay a $25 million civil penalty and carry out a system-wide pipeline integrity management program, as part of a settlement for spilling more than 5,000 barrels of crude oil from the company's pipelines on the North Slope of Alaska in 2006. The penalty is the largest per-barrel penalty to date for an oil spill. The settlement also addresses Clean Air Act violations arising out of BP Alaska's improper asbestos removal along the pipeline in the aftermath of the spill. BP Alaska is required to develop a $60 million system-wide program to manage pipeline integrity for the company's 1,600 miles of pipeline on the North Slope. The program will address corrosion and other threats to these oil pipelines and require regular inspections and adherence to a risk-based assessment system. BP Alaska has already spent $200 million replacing the lines that leaked on the North Slope. Of the $25 million penalty, $20.05 million will be deposited in the Oil Spill Liability Trust Fund established under the Clean Water Act and administered by the U.S. Coast Guard. The remainder, $4.95 million, will be paid to the U.S. Treasury. The funds paid to the Oil Spill Liability Trust Fund will be used to finance federal response activities and provide compensation for damages sustained from future discharges or threatened discharges of oil into water or adjoining shorelines.

The Tax Division's top litigation priority continues to be the concerted civil and criminal effort to combat the serious problem of non-compliance with our tax laws by U.S. taxpayers using secret offshore accounts – a problem that a 2008 Senate report concluded costs the U.S. Treasury at least $100 billion annually. As part of the deferred prosecution agreement the Tax Division negotiated in 2009 with UBS, Switzerland's largest bank, as well as a 2009 agreement negotiated among the U.S., UBS, and the Swiss government to settle a civil summons enforcement proceeding brought by the Tax Division, the Internal Revenue Service (IRS) continues to receive account information about thousands of the most significant tax cheats among the U.S. taxpayers who maintain secret Swiss bank accounts. The prosecution results so far have been encouraging: To date, approximately 150 grand jury investigations of offshore-banking clients have been initiated, of which 38 cases have been charged, with 31 guilty pleas having been entered, 2 convicted after trial (with each receiving a 10 -year prison sentence), and 5 awaiting trial. A number of facilitators who helped clients hide assets offshore have been indicted, resulting in 13 bankers, 2 advisors, and 2 attorneys being charged and awaiting trial; 1 advisor being convicted and awaiting sentencing; and 1 banker being convicted and sentenced. The banks implicated include not only UBS, but another international Swiss bank, a regional Swiss bank, and HSBC India. In addition, grand jury investigations have been opened into additional offshore banks across the world, and the Tax Division obtained a court decision allowing the IRS to summon additional account information from HSBC Bank. The Tax Division also ensures that the public is aware of the offshore initiative. Indeed, the IRS credits the publicity surrounding this initiative with prompting a huge increase in the number of taxpayers who have "come in from the cold" and voluntarily disclosed to the IRS their previously hidden foreign accounts. Nearly 18,000 U.S. taxpayers made voluntary disclosures in the 18-month period concluding February, 2011 – in contrast to fewer than 100 in a typical year – and made $2.2 billion in payments to the IRS. Another 12,000 U.S. taxpayers disclosed their accounts under the 2011 Offshore Voluntary Disclosure Initiative (which ended September 9, 2011) and have made $500 million in payments to the IRS so far.

Percent of Cases Favorably Resolved



	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11 Tgt.	FY11 Act.
Criminal	91%	92%	91%	91%	92%	92%	92%	92%	94%	90%	93%
Civil	86%	87%	85%	84%	83%	83%	79%	83%	85%	80%	85%

Criminal Civil

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

Data Collection and Storage: Data are currently captured within each component's automated case management system and companion interface systems. Currently, cases worked on by more than one component are included in the totals from CRM, CRT, ENRD, and EOUSA. Also, the court's disposition date is used for reporting purposes for ATR, CIV, CRM, CRT, and ENRD; however, EOUSA and TAX use the date entered into their current case management system. Additionally, CIV counts at the party level; CRM, ENRD, and EOUSA count cases at the defendant level; CRT and TAX count Civil and Criminal cases. Lastly, ATR includes Criminal, Civil Merger, and Civil Non-Merger; ENRD includes affirmative, defensive, criminal, and condemnation cases in their totals.

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

Data Limitations: Data quality suffers from the lack of a single DOJ case management system and a standardized methodology for capturing case related data. Due to the inherent variances in data collection and management, cases may refer to cases or individuals. In addition, due to reporting lags, case closures for any given year may be under or over-reported. Actual data prior to FY 2003 for the CRM was inconsistent until technical and policy improvements were implemented that fiscal year. Lastly, EOUSA data does not include information for the month of September 2005 for the Eastern District of Louisiana due to Hurricane Katrina.

FY 2012 Outcome Goal: Return 58% of assets/funds to creditors in Chapter 7 cases
FY 2012 Outcome Goal: Return 85% of assets/funds to creditors in Chapter 13 cases
FY 2011 Progress: N/A

Background/Program Objectives: The United States Trustee Program (USTP) is a component of the Department of Justice that seeks to promote the efficiency and protect the integrity of the federal bankruptcy system. To further the public interest in the just, speedy and economical resolution of cases filed under the Bankruptcy Code, the Program monitors the conduct of bankruptcy parties and private estate trustees, oversees related administrative functions, and acts to ensure compliance with applicable laws and procedures. It also identifies and helps investigate bankruptcy fraud and abuse in coordination with United States Attorneys, the FBI, and other law enforcement agencies. The USTP appoints Trustees who serve as fiduciaries for bankruptcy estates and administer cases filed under Chapter 7 and Chapter 13. The U.S. Trustee regulates and monitors the activities of these private trustees and ensures their compliance with fiduciary standards. To promote the effectiveness of the bankruptcy system and maximize the return to creditors, the Department targets and reports the percent of assets/funds returned to creditors.

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

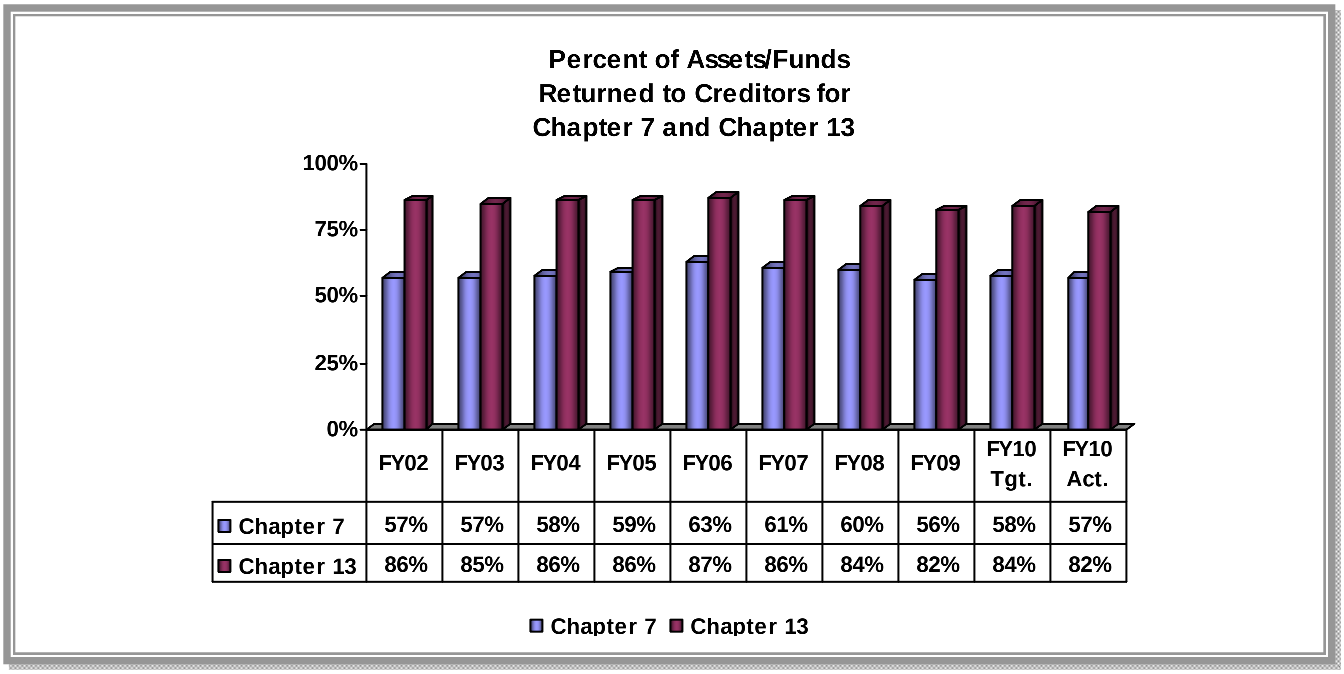
FY 2010 Target:	Chapter 7:	58%
	Chapter 13:	84%
FY 2010 Actual:	Chapter 7:	57%
	Chapter 13:	82%
FY 2011 Target:	Chapter 7:	N/A
	Chapter 13:	N/A
FY 2011 Actual:	Chapter 7:	N/A
	Chapter 13:	N/A

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

For Chapter 7 assets returned to creditors, the percentage was slightly below the target level. The USTP attributes this to abnormally high administrative costs in 2010 due primarily to one highly influential case (with highly-valued assets) where the percentage allocated to administrative costs was unusually high. Without this case, the USTP would have exceeded the performance measure target for FY 2010.

The USTP also did not meet its FY 2010 target for Chapter 13 assets returned to creditors. A recent analysis of the disbursements indicated that the lower percentage of assets returned is due to a decrease in assets available for disbursement and an increase in fees paid to debtor attorneys. This reduced the amount that otherwise could be distributed to creditors. The increased attorney fees account for the majority of the decrease in the proportion available for distribution to creditors.

The USTP periodically conducts an extensive review of its performance measures with special emphasis on achieving comprehensive programmatic results as they relate to resource expenditures and needs. Several new measures were developed that better reflect the mission, outcomes and impacts of the USTP. They will be reported in the out years. As a result, the performance measure above has been discontinued.



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

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

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

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

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

FY 2012 Outcome Goal: Reduce homicides at Weed and Seed Program sites from 4.4 to a maximum of 4.0 per Weed and Seed site by 2012
FY 2011 Progress: N/A

Background/Program Objectives: Prior to its elimination in FY 2011, the OJP Community Capacity Development Office (CCDO) provided the Weed and Seed Program, an innovative, comprehensive multiagency approach to law enforcement, crime prevention, and community revitalization. The Weed and Seed Program assists communities with linking federal, state, and local law enforcement and criminal justice efforts with private sector and community efforts. It assists communities in "weeding out" violent crime, gang activity, drug use, and drug trafficking in targeted neighborhoods and then "seeding" the targeted areas with programs that lead to social and economic rehabilitation and revitalization. In addition, the Weed and Seed sites engage in community policing activities that foster proactive police-community engagement and problem solving.

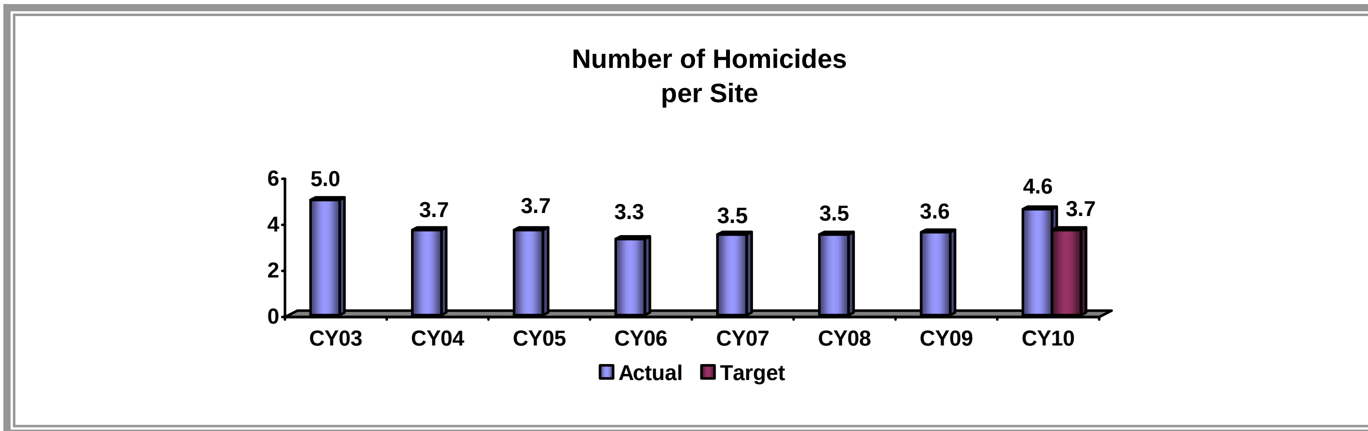
Performance Measure: (DISCONTINUED MEASURE) Number of Homicides per Site (funded under the Weed and Seed Program)

CY 2009 Revised Actual: 3.6 (Previous Actual: 3.9)

CY 2010 Target: Reduction to 3.7 homicides per site
CY 2010 Actual: 4.6

CY 2011 Target: N/A
CY 2011 Actual: N/A

Discussion of CY 2010 Results: The target for CY 2010 is to reduce the average number of homicides per site to 3.7; however the actual average number of homicides per Weed and Seed site for CY 2010 was 4.6. The Weed and Seed program was not funded after FY 2010 and, as a result, the 2010 data include data for one calendar quarter that was not funded. As a result of the discontinuation of the program, data for this performance measure will not be reported in the future.



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

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

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

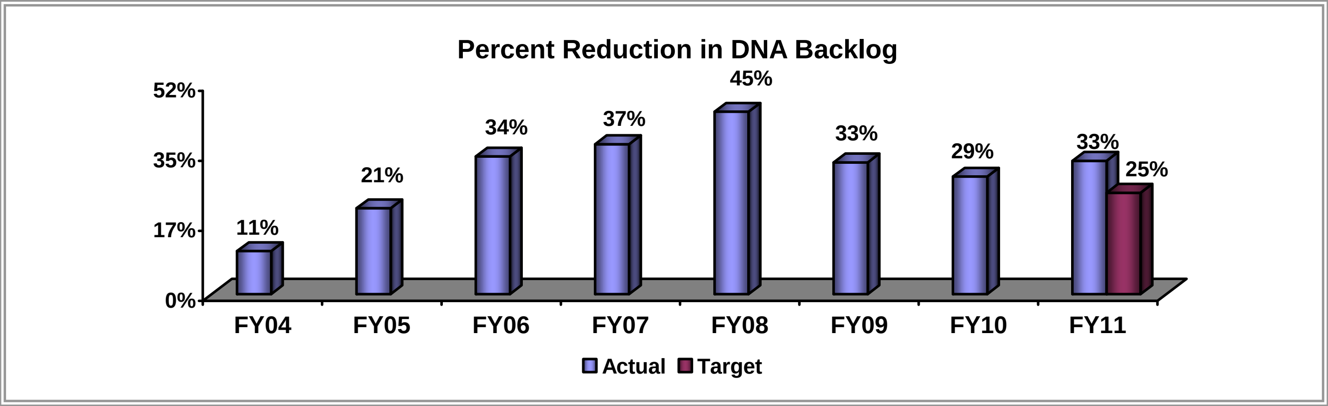
Data Limitations: Data for this performance measure are only reported by calendar year to coincide with submissions to the FBI Uniform Crime Reports. The data are not comparable across years because dissimilar sites are added and graduated (continue to use the Weed and Seed strategy without additional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

FY 2012 Outcome Goal: Realize a 31% reduction in the Casework DNA backlog by FY 2012.
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

Performance Measure: Percent Reduction in DNA Backlog (casework only)
FY 2011 Target: 25%
FY 2011 Actual: 33%

Discussion of FY 2011 Results: OJP's FY 2011 target for reducing the DNA casework backlog was set at 25 percent. The DNA backlog was reduced by 33 percent, which exceeded the target.



Data Definition: NIJ computes this measure by calculating the cumulative number of samples requested to be worked with federal overtime, supply, and/or outsourcing assistance as part of the FY 2011 solicitation process. This number is divided by the total number of backlogged DNA cases as of December 31 of the year prior to when solicitations are released (for FY 2011, the number of cases in the backlog as of December 31, 2010). Because the size of the backlog is assessed at the end of each calendar year, the number of samples in the backlog tends to vary at other times as more or fewer samples are submitted for analysis and tested. For example, when more samples are submitted than tested, the number of samples in the backlog necessarily grows. Likewise, when more samples are tested than were submitted for analysis, the number of samples in the backlog shrinks.

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

Data Validation and Verification: The number of cases funded for analysis in FY 2011 is computed from applications submitted by grantees to the FY 2011 DNA Backlog Reduction Program. During the course of the grant, which can take up to three years to complete, grant managers monitor each grant to ensure that grantees are meeting or achieving the targets they proposed in their application. To date, on average, grantees have exceeded the targets proposed in their applications.

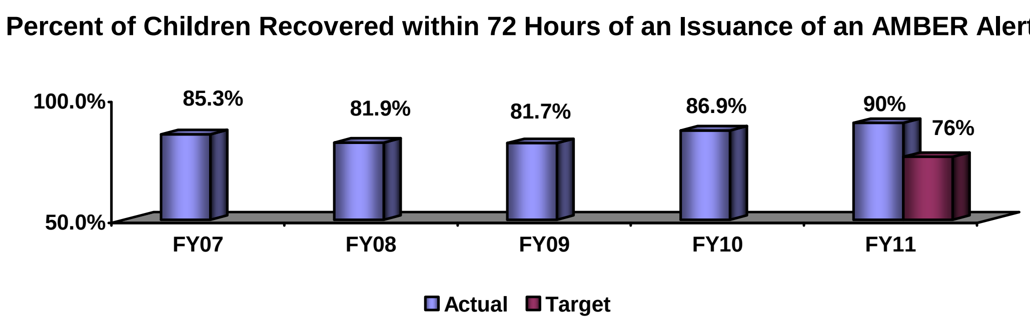
Data Limitations: None known at this time.

FY 2012 Outcome Goal: Continue to ensure a 75% or greater recovery rate in the number of children recovered within 72 hours of the issuance of an AMBER Alert through FY 2012
FY 2011 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives**:** Research shows that it is critical to post and resolve AMBER Alerts as soon as possible because abductors who murder children are most likely to do so within four hours following the abduction. The Office of Juvenile Justice and Delinquency Prevention (OJJDP) administers OJP's AMBER Program, which supports best practices training and technical assistance for state and regional AMBER Alert teams. At the end of 2001, there were only four statewide AMBER Alert plans. Today, all 50 states, 2 U.S. territories (the U.S. Virgin Islands and Puerto Rico), and 15 Indian tribes have plans in place. The AMBER Alert strategy focuses on: (1) strengthening the existing AMBER Alert system; (2) expanding the scope of AMBER Alert; and (3) enhancing communication and coordination.

Performance Measure: Percent of Children Recovered within 72 Hours of an Issuance of an AMBER Alert
FY 2011 Target: 76%
FY 2011 Actual: 90%

Discussion of FY 2011 Results: The target for FY 2011 was to recover 76 percent of children within 72 hours of issuing an AMBER Alert. OJP exceeded the target with an actual of 90 percent of victims recovered within 72 hours of an AMBER Alert.



Data Definition: Recovery rate is determined by taking the total number of AMBER Alerts cancelled within 72 hours of issuance because the subject child/children are recovered divided by the total number of alerts issued. The result is expressed as a percentage. Children from cases classified as hoax or unfounded after intake are excluded from the measure.

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

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

Data Limitations: None known at this time.

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

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

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

Revised FY 2012 Outcome Goal: 11,200 offenders remain arrest free 1 year following release from aftercare (FY 2007-2012)
FY 2010 Progress: The Department is on target to achieve this long-term goal.

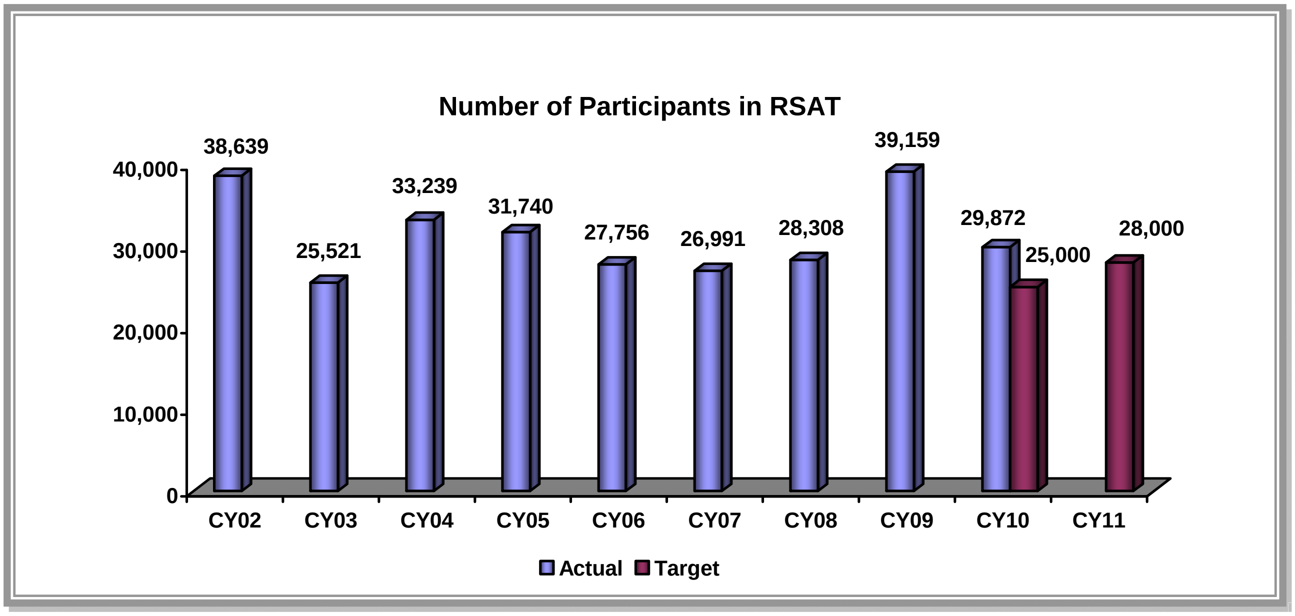
***Background/Program Objectives*:** Residential Substance Abuse Treatment (RSAT) Program formula grant funds are used to implement four types of programs: 1) residential substance abuse treatment programs that provide individual and group treatment activities for offenders in residential facilities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

***Performance Measure**:* Number of Participants in RSAT
CY 2010 Target: 25,000
CY 2010 Actual: 29,872

CY 2011 Target: 28,000
CY 2011 Actual: Data for this measure is collected on a calendar year basis and will be available in June 2012

Discussion of CY 2010 and CY 2011 Results: The target for CY 2010 was to have 25,000 participants in RSAT programs. During CY 2010, OJP RSAT grantees reported that 29,872 individuals participated in RSAT programs, which exceeded the target by 4,872 participants.

The target for CY 2011 is to have 28,000 participants in RSAT programs. Data for this measure are collected on a quarterly basis and will be available in June 2012.



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

Data Collection and Storage: Program managers obtain data from reports submitted by grantee into the Bureau of Justice Assistance (BJA) Performance Measurement Tool (PMT).

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

1. BJA applies front-end business rules and logic to the data grantees enter into the PMT so that erroneous data values are rejected. Grantees get an error message if they try to leave a required field blank or enter a value that is impossible.

2. BJA applies data cleaning techniques to the back-end data when analyzing it after reporting is complete. Follow-up phone calls or outreach may be conducted during this step.

3. BJA grant managers review and validate performance measure data during on-site visits, using specific questions pertaining to data included in the checklist. BJA conducts on-site monitoring for approximately five percent of active grants.

4. Outside of the on-site visit process, BJA grant managers review and approve the progress reports. As a result of this review, the BJA grant manager may contact the grantee to ask them to explain or resolve any perceived inconsistent or missing performance measure data.

Data Limitations: Due to previous data collection limitations regarding the variations in reporting period for the grantees, BJA migrated the collection of RSAT performance measures to the PMT, an online data collection tool. The grantees began reporting the RSAT data in the PMT for the reporting period January 1-June 30, 2009 and have reported on a quarterly basis since then. The number of RSAT participants for 2010 reflects the 2010 calendar year, but in the future, because grantees are reporting on a quarterly basis, BJA will be able to report these numbers on a fiscal or calendar year basis. The issue of variations in grantee reporting periods has been resolved.

FY 2012 Outcome Goal: Increase the graduation rate of drug court participants from 21% (FY 2005) to 32% by FY 2012
2011 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: OJP's Drug Court Program is administered by BJA and OJJDP. The Drug Court Program was established in 1995 to provide financial and technical assistance to states, state courts, local courts, units of local government, and tribal governments in order to establish drug treatment courts. Drug courts employ an integrated mix of treatment, drug testing, incentives, and sanctions to break the cycle of substance abuse and crime. Since 1989, more than 2,500 jurisdictions have established or are planning to establish a drug court. Currently, every state and two U.S. Territories have one or more drug courts in operation.

The need for drug treatment services is tremendous and OJP has a long history of providing resources to break the cycle of drugs and violence by reducing the demand, use, and trafficking of illegal drugs. Twenty-eight percent of the 4.3 million people who reported to the 2009 National Crime Victimization Survey that they had been a victim of violence believed that the perpetrator was using drugs, or drugs in combination with alcohol. Further, 54 percent of jail inmates were abusing or dependent on drugs, according to Bureau of Justice Statistics (BJS) 2002 Survey of Inmates in Local Jails. Correspondingly, 53 percent of state inmates, and 45 percent of federal inmates abused or were dependent on drugs in the year before their admission to prison, according to the BJS 2004 Survey of Inmates in State and Federal Correctional Facilities.

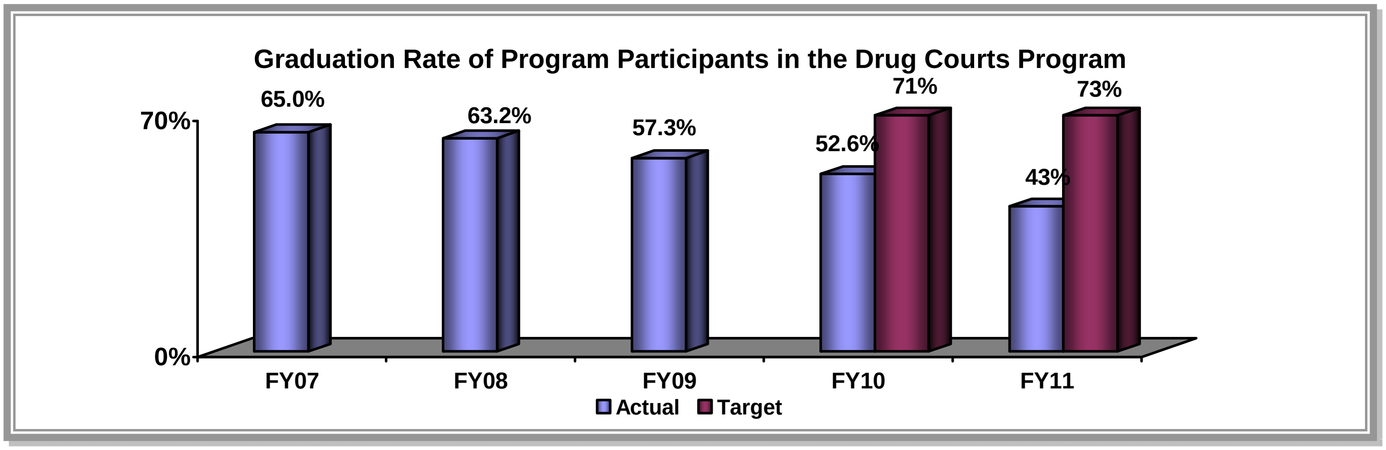
Performance Measure: Graduation Rate of Program Participants in the Drug Courts Program (Adult drug court participants only) (see Data Limitations)

FY 2010 Target: 71%
FY 2010 Actual: 52.6%

FY 2011 Target: 73%
FY 2011 Actual: 43%

Discussion of FY 2010 and FY2011 Results: The target for FY 2010 is a graduation rate of 71 percent. Drug Court grantees achieved a graduation rate of 52.6 percent in FY 2010. As a result of not meeting this target, BJA researched this performance measure and the data reported for it. As described below, BJA revised the FY 2011 and future targets to be more appropriate targets for the Drug Court program and participants.

The target for FY 2011 was originally set at 73 percent. However, during FY 2011, BJA established a new graduation rate target based on both historical grantee reporting and extensive research into a national average drug court graduation rate. The national average for drug court graduation rate is 50 percent for established (mature) drug courts. BJA has been reporting graduation rates for implementation (immature) grantees, which are just launching start up activities. The average historical rate for immature drug courts is near 46 percent. Since, in the future, BJA will report on graduation rates for implementation (immature) and enhancement (mature) grantees' graduation rates separately, BJA has established a static target of 48 percent. OJP Drug Court grantees reported that 43 percent of program participants graduated during FY 2011.



Data Definitions: The graduation rate is calculated by dividing the number of graduates (successful completions) during the reporting period by the sum of the successful and unsuccessful completions. Unsuccessful completions stem from failure to complete program requirements, as a result of actions such as re-arrest or relapse in substance abuse.

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

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

1. BJA applies front-end business rules and logic to the data grantees enter into the PMT so that erroneous data values are rejected. Grantees get an error message if they try to leave a required field blank or enter a value that is impossible.

2. BJA applies data cleaning techniques to the back-end data when analyzing it after reporting is complete. Follow-up phone calls or outreach may be conducted during this step.

3. BJA grant managers review and validate performance measure data during on-site visits, using specific questions pertaining to data included in the checklist. BJA conducts on-site monitoring for approximately five percent of active grants.

4. Outside of the on-site visit process, BJA grant managers review and approve the progress reports. As a result of this review, the BJA grant manager may contact the grantee to ask them to explain or resolve any perceived inconsistent or missing performance measure data.

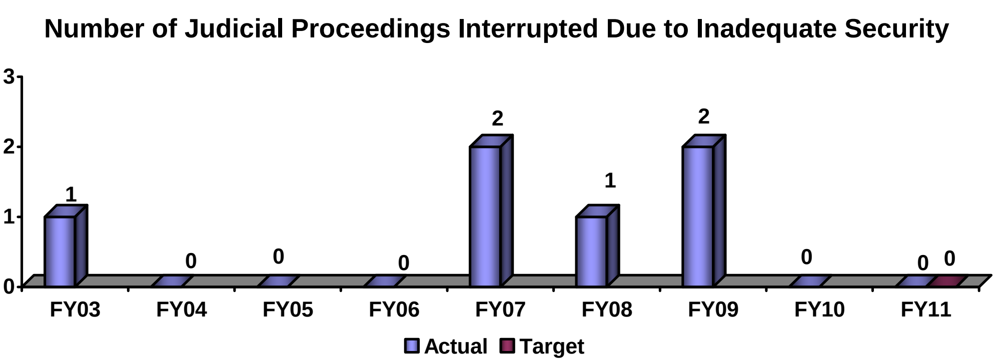
Data Limitations: Graduation rates are not reported for years prior to FY 2007 because the formula for calculating the rate was changed that year to make it more accurate. Graduation rates from 2007 forward are calculated by dividing the number of drug court participants that graduate during the reporting period by the total number of drug court participants that exit the program during the reporting period due to graduating or failing to graduate as a result of noncompliance with program requirements. Prior to FY 2007, the formula divided the number of graduates by the total number of drug court participants, regardless of eligibility for graduation and continued program participation and compliance, which resulted in lower graduation rates. The reporting cycle for these data is July 1-June 30.

FY 2012 Outcome Goal: Ensure that no judicial proceedings are interrupted due to inadequate security
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

Performance Measure: Number of Judicial Proceedings Interrupted Due to Inadequate Security
FY 2011 Target: 0
FY 2011 Actual: 0

Discussion of FY 2011 Results: The USMS met its FY 2011 target of zero interrupted judicial proceedings.



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

Data Collection and Storage: The USMS Communication Center collects Weekly Activity Reports and Incident Reports from the districts. These reports have been collected by the USMS Communications Center via email since FY 2003.

Data Validation and Verification: Before data are disseminated agency-wide, the USMS Communications Center verifies the information with HQ operational program managers to ensure accuracy.

Data Limitations: This measure was not tracked or reported until FY 2003.

Revised FY 2012 Outcome Goal: Apprehend or clear 56% or 33,192 primary fugitives
FY 2011 Progress: The Department will not meet the original percentage target. A new target (51%) has been established for FY 2012.

Background/Program Objectives: The USMS has 7 Regional Fugitive Task Forces (RFTF) and approximately 82 district-based warrant squads that handle the warrant workload. The RFTFs and district warrant squads rely on interagency fugitive task forces involving hundreds of federal, state, and local law enforcement officers. Combining resources enables the USMS to focus on the most violent fugitives. In addition to domestic activities, the USMS is the lead agency responsible for extraditing (or deporting) U.S. fugitives that have fled to foreign countries back into this country. The USMS is also responsible for apprehending and deporting foreign fugitives within the U.S. who are wanted abroad.

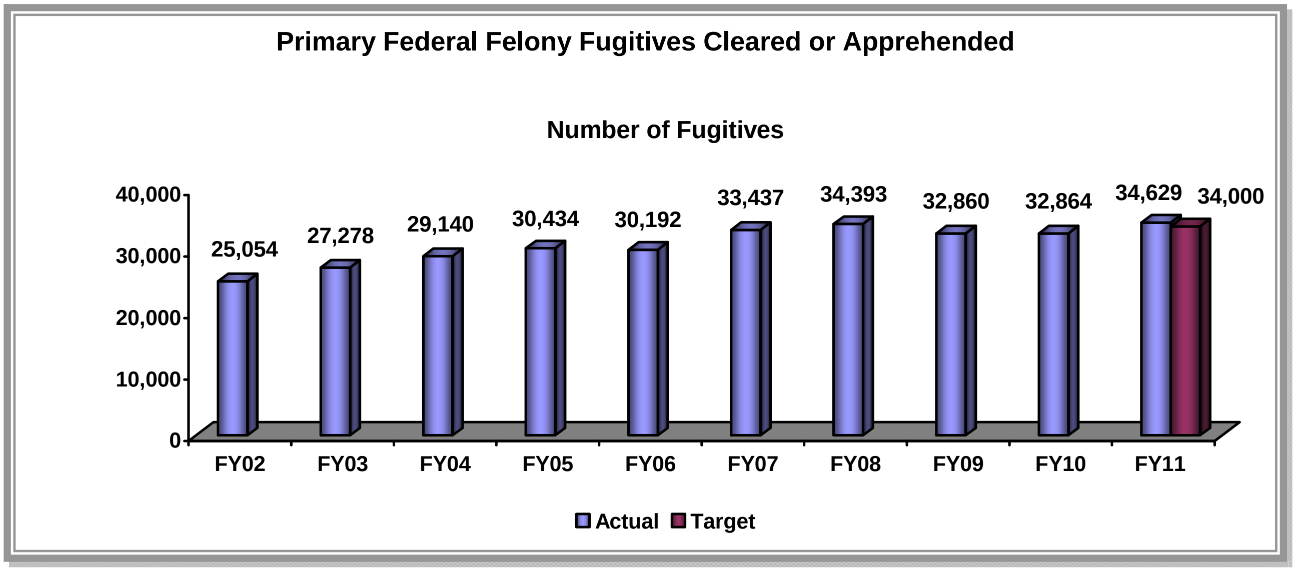
As part of the fugitive apprehension mission, the USMS has been designated by the Attorney General as the lead agency for location and apprehending non-compliant sex offenders and others who violate the provisions of the Adam Walsh Child Protection and Safety Act. A non-compliant sex offender is any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

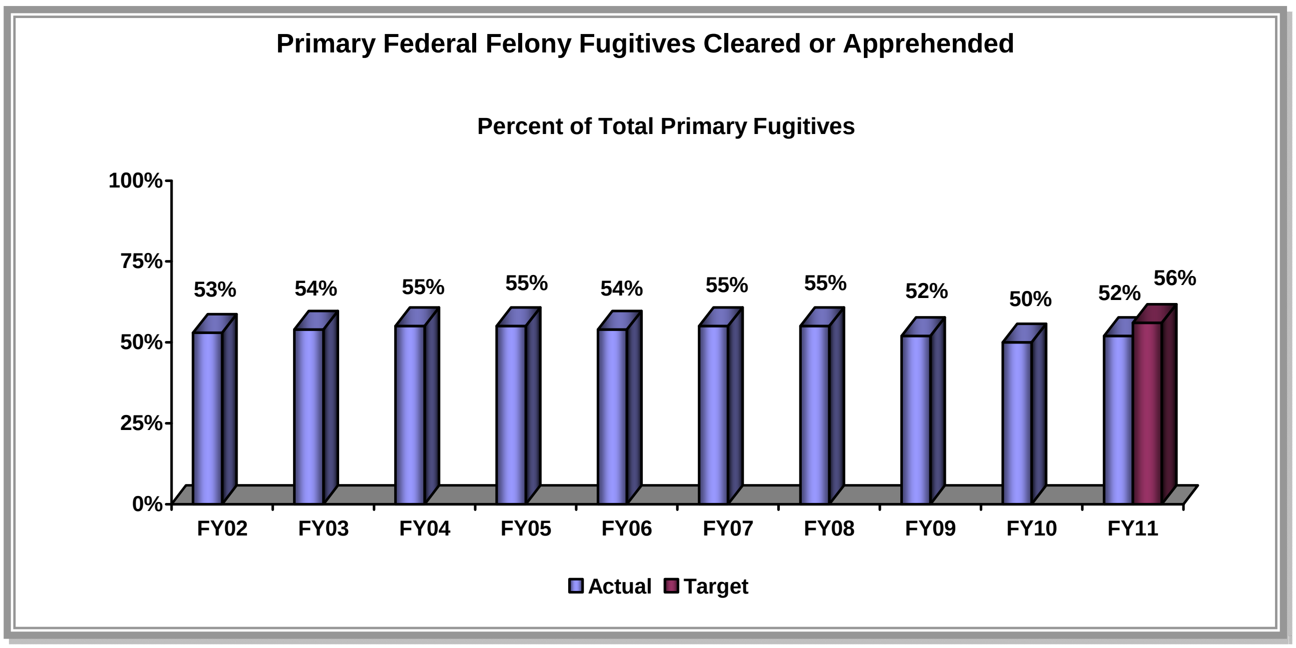
Performance Measure: Number and Percent of Primary Federal Felony Fugitives Cleared or Apprehended
FY 2010 Revised Actual: 32,864 or 50% (Previous Actual: 36,126 or 56%)

FY 2011 Target: 34,000 or 56%
FY 2011 Actual: 34,629 or 52%

Discussion of FY 2011 Results: The USMS revised the previously reported figure for the FY 2010 performance measure from 36,126 and 56 percent to 32,864 and 50 percent. The change is a result of an update to reflect final data/information. For FY 2011, The USMS exceeded its target of 34,000 primary Federal felony fugitives apprehended or cleared by apprehending or clearing 34,629 primary Federal felony fugitives in FY 2011. This resulted in 52 percent of total primary Federal felony fugitives apprehended or cleared which is more than half of all warrants on hand or received during FY 2011. While the target number was met for this measure, the percentage target of 56 percent was not met due to a larger than expected increase in the number of wanted primary federal felony fugitives. The USMS still views this as a successful performance because the targeted number of primary federal fugitives apprehended or cleared was achieved. Among those arrested, 3,913 were for crimes of homicide, 4,958 were gang members, and 12,793 were sex offenders. In addition, in FY 2011, the USMS had 885 fugitives extradited and /or deported to the United States from other countries.

The 7 operating RFTFs, in addition to the 75 district task forces, are directing their investigative efforts toward reducing the number of violent crimes. These crimes include terrorist activities, organized crime, drugs, and gang violence. The RFTFs and District Fugitive Task Forces combined led to the arrest of 85,691 state and local fugitive felons in FY 2011. The USMS initiated 2,808 Federal investigations into the failure of sex offenders to meet their registration requirements.





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

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

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

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

Revised FY 2012 Outcome Goal: Hold the average per day jail cost for federal detention at or below inflation
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

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

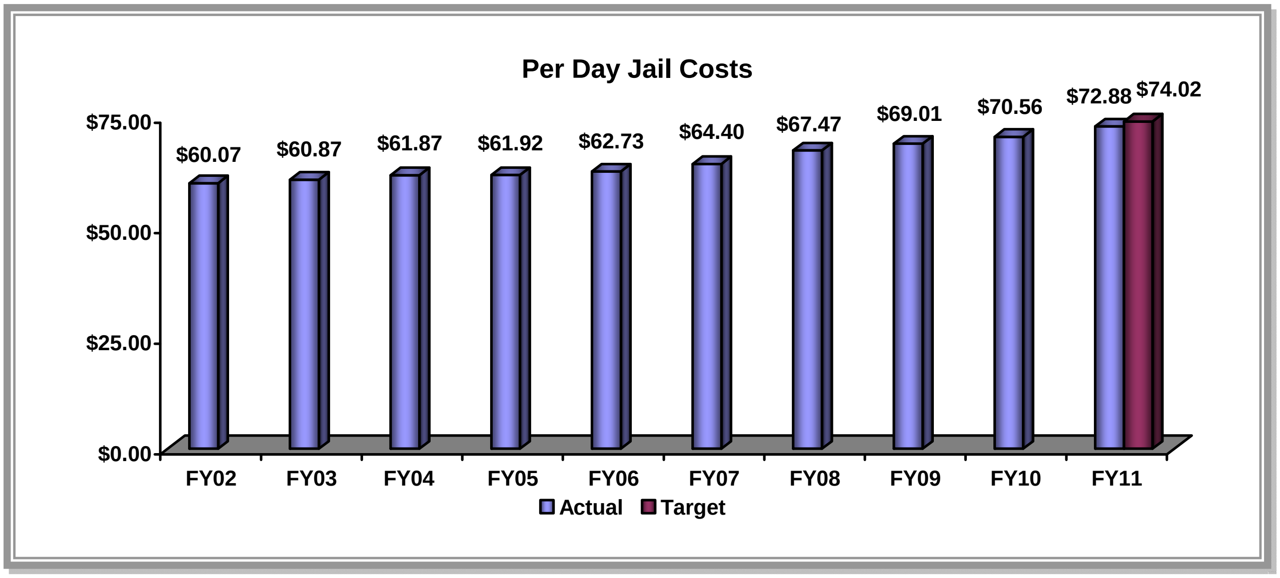
In recent years, the DOJ has not been able to rely as much on IGAs and federal facilities to meet the surge in the detention population as state and local governments are increasingly using their facilities for their own detention requirements. With space unavailable in areas where more federal bed-space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

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

Performance Measure: Per Day Jail Costs
FY 2010 Revised Actual: $70.56 (Previous Actual: $70.59)

FY 2011 Target: $74.02
FY 2011 Actual: $72.88

Discussion of FY 2011 Results: The actual per day jail cost for FY 2011 was below the target because of 1) a moratorium on per diem rate increases awarded to state and local facilities providing detention space to the USMS, and 2) economies of scale realized through greater than anticipated usage of private detention facilities that provide reduced housing costs for greater facility utilization. The per diem rate moratorium resulted in cost avoidances during FY 2011.



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

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

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

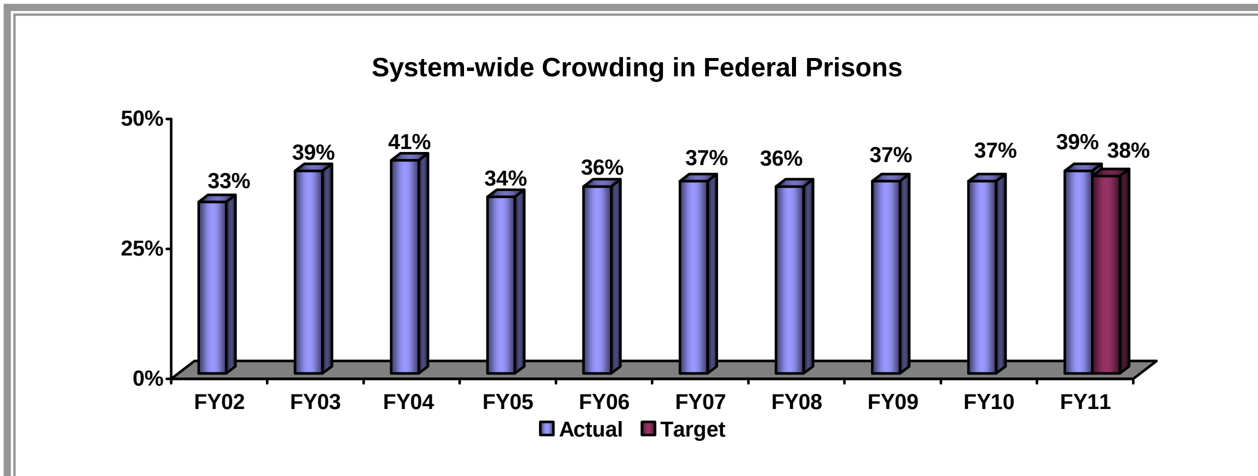
Data Limitations: The limitation is ensuring that USMS district level input into PTS occurs in a timely and correct manner.

Revised FY 2012 Outcome Goal: Reduce system-wide crowding in federal prisons to 28% by 2012
FY 2011 Progress: The Department will not meet this long-term goal target by FY 2012.

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

Performance Measure: System-wide Crowding in Federal Prisons
FY 2011 Target: 38%
FY 2011 Actual: 39%

Discussion of FY 2011 Results: During FY 2011, the overall BOP population increased by 7,541. The target crowding level was based upon a projected population increase of 6,034 inmates during FY 2011. Further, the projected population increase for BOP institutions was 2,695 and the actual increase was 4,645. During FY 2011, the BOP was able to increase the rated capacity by 830 of the 958 planned beds, by bringing on-line the remaining beds at the Federal Correctional Institution (FCI) McDowell and the minimum security satellite camp at Mendota. The BOP was not able to achieve the target due to greater than expected inmate growth and lack of funding to bring on-line the medium security beds at FCI Mendota.



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

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

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

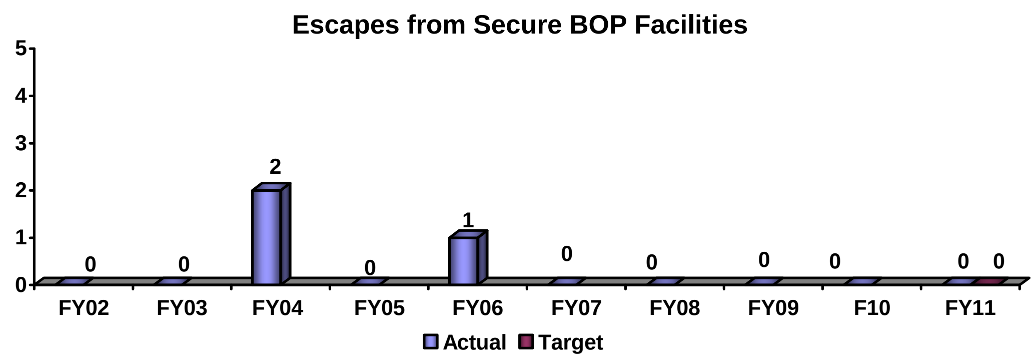
Data Limitations: None known at this time.

Revised FY 2012 Outcome Goal: Ensure that there will be no escapes from secure Bureau of Prison facilities
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

Performance Measure: Escapes from Secure BOP Facilities
FY 2011 Target: 0
FY 2011 Actual: 0

Discussion of FY 2011 Results: During FY 2011, the BOP had no escapes from secure BOP facilities.



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

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

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

Data Limitations*:* None known at this time.

Revised FY 2012 Outcome Goal: Comparative recidivism rates for Federal Prison Industry (FPI) inmates: 15% 3 years following release
FY 2011 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: An objective of FPI is to reduce recidivism by providing job training to help inmates develop a basic work ethic and marketable skills, thereby allowing them to become productive law-abiding citizens upon release. The finding of the initial performance measurement in FY 2005 was consistent with an earlier well-designed evaluation of the effects of the prison industries experience. Both evaluations found that inmates who had participated in FPI were less likely to recidivate after release than similarly situated non-participants.

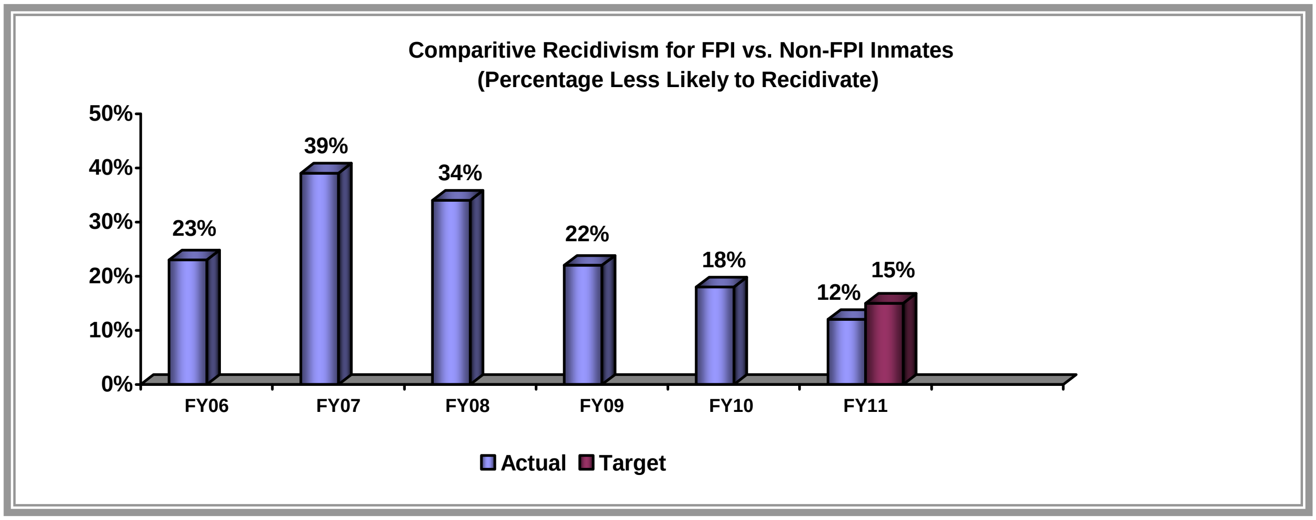
Treatment subjects, defined as inmates who participated in FPI for at least six months, are drawn from the population of recently released inmates, released FY 2005-2007. The treatment subjects are matched with comparison subjects who did not participate in FPI using a propensity score technique designed to insure that the comparison subjects are similar to treatment subjects. Subjects are followed over a 3-year period and the comparison between groups is reviewed and interpreted to identify the relative difference in the risk of recidivism.

The targets for inmates released in FY 2005-2007 is: Inmates who participated in FPI will remain 15 percent less likely to recidivate after release from a secure facility, compared to similarly situated inmates who did not participate.

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

FY 2011 Target: 3 years; 15%
FY 2011 Actual: 3 years; 12%

Discussion of FY 2011 Results: Analyses show a 12 percent relative reduction in recidivism comparing FPI participants with similarly situated comparison subjects. The results of this ongoing research may differ from earlier findings due to changes in the program, improved research methods, changes in the composition of the inmate population, and changes in the quality and comprehensiveness of data. Comparing results from one year to the next is inherently speculative. That type of analysis would be confounded by changes in the composition of the release population, changes in law enforcement practices, changes in the program, the unpredictable effects of unique historical events, changes that affect opportunities to commit crime, start a family, get a good job, live in a safe neighborhood, and obtain treatment and support. The FPI does not currently plan to revise the target in the near future.



Data Definition: Recidivism is defined as a tendency to relapse into a previous mode of behavior, such as criminal activity resulting in arrest and incarceration. For purposes of the measure, recidivism over the 3 years following release is defined as an arrest or a return to BOP custody for a supervised release violation or a new conviction.

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

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

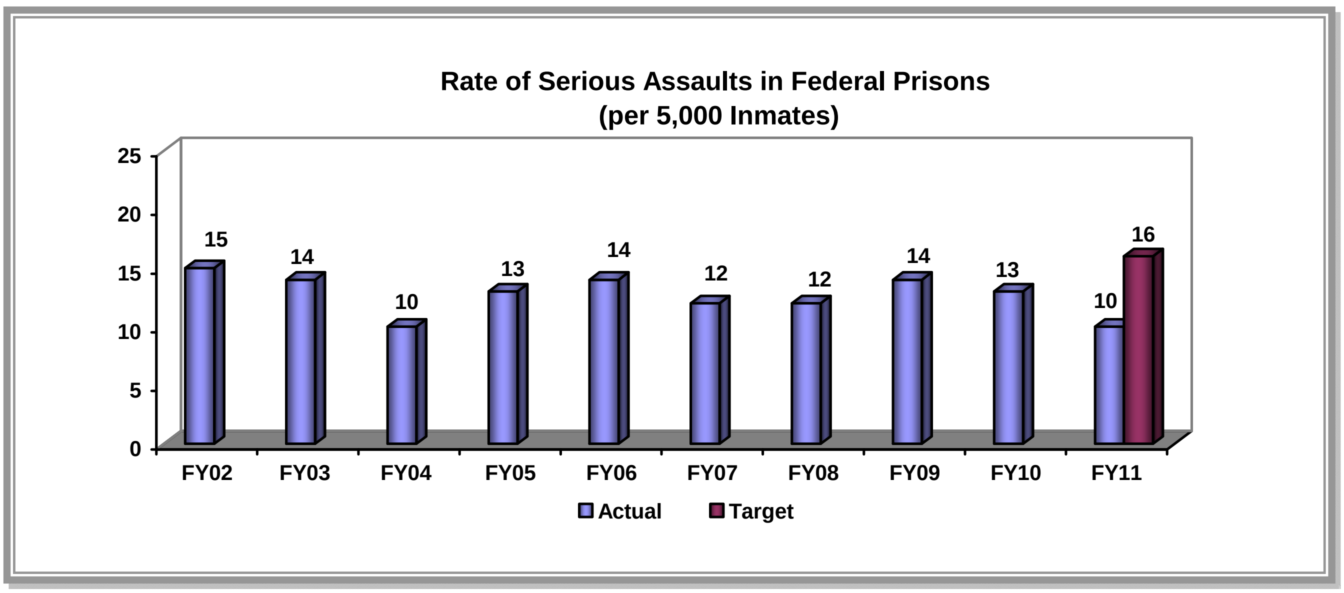
Data Limitations: Although non-citizens make up a significant minority of the BOP population, they are excluded from analyses because many of them are deported following release from prison, and it is not known if they recidivate. A 1-year lag after the end of the follow-up period is necessary to complete the study.
The data provided utilizes a statistical model to predict recidivism, based upon the confounding factors known to be predictors, such as demographic characteristics, prior record, and types of offense. Although considered to be a valid method, sampling risk is present. Projected targets are based on an earlier study of recidivism by FPI participating inmates and their similarly situated non-participating counterparts, also referred to as comparison subjects. The results of this ongoing research may differ from earlier findings due to changes in the program, improved research methods, changes in the composition of the inmate population, and changes in the quality and comprehensiveness of data.

Revised FY 2012 Outcome Goal: Limit the rate of serious assaults in federal prisons to 14 assaults per 5,000 inmates
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

Performance Measure: Rate of Serious Assaults in Federal Prisons (per 5,000 Inmates)
FY 2011 Target: 16
FY 2011 Actual: 10

Discussion of FY 2011 Results: The FY 2011 target was met. The actual rate of serious assaults was 10 per 5,000 inmates, lower than the target rate of 16 per 5,000 inmates for FY 2011.



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

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

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

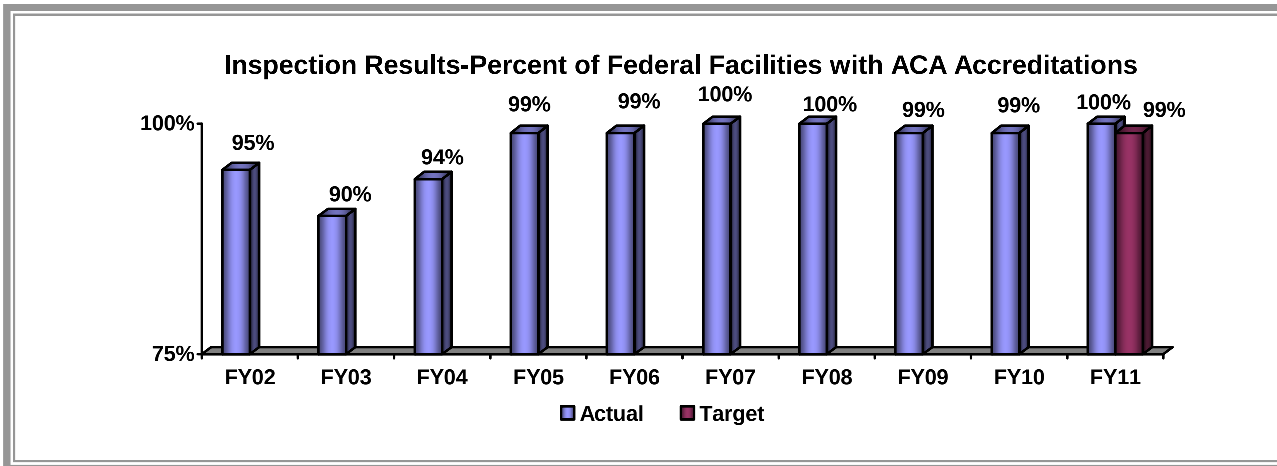
Data Limitations: The data represents the number of guilty findings for assaults over a twelve-month period per 5,000 inmates. Due to the time required to adjudicate allegations of assault, there is a lag between the occurrence of the assault and reporting of guilty findings. Due to accelerated reporting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

Revised FY 2012 Outcome Goal: Achieve a 99% positive rate in inspection/accreditation results for federal prison facilities (FY 2007-2012)
FY 2011 Progress: The Department is on target to achieve this long-term goal.

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

Performance Measure: Inspection Results—Percent of Federal Facilities with ACA Accreditations
FY 2011 Target: 99%
FY 2011 Actual: 100%

Discussion of FY 2011 Results: All of the BOP's one hundred fifteen prisons eligible to participate in the accreditation program achieved or maintained their accreditation. FCI McDowell, WV will be eligible for initial accreditation in January 2012 and has successfully completed their site visit. New institutions are not considered eligible for accreditation status until approximately two years after initial activation.



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

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

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

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

Data Limitations: None known at this time.

Revised FY 2012 Outcome Goal: Complete 90% of Executive Office for Immigration Review priority cases within established timeframes
FY 2011 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The Executive Office for Immigration Review (EOIR) has jurisdiction over various immigration matters relating to DHS, aliens, and other parties. EOIR comprises three adjudicating components: the Board of Immigration Appeals (BIA), the Immigration Courts, and the Office of the Chief Administrative Hearing Officer. EOIR's mission is to be the best administrative tribunal possible, rendering timely, fair, and well-considered decisions in the cases brought before it. EOIR's ability to achieve its mission is critical to the guarantee of justice and due process in immigration proceedings, and public confidence in the timeliness and quality of EOIR adjudications. Included in this context are the timely grants of relief from removal in meritorious cases and the expeditious removal of criminal and other inadmissible aliens where no relief is available. To assure mission focus, EOIR has identified adjudication priorities and set specific time frames for most of its proceedings. These priorities include court cases involving criminal and other detained aliens, and adjudicative time frames for all detained appeals filed with the BIA. These targets are related to percentages of cases actually completed.

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

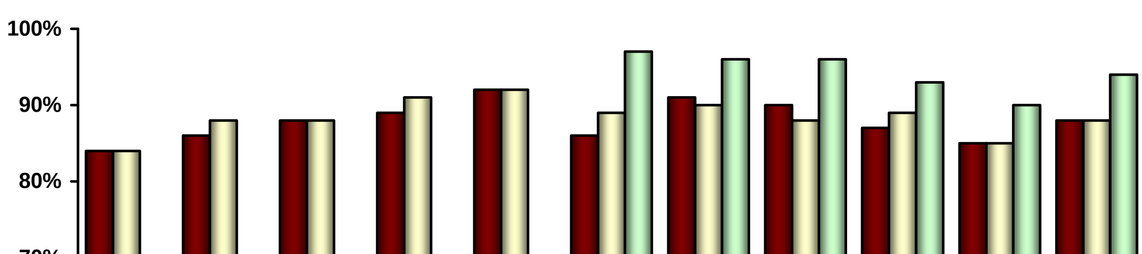
FY 2011 Target: 85% for Institutional Hearing Program (IHP) and detained immigration court cases and 90% for detained appeals

FY 2011 Actual:

Immigration Court IHP Cases Completed Prior to Release from Incarceration: 88%
Immigration Court Detained Cases Completed Within 60 Days: 88%
Immigration Court Detained Appeals Completed Within 150 Days: 94%

Discussion of FY 2011 Results: Through careful management of EOIR's resources, the agency exceeded all three of its goals for FY 2011. As part of the Department's priority goal initiative, EOIR has placed its focus on continuing to meet its large detained caseload. EOIR also used video teleconferencing when appropriate to handle the detained immigration court docket, including Institutional Hearing Program cases. The BIA also continued to manage its resources carefully to ensure that it exceeded its goal of completing 90 percent of detained appeals within 150 days. EOIR will continue to look at innovative ways to manage its detained docket, including close coordination with DHS.

Percent of EOIR Priority Cases Completed Within Established Time Frames



	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11 Tgt	FY11 Act.
IHP	84%	86%	88%	89%	92%	86%	91%	90%	87%	85%	88%
Detained Cases	84%	88%	88%	91%	92%	89%	90%	88%	89%	85%	88%
Detained Appeals	N/A	N/A	N/A	N/A	N/A	97%	96%	96%	93%	90%	94%

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

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

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

Data Limitations: None known at this time.

SECTION III
FINANCIAL SECTION

Section III Financial Section

Overview

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

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

Consolidated Balance Sheets – Presents resources owned or managed by the Department that are available to provide future economic benefits (assets); amounts owed by the Department that will require payments from those resources or future resources (liabilities) and residual amounts retained by the Department, comprising the difference (net position) as of September 30, 2011 and 2010.

Consolidated Statements of Net Cost – Presents the net cost of Department operations for the fiscal years ended September 30, 2011 and 2010. The Department's net cost of operations includes the gross costs incurred by DOJ less any exchange revenue earned from Department activities.

Consolidated Statements of Changes in Net Position – Presents the change in the Department's net position resulting from the net cost of operations, budgetary financing sources other than exchange revenues and other financing sources for the fiscal years ended September 30, 2011 and 2010.

Combined Statements of Budgetary Resources – Presents the budgetary resources available to the Department, the status of those resources, and the outlay of budgetary resources for the fiscal years ended September 30, 2011 and 2010.

Combined Statements of Custodial Activity – Presents the sources and disposition of non-exchange revenues collected or accrued by the Department on behalf of other recipient entities for the fiscal years ended September 30, 2011 and 2010.

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A Message From the Chief Financial Officer

November 10, 2011

I am pleased to report that the Department has earned an unqualified audit opinion on its FY 2011 consolidated financial statements. More importantly, for the fifth straight year, the auditor's report on internal controls over financial reporting did not identify any material weaknesses at the consolidated Department level, and for the first time no significant deficiencies were identified at the consolidated Department level. Where our individual components have deficiencies with financial, reporting, or information systems controls, we will continue our commitment to address the underlying causes of those issues until they are eliminated.

One of our notable accomplishments this year was the successful implementation of the Department's Unified Financial Management System (UFMS) at the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). ATF accomplished a large and complex system conversion while maintaining an unqualified opinion on its financial statements. This was a significant achievement.

The Department is fully cognizant of the economic difficulties faced by our country. We have been devoted to looking for ways to operate more efficiently in order to ensure taxpayer funds are spent wisely on the critical national security and law enforcement activities the Department performs for the nation. The Department's leadership has challenged our components to find savings across our operations, and components have responded with savings in real property management, travel, information technology, and conference spending, to name only a few savings areas. The Department's SAVE Council is continuing to look for additional areas we can reduce spending in order to operate as efficiently as possible. When we find areas where we can improve our practices, we have implemented new controls and procedures. Travel and conferences are two such areas.

We take our financial accountability seriously, and we take our commitment to sound agency performance and providing taxpayer value seriously. We look forward in FY 2012 to furthering our fiscal achievements as the Department continues to serve the nation and its citizens.

Lee Lofthus
Chief Financial Officer

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U.S. DEPARTMENT OF JUSTICE ANNUAL FINANCIAL STATEMENTS FISCAL YEAR 2011

OFFICE OF THE INSPECTOR GENERAL COMMENTARY AND SUMMARY

This audit report contains the Annual Financial Statements of the U.S. Department of Justice (Department) for the fiscal years (FY) ended September 30, 2011, and September 30, 2010. Under the direction of the Office of the Inspector General (OIG), KPMG LLP performed the Department's audit in accordance with U.S. generally accepted government auditing standards. The audit resulted in an unqualified opinion on the FY 2011 financial statements. An unqualified opinion means that the financial statements present fairly, in all material respects, the financial position and the results of the entity's operations in conformity with U.S. generally accepted accounting principles. For FY 2010, the Department also received an unqualified opinion on its financial statements (OIG Report No. 11-03).

KPMG LLP also issued *Reports on Internal Control over Financial Reporting* and *on Compliance and Other Matters*. For FY 2011, the *Independent Auditors' Report on Internal Control over Financial Reporting* identified no deficiencies in internal control. Nevertheless, it is important to note that the Department still does not have a unified financial management system to readily support ongoing accounting operation and preparation of financial statements. As discussed in past years, we believe the most important challenge facing the Department in its financial management is to successfully implement an integrated financial management system to replace the disparate and, in some cases, antiquated financial systems used by Department components.

In the FY 2011 *Independent Auditors' Report on Compliance and Other Matters*, the auditors identified no instances of non-compliance with applicable laws and regulations and the *Federal Financial Management Improvement Act of 1996*.

The OIG reviewed KPMG LLP's reports and related documentation and made necessary inquiries of its representatives. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on the Department's financial statements, conclusions about the effectiveness of internal control, conclusions on whether the Department's financial management systems substantially complied with the *Federal Financial Management Improvement Act of 1996*, or conclusions on compliance with laws and regulations. KPMG LLP is responsible for the attached auditors' reports dated November 10, 2011, and the conclusions expressed in the reports. However, our review disclosed no instances where KPMG LLP did not comply, in all material respects, with U.S. generally accepted government auditing standards.

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

Independent Auditors' Report on Financial Statements

Acting Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the accompanying consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2011 and 2010, and the related consolidated statements of net cost and changes in net position, and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended. These consolidated financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), which statements reflect total assets of $2.1 billion and $2.4 billion, and total net costs of $2.8 billion and $2.8 billion, as of and for the years ended September 30, 2011 and 2010, respectively. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those components, is based solely on the reports of the other auditors.

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

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the U.S. Department of Justice as of September 30, 2011 and 2010, and its net costs, changes in net position, budgetary resources, and custodial activity for the years then ended in conformity with U.S. generally accepted accounting principles.

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

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating and combining information in the *Consolidating and Combining Financial Statements* section is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, net costs, changes in net position, budgetary resources, and custodial activity of the Department's components individually. The consolidating and combining information has been subjected to the auditing procedures applied by us and the other auditors in the audits of the consolidated financial statements and, in our opinion, based on our audits and the reports of the other auditors, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The information in the *Introduction*, *FY 2011 Performance Report*, *Management Section*, and *Appendices* is presented for purposes of additional analysis and is not required as part of the consolidated financial statements. This information has not been subjected to the auditing procedures applied by us and the other auditors in the audits of the consolidated financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 10, 2011, on our consideration of the Department's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audits.

KPMG LLP

November 10, 2011

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

Independent Auditors' Report on Internal Control over Financial Reporting

Acting Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2011 and 2010, and the related consolidated statements of net cost and changes in net position and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended, and have issued our report thereon dated November 10, 2011. We did not audit the financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as of and for the years ended September 30, 2011 and 2010. Those financial statements were audited by other auditors whose reports have been furnished to us, and our report, insofar as it relates to the amounts included for those components, is based solely on the reports of the other auditors.

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

As stated above, we did not audit the fiscal year 2011 financial statements of the USMS, FPI, and ATF. Those financial statements were audited by other auditors whose reports thereon, including the other auditors' *Independent Auditors' Report on Internal Control over Financial Reporting*, have been furnished to us. Accordingly, our report on the Department's internal control over financial reporting, insofar as it relates to those components, is based solely on the reports and findings of the other auditors.

The Department's management is responsible for establishing and maintaining effective internal control. In planning and performing our fiscal year 2011 audit, we considered the Department's internal control over financial reporting by obtaining an understanding of the Department's internal control, determining whether internal controls had been placed in operation, assessing control risk, and performing tests of controls as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the fourth paragraph of this report and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. In our fiscal year 2011 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Exhibit I presents the status of the prior year's finding and recommendations.

We noted certain additional matters that we have reported to management of the Department in a separate letter dated November 10, 2011.

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

KPMG LLP

November 10, 2011

EXHIBIT I

STATUS OF PRIOR YEAR'S FINDING AND RECOMMENDATIONS

As required by *Government Auditing Standards* issued by the Comptroller General of the United States, and by OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements,* as amended, we have reviewed the status of the prior year's finding and recommendations. The following table provides our assessment of the progress the Department has made in correcting the previously identified significant deficiency. We also provide the Office of the Inspector General report number where the deficiency was reported, our recommendations for improvement, and the status of the recommendations as of the end of fiscal year 2011:

Report	Significant Deficiency	Recommendation	Status
Annual Financial Statements Fiscal Year 2010 Report No. 11-03	Improvements are needed in the components' internal controls to provide reasonable assurance that transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles	**Recommendation No. 1:** Monitor the corrective actions taken by the USMS to improve the condition of its funds management controls, in response to the specific recommendations made in the component auditor's *Independent Auditors' Report on Internal Control over Financial Reporting* issued in connection with the audit of the USMS's financial statements as of and for the year ended September 30, 2010.	Completed[1]
		Recommendation No. 2: Assess the adequacy of the Department's accounting, internal control, and financial reporting policies in the areas of: (1) seized and forfeited property and (2) undelivered orders and accounts payable. Based on the results of this assessment, determine the need to issue new guidance and/or reiterate to the AFF and ATF the existing policies for those areas in which the components' auditors identified significant deficiencies related to the recording of transactions and the preparation of financial statements in accordance with U.S. generally accepted accounting principles. Monitor the AFF's and ATF's adherence to the Department's accounting and financial reporting policies and procedures throughout the year.	Completed[1]
		Recommendation No. 3: Continue efforts to implement a Department-wide integrated financial management system that is in compliance with the United States Government Standard General Ledger, conforms to the financial management systems requirements established by the Financial Systems Integration Office (formerly the Joint Financial Management Improvement Program), and can accommodate the requirements of applicable Federal accounting standards.	Completed[1]

[1] Sufficient progress has been made in addressing this finding and the related recommendation such that the remaining risk of misstatement no longer merits the attention by those charged with governance. Therefore, the condition has been downgraded to a deficiency in internal control.

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Independent Auditors' Report on Compliance and Other Matters

Acting Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the consolidated balance sheets of the U.S. Department of Justice (Department) as of September 30, 2011 and 2010, and the related consolidated statements of net cost and changes in net position and the combined statements of budgetary resources and custodial activity (hereinafter referred to as the "consolidated financial statements") for the years then ended, and have issued our report thereon dated November 10, 2011. We did not audit the financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as of and for the years ended September 30, 2011 and 2010. Those financial statements were audited by other auditors whose reports have been furnished to us, and our report, insofar as it relates to the amounts included for those components, is based solely on the reports of the other auditors.

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

As stated above, we did not audit the fiscal year 2011 financial statements of the USMS, FPI, and ATF. Those financial statements were audited by other auditors whose reports thereon, including the other auditors' *Independent Auditors' Reports on Compliance and Other Matters*, have been furnished to us. Accordingly, our report on the Department's compliance and other matters, insofar as it relates to those components, is based solely on the reports and findings of the other auditors.

The management of the Department is responsible for complying with laws, regulations, contracts, and grant agreements applicable to the Department. As part of obtaining reasonable assurance about whether the Department's fiscal year 2011 consolidated financial statements are free of material misstatement, we and the other auditors performed tests of the Department's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the consolidated financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 07-04, including the provisions referred to in Section 803(a) of the *Federal Financial Management Improvement Act of 1996* (FFMIA). We and the other auditors limited our tests of compliance to the provisions described in the preceding sentence, and we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to the

Department. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

KPMG LLP

November 10, 2011

Principal Financial Statements and Related Notes

See Independent Auditors' Report on Financial Statements

U. S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2011 and 2010

Dollars in Thousands		2011		2010
ASSETS (Note 2)				
Intragovernmental				
Fund Balance with U.S. Treasury (Note 3)	$	23,354,452	$	23,596,587
Investments, Net (Note 5)		6,919,799		4,061,733
Accounts Receivable, Net (Note 6)		380,431		302,310
Other Assets (Note 10)		115,103		122,664
Total Intragovernmental		30,769,785		28,083,294
Cash and Monetary Assets (Note 4)		250,253		245,283
Accounts Receivable, Net (Note 6)		125,898		87,260
Inventory and Related Property, Net (Note 7)		170,889		237,347
Forfeited Property, Net (Note 8)		172,746		189,122
General Property, Plant and Equipment, Net (Note 9)		10,217,770		9,741,154
Advances and Prepayments		1,079,767		1,501,404
Other Assets (Note 10)		5,982		5,826
Total Assets	**$**	**42,793,090**	**$**	**40,090,690**
LIABILITIES (Note 11)				
Intragovernmental				
Accounts Payable	$	366,027	$	273,619
Accrued Federal Employees' Compensation Act Liabilities		250,625		243,446
Custodial Liabilities (Note 21)		605,009		331,172
Other Liabilities (Note 15)		389,522		951,367
Total Intragovernmental		1,611,183		1,799,604
Accounts Payable		2,504,820		2,520,022
Accrued Grant Liabilities		614,419		530,823
Actuarial Federal Employees' Compensation Act Liabilities		1,359,360		1,314,105
Accrued Payroll and Benefits		644,502		594,981
Accrued Annual and Compensatory Leave Liabilities		831,783		826,881
Environmental and Disposal Liabilities (Note 12)		72,709		71,657
Deferred Revenue		533,427		502,119
Seized Cash and Monetary Instruments (Note 14)		4,063,738		1,470,383
Contingent Liabilities (Note 16)		68,652		101,760
Capital Lease Liabilities (Note 13)		25,141		33,649
Radiation Exposure Compensation Act Liabilities		535,838		541,784
Other Liabilities (Note 15)		403,905		267,369
Total Liabilities	**$**	**13,269,477**	**$**	**10,575,137**
NET POSITION				
Unexpended Appropriations - Earmarked Funds (Note 17)	$	21,727	$	19,585
Unexpended Appropriations - All Other Funds		11,952,581		13,791,272
Cumulative Results of Operations - Earmarked Funds (Note 17)		9,066,816		7,636,045
Cumulative Results of Operations - All Other Funds		8,482,489		8,068,651
Total Net Position	**$**	**29,523,613**	**$**	**29,515,553**
Total Liabilities and Net Position	**$**	**42,793,090**	**$**	**40,090,690**

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

U. S. Department of Justice
Consolidated Statements of Net Cost
For the Fiscal Years Ended September 30, 2011 and 2010

Dollars in Thousands

		Gross Costs			Less: Earned Revenues			Net Cost of Operations (Note 18)
	FY	**Intra-governmental**	**With the Public**	**Total**	**Intra-governmental**	**With the Public**	**Total**	
Goal 1	**2011**	$ 1,486,363	$ 4,239,731	$ 5,726,094	$ 446,831	$ 37,178	$ 484,009	$ 5,242,085
	2010	$ 1,358,260	$ 4,187,272	$ 5,545,532	$ 474,421	$ 32,042	$ 506,463	$ 5,039,069
Goal 2	**2011**	3,663,829	13,563,302	17,227,131	758,583	789,114	1,547,697	15,679,434
	2010	3,464,016	13,201,427	16,665,443	751,806	736,287	1,488,093	15,177,350
Goal 3	**2011**	2,328,468	10,685,190	13,013,658	777,487	522,584	1,300,071	11,713,587
	2010	2,113,376	10,436,797	12,550,173	801,044	480,246	1,281,290	11,268,883
Total	**2011**	**$ 7,478,660**	**$ 28,488,223**	**$ 35,966,883**	**$ 1,982,901**	**$ 1,348,876**	**$ 3,331,777**	**$ 32,635,106**
	2010	**$ 6,935,652**	**$ 27,825,496**	**$ 34,761,148**	**$ 2,027,271**	**$ 1,248,575**	**$ 3,275,846**	**$ 31,485,302**

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

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

U. S. Department of Justice
Consolidated Statements of Changes in Net Position
For the Fiscal Year Ended September 30, 2011

Dollars in Thousands

	2011			
	Earmarked Funds	**All Other Funds**	**Eliminations**	**Total**
Unexpended Appropriations				
Beginning Balances	**$ 19,585**	**$ 13,791,272**	**$ -**	**$ 13,810,857**
Budgetary Financing Sources				
Appropriations Received	71,746	27,408,088	-	27,479,834
Appropriations Transferred-In/Out	-	400,839	-	400,839
Other Adjustments	(326)	(105,930)	-	(106,256)
Appropriations Used	(69,278)	(29,541,688)	-	(29,610,966)
Total Budgetary Financing Sources	**2,142**	**(1,838,691)**	**-**	**(1,836,549)**
Unexpended Appropriations	**$ 21,727**	**$ 11,952,581**	**$ -**	**$ 11,974,308**
Cumulative Results of Operations				
Beginning Balances	**$ 7,636,045**	**$ 8,068,651**	**$ -**	**$ 15,704,696**
Budgetary Financing Sources				
Other Adjustments	-	(26,000)	-	(26,000)
Appropriations Used	69,278	29,541,688	-	29,610,966
Nonexchange Revenues	2,003,887	508	-	2,004,395
Donations and Forfeitures of Cash and Cash Equivalents	1,580,584	-	-	1,580,584
Transfers-In/Out Without Reimbursement	-	113,735	-	113,735
Other Financing Sources				
Donations and Forfeitures of Property	157,381	226	-	157,607
Transfers-In/Out Without Reimbursement	(6,192)	50,748	-	44,556
Imputed Financing from Costs Absorbed by Others (Note 19)	16,069	1,007,880	(25,464)	998,485
Other Financing Sources	-	(4,613)	-	(4,613)
Total Financing Sources	**3,821,007**	**30,684,172**	**(25,464)**	**34,479,715**
Net Cost of Operations	**(2,390,236)**	**(30,270,334)**	**25,464**	**(32,635,106)**
Net Change	1,430,771	413,838	-	1,844,609
Cumulative Results of Operations	**$ 9,066,816**	**$ 8,482,489**	**$ -**	**$ 17,549,305**
Net Position	**$ 9,088,543**	**$ 20,435,070**	**$ -**	**$ 29,523,613**

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

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

Dollars in Thousands

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

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

U. S. Department of Justice
Combined Statements of Budgetary Resources
For the Fiscal Years Ended September 30, 2011 and 2010

Dollars in Thousands		2011		2010
Budgetary Resources				
Unobligated Balance, Net, Brought Forward, October 1	$	4,039,298	$	4,046,852
Recoveries of Prior Year Unpaid Obligations		753,442		766,846
Budget Authority				
Appropriations Received		36,902,262		32,769,570
Spending Authority from Offsetting Collections				
Earned				
Collected		7,056,837		7,071,984
Change in Receivables from Federal Sources		95,361		(133,650)
Change in Unfilled Customer Orders				
Advance Received		(138,396)		(46,906)
Without Advance from Federal Sources		(57,799)		(31,324)
Subtotal Budget Authority		43,858,265		39,629,674
Nonexpenditure Transfers, Net, Anticipated and Actual		514,574		585,613
Temporarily not Available Pursuant to Public Law		(6,595,224)		(2,041,625)
Permanently not Available		(140,590)		(154,303)
Total Budgetary Resources (Note 20)	**$**	**42,429,765**	**$**	**42,833,057**
Status of Budgetary Resources				
Obligations Incurred				
Direct	$	31,840,621	$	32,257,303
Reimbursable		6,706,821		6,536,456
Total Obligations Incurred (Note 20)		38,547,442		38,793,759
Unobligated Balance - Available				
Apportioned		2,426,008		2,739,193
Exempt from Apportionment		211,197		120,016
Total Unobligated Balance - Available		2,637,205		2,859,209
Unobligated Balance not Available		1,245,118		1,180,089
Total Status of Budgetary Resources	**$**	**42,429,765**	**$**	**42,833,057**

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

U. S. Department of Justice
Combined Statements of Budgetary Resources - Continued
For the Fiscal Years Ended September 30, 2011 and 2010

Dollars in Thousands		2011		2010
Change in Obligated Balance				
Obligated Balance, Net - Brought Forward, October 1				
Unpaid Obligations	$	17,759,329	$	17,646,368
Less: Uncollected Customer Payments from Federal Sources		1,753,098		1,918,071
Total Unpaid Obligated Balance, Net - Brought Forward, October 1		16,006,231		15,728,297
Obligations Incurred		38,547,442		38,793,759
Less: Gross Outlays		38,876,674		37,913,953
Less: Recoveries of Prior Year Unpaid Obligations, Actual		753,442		766,846
Change in Uncollected Customer Payments from Federal Sources		(37,562)		164,974
Obligated Balance, Net - End of Period				
Unpaid Obligations		16,676,654		17,759,329
Less: Uncollected Customer Payments from Federal Sources		1,790,659		1,753,098
Total Unpaid Obligated Balance, Net - End of Period	**$**	**14,885,995**	**$**	**16,006,231**
Net Outlays				
Gross Outlays	$	38,876,674	$	37,913,953
Less: Offsetting Collections		6,918,445		7,025,077
Less: Distributed Offsetting Receipts (Note 20)		1,025,644		941,368
Total Net Outlays (Note 20)	**$**	**30,932,585**	**$**	**29,947,508**

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

U. S. Department of Justice
Combined Statements of Custodial Activity
For the Fiscal Years Ended September 30, 2011 and 2010

Dollars in Thousands	2011	2010
Revenue Activity		
Sources of Cash Collections		
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ 5,222,083	$ 4,789,655
Fees and Licenses	32,437	28,985
Fines, Penalties and Restitution Payments - Civil	82,288	5,985
Fines, Penalties and Restitution Payments - Criminal	38,350	33,048
Miscellaneous	3,951	704
Total Cash Collections	5,379,109	4,858,377
Accrual Adjustments	3,643	271
Total Custodial Revenue	5,382,752	4,858,648
Disposition of Collections		
Transferred to Federal Agencies		
U.S. Department of Agriculture	(96,346)	(84,620)
U.S. Department of Commerce	(5,103)	(1,725)
U.S. Department of the Interior	(29,959)	(283,244)
U.S. Department of Justice	(81,181)	(24,865)
U.S. Department of Labor	(736)	(3,537)
U.S. Postal Service	(4,362)	(6,762)
U.S. Department of State	(8,535)	(199)
U.S. Department of the Treasury	(249,184)	(606,978)
Office of Personnel Management	(58,144)	(46,636)
Federal Communications Commission	(14,727)	(2,693)
Social Security Administration	(2,726)	(3,558)
Smithsonian Institution	(190)	(209)
U.S. Department of Veterans Affairs	(28,703)	(35,068)
General Services Administration	(88,447)	(4,008)
Securities and Exchange Commission	(3)	(2)
Federal Deposit Insurance Corporation	(71)	(42)
Railroad Retirement Board	(100)	(143)
Environmental Protection Agency	(341,267)	(720,010)
U.S. Department of Transportation	(7,236)	(765)
U.S. Department of Homeland Security	(66,843)	(30,872)
Agency for International Development	(22,233)	(2,155)
Small Business Administration	(10,447)	(5,360)
U.S. Department of Health and Human Services	(2,001,923)	(1,528,861)
National Aeronautics and Space Administration	(3,792)	(2,859)
Export-Import Bank of the United States	(24,643)	(4,704)
U.S. Department of Housing and Urban Development	(11,099)	(25,985)
U.S. Department of Energy	(2,093)	(2,281)
U.S. Department of Education	(55,431)	(63,002)
Independent Agencies	(67,264)	(54,493)
Treasury General Fund	(618,814)	(485,769)
U.S. Department of Defense	(173,894)	(112,640)
Transferred to the Public	(516,597)	(391,304)
(Increase)/Decrease in Amounts Yet to be Transferred	(307,947)	(210,508)
Refunds and Other Payments	(364,644)	(11,016)
Retained by the Reporting Entity	(118,068)	(101,775)
Net Custodial Activity (Note 21)	$ -	$ -

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

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

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

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

These notes are an integral part of the financial statements.

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

B. Basis of Presentation

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

C. Basis of Consolidation

The consolidated/combined financial statements of the Department include the accounts of the AFF/SADF, OBDs, USMS, OJP, DEA, FBI, ATF, BOP, and FPI. All significant proprietary intra-departmental transactions and balances have been eliminated in consolidation. The Statements of Budgetary Resources and Statements of Custodial Activity are combined statements for FYs 2011 and 2010, and as such, intra-departmental transactions have not been eliminated.

D. Basis of Accounting

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

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

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

D. Basis of Accounting (continued)

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

E. Non-Entity Assets

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

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

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

G. Investments

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

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

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

G. Investments (continued)

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

H. Accounts Receivable

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

I. Inventory and Related Property

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

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

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

J. General Property, Plant and Equipment

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

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

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

K. Advances and Prepayments

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

L. Forfeited and Seized Property

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

Property is seized in consequence of a violation of public law. Seized property can include monetary instruments, real property, and tangible personal property of others in the actual or constructive possession of the custodial agency. Most non-cash property is held by the USMS from the point of seizure until its disposition. This property is recorded at the estimated fair market value at the time of seizure and is not adjusted for any subsequent increases and decreases in estimated fair market value.

These notes are an integral part of the financial statements.

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

M. Liabilities

Liabilities represent the monies or other resources that are likely to be paid by the Department as the result of a transaction or event that has already occurred. However, no liability can be paid by the Department absent proper budget authority. Liabilities that are not funded by the current year appropriation are classified as liabilities not covered by budgetary resources in Note 11. Accrued payroll and benefits are accrued based on the number of days in a pay period earned but not paid to employees at the end of the quarter

On October 15, 1990, Congress passed the Radiation Exposure Compensation Act (RECA), 42 U.S.C. § 2210 (1990), providing for compassionate payments to individuals who contracted certain cancers and other serious diseases as a result of their exposure to radiation released during above-ground nuclear weapons tests or as a result of their exposure to radiation during employment in underground uranium mines. The September 30, 2011 and 2010 estimated liabilities are based on activity between FYs 2006 - 2011, and management's assumptions concerning receipt and approval of claims in the future.

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

N. Accrued Grant Liabilities

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

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

These notes are an integral part of the financial statements.

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

O. Contingencies and Commitments

The Department is involved in various legal actions, including administrative proceedings, lawsuits, and claims. A liability is generally recognized on the Balance Sheet as an unfunded liability for those legal actions where unfavorable decisions are considered "probable" and an estimate for the liability can be made. Contingent liabilities that are considered "probable" or "reasonably possible" are disclosed in Note 16. However, there are cases where amounts have not been accrued or disclosed because the amounts of the potential loss cannot be estimated or the likelihood of an unfavorable outcome is considered "remote".

P. Annual, Sick, and Other Leave

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

Q. Interest on Late Payments

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

R. Retirement Plan

With few exceptions, employees hired before January 1, 1984 are covered by the Civil Service Retirement System (CSRS) and employees hired on or after that date are covered by the Federal Employees Retirement System (FERS). For employees covered by CSRS, the Department contributes 7% of the employees' gross pay for regular and 7.5% for law enforcement officers' retirement. For employees covered by FERS, the Department contributes 11.7% of employees' gross pay for regular and 25.7% for law enforcement officers' retirement. All employees are eligible to contribute to the Federal Thrift Savings Plan (TSP). For those employees covered by the FERS, a TSP account is automatically established to which the Department is required to contribute an additional 1% of gross pay and match employee contributions up to 4%. No contributions are made to the TSP accounts established by the CSRS employees. The Department does not report CSRS or FERS assets, accumulated plan benefits, or unfunded liabilities, if any, which may be applicable to its employees. Such reporting is the responsibility of the Office of Personnel Management (OPM). Statement of Federal Financial Accounting Standards (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, requires employing agencies to recognize the cost of pensions and other retirement benefits during their employees' active years of service. Refer to Note 19, *Imputed Financing from Costs Absorbed by Others*, for additional details.

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

S. Federal Employee Compensation Benefits

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

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

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

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

T. Intragovernmental Activity

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

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

U. Revenues and Other Financing Sources

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

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

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

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

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

V. Earmarked Funds

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

1. A statute committing the federal government to use specifically identified revenues and other financing sources only for designated activities, benefits or purposes;

These notes are an integral part of the financial statements.

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

V. Earmarked Funds (continued)

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

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

W. Allocation Transfer of Appropriation

The Department is a party to allocation transfers with other Federal agencies as a transferring (parent) entity and/or a receiving (child) entity. Allocation transfers are legal delegations by one department of its authority to obligate budget authority and outlay funds to another department. Generally, all financial activity related to these allocation transfers (e.g., budget authority, obligations, outlays) is reported in the financial statements of the parent entity, from which the underlying legislative authority, appropriations, and budget apportionments are derived. An exception to this general rule affecting the Department includes the funds transferred from the Judicial Branch to the USMS, for whom the USMS is the child to the allocation transfer, but, per OMB guidance, will report all activity relative to these allocation transfers in the USMS financial statements.

The activity related to these transfers, included as part of these financial statements, is highlighted below:

OJP, as the parent, transfers funds from the Crime Victims Fund (CVF) to the Department of Health and Human Services (HHS). This transfer is required by 42 U.S.C. §10603a {Sec. 14-4A} for *Child Abuse Prevention and Treatment Grants.* Amounts made available by section §10601(d)(2) of this title, for the purposes of this section, are to be obligated and expended by the Secretary of HHS for grants under section §5106c of this title.

The Department also allocated funds from BOP, as the parent, to the Public Health Service (PHS). PHS provides a portion of medical treatment for federal inmates. The money is designated and expended for current year obligation of PHS staff salaries, benefits, and applicable relocation expenses.

USMS, as the child, receives allocation transfers of appropriation from the Administrative Office of U.S. Courts (AOUSC). The allocation transfers are used for costs associated with protective guard services - Court Security Officers at United States courthouses and other facilities housing federal court operations. These costs include their salaries (paid through contracts), equipment, and supplies. This transfer is performed on an annual basis.

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

X. Tax Exempt Status

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

Y. Use of Estimates

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

Z. Reclassifications

The FY 2010 financial statements were reclassified to conform to the FY 2011 Departmental financial statement presentation requirements. The reclassifications had no material effect on total assets, liabilities, net position, change in net position or budgetary resources as previously reported.

AA. Subsequent Events

Subsequent events and transactions occurring after September 30, 2011 through the date of the auditors' opinion have been evaluated for potential recognition or disclosure in the financial statements. The date of the auditors' opinion also represents the date that the financial statements were available to be issued.

These notes are an integral part of the financial statements.

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

Note 2. Non-Entity Assets

As of September 30, 2011 and 2010

	2011	2010
Intragovernmental		
Fund Balance with U.S. Treasury	$ 727,647	$ 908,929
Investments, Net	3,989,294	1,379,942
Total Intragovernmental	4,716,941	2,288,871
With the Public		
Cash and Monetary Assets	233,376	228,085
Accounts Receivable, Net	7,304	15,257
Total With the Public	240,680	243,342
Total Non-Entity Assets	4,957,621	2,532,213
Total Entity Assets	37,835,469	37,558,477
Total Assets	$ 42,793,090	$ 40,090,690

These notes are an integral part of the financial statements.

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

Note 3. Fund Balance with U.S. Treasury

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

As of September 30, 2011 and 2010

	2011	2010
Fund Balances		
Trust Funds	$ 104,879	$ 84,695
Special Funds	7,609,838	6,248,505
Revolving Funds	473,319	455,486
General Funds	15,105,225	16,746,926
Other Fund Types	61,191	60,975
Total Fund Balances with U.S. Treasury	$ 23,354,452	$ 23,596,587
Status of Fund Balances		
Unobligated Balance - Available	$ 2,637,205	$ 2,859,209
Unobligated Balance - Unavailable	1,245,118	1,180,089
Obligated Balance not yet Disbursed	14,885,995	16,006,230
Other Funds (With)/Without Budgetary Resources	4,586,134	3,551,059
Total Status of Fund Balances	$ 23,354,452	$ 23,596,587

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

Unobligated Balance - Unavailable includes amounts appropriated in prior fiscal years that are no longer available to fund new obligations, but can be used for upward and/or downward adjustments for existing obligations. Additionally, this line includes amounts received that are restricted to future use and as a result are not apportioned for current use. Other restricted funds include the collections of fees in excess of amounts budgeted for administering the Diversion Control Program. These collections may not be used until authorized by Congress.

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

These notes are an integral part of the financial statements.

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

Note 4. Cash and Monetary Assets

As of September 30, 2011 and 2010

	2011	2010
Cash		
Undeposited Collections	$ 2,813	$ 3,132
Imprest Funds	14,071	14,068
Seized Cash Deposited	87,243	106,154
Other Cash	72,700	51,476
Total Cash	176,827	174,830
Monetary Assets		
Seized Monetary Instruments	73,426	70,453
Total Cash and Monetary Assets	$ 250,253	$ 245,283

The majority of Other Cash consists of project-generated proceeds from undercover operations.

Note 5. Investments, Net

	Face Value	Unamortized Premium (Discount)	Interest Receivable	Investments, Net	Market Value
As of September 30, 2011					
Intragovernmental					
Non-Marketable Securities					
Market Based	$ 6,919,892	$ (137)	$ 44	$ 6,919,799	$ 6,920,238
As of September 30, 2010					
Intragovernmental					
Non-Marketable Securities					
Market Based	$ 4,062,336	$ (798)	$ 195	$ 4,061,733	$ 4,061,690

These notes are an integral part of the financial statements.

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

Note 6. Accounts Receivable, Net

As of September 30, 2011 and 2010

	2011	2010
Intragovernmental		
Accounts Receivable	$ 380,562	$ 304,000
Allowance for Uncollectible Accounts	(131)	(1,690)
Total Intragovernmental	380,431	302,310
With the Public		
Accounts Receivable	141,934	93,552
Allowance for Uncollectible Accounts	(16,036)	(6,292)
Total With the Public	125,898	87,260
Total Accounts Receivable, Net	$ 506,329	$ 389,570

Intragovernmental accounts receivable consists mainly of amounts due under reimbursable agreements with federal entities for services and goods provided.

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

Note 7. Inventory and Related Property, Net

As of September 30, 2011 and 2010

	2011	2010
Inventory		
Raw Materials	$ 42,832	$ 116,826
Work in Process	30,583	38,442
Finished Goods	60,697	53,308
Inventory Purchased for Resale	18,286	16,580
Excess, Obsolete, and Unserviceable	27,087	43,494
Inventory Allowance	(27,265)	(48,739)
Operating Materials and Supplies		
Held for Current Use	18,669	17,436
Total Inventory and Related Property, Net	$ 170,889	$ 237,347

These notes are an integral part of the financial statements.

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

Note 8. Forfeited and Seized Property

Equitable Sharing Payments:

The statute governing the use of the AFF (28 U.S.C. §524(c)) permits the payment of equitable shares of forfeiture proceeds to participating foreign governments and state and local law enforcement agencies. The statute does not require such sharing and permits the Attorney General wide discretion in determining those transfers. Actual sharing is difficult to predict because many factors influence both the amount and timing of disbursement of equitable sharing payments, such as the length of time required to move an asset through the forfeiture process to disposition, the amount of net proceeds available for sharing, the elapse of time for Departmental approval of equitable sharing requests for cases with asset values exceeding $1 million, and appeal of forfeiture judgments. Because of uncertainties surrounding the timing and amount of any equitable sharing payment, an obligation and expense are recorded only when the actual disbursement of the equitable sharing payment is imminent. The anticipated equitable sharing allocation level for FY 2012 is $446 million.

Analysis of Change in Forfeited Property:

The number of items represents quantities calculated using many different units of measure. If necessary, the adjustments column includes property status and valuation changes received after, but properly credited to the appropriate fiscal years. The valuation changes include updates and corrections to an asset's value recorded in the prior year.

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

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2011

Forfeited Property Category		Beginning Balance	Adjust-ments	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial	Number	97	-	155	(135)	117	-	117
Instruments	Value	$ 2,219	$ -	$ 15,822	$ (16,311)	$ 1,730	$ -	$ 1,730
Real	Number	477	-	315	(340)	452	-	452
Property	Value	$ 89,018	$ -	$ 74,928	$ (65,938)	$ 98,008	$ (866)	$ 97,142
Personal	Number	3,047	-	5,996	(5,659)	3,384	-	3,384
Property	Value	$ 102,196	$ -	$ 93,813	$ (121,163)	$ 74,846	$ (972)	$ 73,874
Non-Valued Firearms	Number	19,378	-	16,231	(12,016)	23,593	-	23,593
Total	Number	22,999	-	22,697	(18,150)	27,546	-	27,546
	Value	$ 193,433	$ -	$ 184,563	$ (203,412)	$ 174,584	$ (1,838)	$ 172,746

For the Fiscal Year Ended September 30, 2010

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

These notes are an integral part of the financial statements.

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

Note 8. Forfeited and Seized Property (continued)

Method of Disposition of Forfeited Property:

During FYs 2011 and 2010, $165,406 and $103,678 of forfeited property were sold, $16,211 and $6,560 were destroyed or donated, $9,262 and $17,045 were returned to owners, and $12,533 and $47,169 were disposed of by other means, respectively. Other means of distribution include property transferred to other federal agencies for official use or equitable sharing, or property distributed to a state or local agency.

Analysis of Change in Seized Property:

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

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

The adjustments for FYs 2011 and 2010 include property status and valuation changes received after, but properly credited to FYs 2010 and 2009, respectively. The valuation changes include updates and corrections to an asset's value recorded in a prior year. During FY 2011, the DEA had access to better information that allowed the reporting of partial destructions of drugs held for evidence at the time of partial destruction rather than at the time the exhibit was fully destroyed. Therefore, the DEA has recorded an adjustment in the FY 2011 "Adjustment" column to primarily reflect the partial destruction of exhibits destroyed in prior years. ATF's adjustments for non-valued firearms are items determined to be seized for evidence that were not included in the seized for evidence balances in prior years.

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

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

Note 8. Forfeited and Seized Property (continued)

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

"Other" primarily consist of illegal substances other than those discussed above. "Bulk Drug Evidence" is comprised of controlled substances housed by the DEA in secured storage facilities of which only a sample is taken for laboratory analysis. The actual bulk drug weight may vary from seizure weight due to changes in moisture content over time.

Unanalyzed drug evidence is qualitatively different from analyzed and bulk drug evidence because unanalyzed drug evidence includes the weight of packaging and drug categories are based on the determination of Special Agents instead of laboratory chemists. For these reasons, unanalyzed drug evidence is not reported by the Department. Seized drug evidence must be analyzed and confirmed through laboratory testing to be placed in one of the five categories of drug above.

"Disposals" occur when seized property is forfeited, returned to parties with a bona fide interest, or destroyed in accordance with federal guidelines.

These notes are an integral part of the financial statements.

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

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2011

Seized Property Category		Beginning Balance	Adjust-ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Forfeiture								
Seized Cash Deposited and Seized Monetary Instruments	Value	$ 1,424,806	$ -	$ 3,844,026	$ (1,251,941)	$ 4,016,891	$ (92,080)	$ 3,924,811
Financial Instruments	Number	413	(109)	274	(101)	477	-	477
	Value	$ 99,712	$ (66,438)	$ 24,101	$ (4,134)	$ 53,241	$ (3,236)	$ 50,005
Real Property	Number	183	-	153	(190)	146	-	146
	Value	$ 61,270	$ -	$ 49,431	$ (62,337)	$ 48,364	$ (16,030)	$ 32,334
Personal Property	Number	7,319	-	7,171	(7,013)	7,477	-	7,477
	Value	$ 161,552	$ -	$ 124,371	$ (101,920)	$ 184,003	$ (16,209)	$ 167,794
Non-Valued Firearms	Number	34,281	-	23,858	(21,224)	36,915	-	36,915

For the Fiscal Year Ended September 30, 2010

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

These notes are an integral part of the financial statements.

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

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2011

Seized Property Category		Beginning Balance	Adjust- ments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Evidence								
Seized Monetary Instruments	Value	$ 45,577	$ (4,903)	$ 45,419	$ (39,246)	$ 46,847	$ -	$ 46,847
Personal	Number	1,602	(85)	412	(508)	1,421	-	1,421
Property	Value	$ 26,691	$ 8,649	$ 13,946	$ (12,907)	$ 36,379	$ -	$ 36,379
Non-Valued								
Firearms	Number	44,465	7,405	14,268	(3,543)	62,595	-	62,595
Drug Evidence								
Cocaine	KG	278,449	(222,619)	27,429	(27,098)	56,161	-	56,161
Heroin	KG	3,450	(589)	812	(565)	3,108	-	3,108
Marijuana	KG	20,061	(1,521)	6,362	(7,095)	17,807	-	17,807
Bulk Drug Evidence	KG	227,564	1,043	1,058,390	(1,008,845)	278,152	-	278,152
Methamphetamine	KG	7,622	(1,928)	2,649	(1,386)	6,957	-	6,957
Other	KG	46,663	(16,935)	3,563	(8,528)	24,763	-	24,763
Total Drug Evidence	KG	583,809	(242,549)	1,099,205	(1,053,517)	386,948	-	386,948

For the Fiscal Year Ended September 30, 2010

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

These notes are an integral part of the financial statements.

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

Note 8. Forfeited and Seized Property (continued)

Method of Disposition of Seized Property:

During FYs 2011 and 2010, $1,297,764 and $1,628,886 of seized property were forfeited, $120,156 and $155,022 of valued property seized for evidence were returned to parties with a bonafide interest, and $54,566 and $27,239 were either released to a designated party or transferred to the appropriate federal entity under forfeiture or abandonment procedures. Non-valued property was primarily disposed of through destruction.

Note 9. General Property, Plant and Equipment, Net

As of September 30, 2011

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	$ 193,042	$ -	$ 193,042	N/A
Improvements to Land	4,584	(866)	3,718	15 yrs
Construction in Progress	894,755	-	894,755	N/A
Buildings, Improvements and Renovations	9,578,003	(4,001,606)	5,576,397	2-50 yrs
Other Structures and Facilities	849,524	(433,515)	416,009	10-50 yrs
Aircraft	450,418	(132,678)	317,740	5-30 yrs
Boats	10,078	(5,943)	4,135	5-25 yrs
Vehicles	594,285	(368,856)	225,429	2-25 yrs
Equipment	1,676,992	(1,007,478)	669,514	2-25 yrs
Assets Under Capital Lease	105,246	(61,623)	43,623	5-30 yrs
Leasehold Improvements	1,338,886	(714,246)	624,640	2-20 yrs
Internal Use Software	773,237	(287,106)	486,131	3-10 yrs
Internal Use Software in Development	762,637	-	762,637	N/A
Total	$ 17,231,687	$ (7,013,917)	$ 10,217,770	

	Federal	Public	Total
Sources of Capitalized Property, Plant and Equipment Purchases for FY 2011	$ 229,207	$ 1,023,422	$ 1,252,629

These notes are an integral part of the financial statements.

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

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

As of September 30, 2010

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

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

These notes are an integral part of the financial statements.

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

Note 10. Other Assets

As of September 30, 2011 and 2010

	2011	2010
Intragovernmental		
Advances and Prepayments	$ 115,075	$ 122,609
Other Intragovernmental Assets	28	55
Total Intragovernmental	115,103	122,664
Other Assets With the Public	5,982	5,826
Total Other Assets	$ 121,085	$ 128,490

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

Note 11. Liabilities not Covered by Budgetary Resources

As of September 30, 2011 and 2010

	2011	2010
Intragovernmental		
Accrued FECA Liabilities	$ 247,813	$ 241,124
Other Unfunded Employment Related Liabilities	2,178	1,758
Other	3,690	58
Total Intragovernmental	253,681	242,940
With the Public		
Actuarial FECA Liabilities	1,359,360	1,314,105
Accrued Annual and Compensatory Leave Liabilities	822,891	816,970
Environmental and Disposal Liabilities (Note 12)	72,709	71,657
Deferred Revenue	358,742	311,164
Contingent Liabilities (Note 16)	68,652	101,760
Capital Lease Liabilities (Note 13)	23,941	30,703
RECA Liabilities	535,838	541,784
Other	122,152	47,300
Total With the Public	3,364,285	3,235,443
Total Liabilities not Covered by Budgetary Resources	3,617,966	3,478,383
Total Liabilities Covered by Budgetary Resources	9,651,511	7,096,754
Total Liabilities	$ 13,269,477	$ 10,575,137

These notes are an integral part of the financial statements.

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

Note 11. Liabilities not Covered by Budgetary Resources (continued)

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

Note 12. Environmental and Disposal Liabilities

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

Firing Ranges

The BOP operates firing ranges on 65 of the sites where its institutions are located. Use of these firing ranges generates waste consisting primarily of lead shot and spent rounds from rifles, shotguns, pistols, and automatic weapons. At operational firing ranges, lead-containing bullets are fired and eventually fall to the ground at or near the range. As of September 30, 2010, BOP management determined their estimated clean-up liability to be $25,069. In FY 2011, BOP management adjusted the estimated clean-up liability by the current U.S. inflation rate as determined by the U.S. Treasury and as such determined that an estimated firing range clean-up liability of $26,045, based on an inflation rate of 3.9 percent, should be recorded.

Asbestos

BOP conducted a review of 46 institutions that were built prior to 1980; the review provided an estimate of the extent of friable and non-friable Asbestos Containing Materials (ACM) remaining in each of the institutions as of October 30, 2009. As of September 30, 2010, BOP management determined their estimated clean-up liability to be $36,833. As of September 30, 2011, BOP management adjusted the clean-up liability in the amount of $156 for the removal of asbestos at 5 locations and by the U.S. inflation rate of 3.9 percent as determined by the U.S. Treasury and as such determined that an estimated asbestos clean-up liability of $36,677, should be recorded.

The FBI operates facilities in Quantico, Virginia that contain friable and non-friable ACM. The facilities have a useful life of 50 years. The estimated total liability of $11,613 is based on the square footage of the facilities that may be contaminated. This value, divided by the useful life and multiplied by the number of years in service, is the estimated cleanup liability. As of September 30, 2011 and 2010, the FBI recognized the estimated cleanup liability of $9,987 and $9,755. The estimated asbestos cleanup liability is increased each quarter by recording future expenses for the asbestos clean-up costs. During FY 2011, future funded expense for asbestos cleanup is $232. There are no other potentially responsible parties to the environmental liability and there are no unrecognized amounts to disclose as of September 30, 2011.

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

Note 13. Leases

Capital leases include a Federal Transfer Center (25 year lease term) in Oklahoma City, Oklahoma; an airplane hangar (20 year lease term) in Oklahoma City, Oklahoma, which expired in FY 2011 and will not be renewed; and other machinery and equipment that expire over future periods.

As of September 30, 2011 and 2010

Capital Leases	2011	2010
Summary of Assets Under Capital Lease		
Land and Buildings	$ 100,352	$ 100,352
Machinery and Equipment	4,894	7,047
Accumulated Amortization	(61,623)	(58,688)
Total Assets Under Capital Lease (Note 9)	$ 43,623	$ 48,711

Future Capital Lease Payments Due

Fiscal Year	Land and Buildings	Machinery and Equipment	Total
2012	$ 9,073	$ 970	$ 10,043
2013	9,073	592	9,665
2014	9,073	15	9,088
2015	32	15	47
2016	32	14	46
After 2016	96	-	96
Total Future Capital Lease Payments	$ 27,379	$ 1,606	$ 28,985
Less: Imputed Interest	(3,438)	(41)	(3,479)
Less: Executory Costs	-	(365)	(365)
FY 2011 Net Capital Lease Liabilities	$ 23,941	$ 1,200	$ 25,141
FY 2010 Net Capital Lease Liabilities	$ 31,649	$ 2,000	$ 33,649

	2011	2010
Net Capital Lease Liabilities Covered by Budgetary Resources	$ 1,200	$ 2,946
Net Capital Lease Liabilities not Covered by Budgetary Resources	$ 23,941	$ 30,703

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

These notes are an integral part of the financial statements.

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

Note 13. Leases (continued)

Future Noncancelable Operating Lease Payments

Fiscal Year	Land and Buildings	Machinery and Equipment	Total
2012	$ 223,236	$ 10,505	$ 233,741
2013	283,190	9,543	292,733
2014	314,601	4,408	319,009
2015	313,075	4,386	317,461
2016	313,609	-	313,609
After 2016	3,417,847	-	3,417,847
Total Future Noncancelable Operating Lease Payments	$ 4,865,558	$ 28,842	$ 4,894,400

Note 14. Seized Cash and Monetary Instruments

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

As of September 30, 2011 and 2010

	2011	2010
Investments, Net	$ 3,903,069	$ 1,293,776
Seized Cash Deposited	87,243	106,154
Seized Monetary Instruments	73,426	70,453
Total Seized Cash and Monetary Instruments	$ 4,063,738	$ 1,470,383

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

Note 15. Other Liabilities

As of September 30, 2011 and 2010

	2011	2010
Intragovernmental		
Employer Contributions and Payroll Taxes Payable	$ 197,871	$ 176,303
Other Post-Employment Benefits Due and Payable	25	37
Other Unfunded Employment Related Liabilities	2,178	1,759
Advances from Others	169,108	262,847
Liability for Deposit Funds, Clearing Accounts and Undeposited Collections	13,138	4,208
Other Liabilities	7,202	506,213
Total Intragovernmental	389,522	951,367
With the Public		
Other Accrued Liabilities	122,184	47,360
Advances from Others	6,992	3,951
Liability for Deposit Funds, Clearing Accounts and Undeposited Collections	49,022	45,616
Custodial Liabilities	152,987	118,879
Other Liabilities	72,720	51,563
Total With the Public	403,905	267,369
Total Other Liabilities	$ 793,427	$ 1,218,736

In prior years, the majority of Intragovernmental Other Liabilities were related to miscellaneous receipts of civil and criminal debt collections where Treasury was designated as the recipient of either a portion of a collection or the entire amount. As of September 30, 2010 this amount totaled $485,769. In FY 2011, OBDs changed its method of reporting for these miscellaneous receipts. As outlined in Note 25, *Changes in Accounting Principle*, these miscellaneous receipts will no longer be reported as Other Liabilities on the Consolidated Balance Sheet.

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

The majority of Other Liabilities with the Public consists of project-generated proceeds from undercover operations. The proceeds not subject to forfeiture will be returned to the Department of Treasury General Fund at the conclusion of the project.

The majority of Liabilities are current with the exception of a portion that consists of capital leases and those liabilities related to future employee related expenses, such as accrued retirement contributions, life insurance, and retiree health benefits.

These notes are an integral part of the financial statements.

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

Note 16. Contingencies and Commitments

	Accrued Liabilities	Estimated Range of Loss	
		Lower	Upper
As of September 30, 2011			
Probable	$ 68,652	$ 68,652	$ 190,144
Reasonably Possible		86,576	135,569
As of September 30, 2010			
Probable	$ 101,760	$ 101,760	$ 214,237
Reasonably Possible		95,585	124,326

Additionally, FPI has entered into firm purchase commitments for solar panel material totaling $36,801 of which $13,129 is to be delivered in FY 2012 and $23,672 is to be delivered in FY 2015.

These notes are an integral part of the financial statements.

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

Note 17. Earmarked Funds

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

As of September 30, 2011

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Balance Sheet							
Assets							
Fund Balance with U. S. Treasury	$ 229,030	$ 14,532	$ 33,106	$ 7,260,185	$ 104,565	$ 80,240	$ 7,721,658
Investments, Net	2,443,702	216,029	-	-	-	-	2,659,731
Other Assets	180,020	58,406	3,152	275	46,184	27,572	315,609
Total Assets	$ 2,852,752	$ 288,967	$ 36,258	$ 7,260,460	$ 150,749	$ 107,812	$ 10,696,998
Liabilities							
Accounts Payable	$ 918,358	$ 8,236	$ 5,949	$ 9,664	$ 6,923	$ 11,131	$ 960,261
Other Liabilities	173,850	21,594	15,090	48,548	375,988	13,124	648,194
Total Liabilities	$ 1,092,208	$ 29,830	$ 21,039	$ 58,212	$ 382,911	$ 24,255	$ 1,608,455
Net Position							
Unexpended Appropriations	$ -	$ -	$ 21,727	$ -	$ -	$ -	$ 21,727
Cumulative Results of Operations	1,760,544	259,137	(6,508)	7,202,248	(232,162)	83,557	9,066,816
Total Net Position	$ 1,760,544	$ 259,137	$ 15,219	$ 7,202,248	$ (232,162)	$ 83,557	$ 9,088,543
Total Liabilities and Net Position	$ 2,852,752	$ 288,967	$ 36,258	$ 7,260,460	$ 150,749	$ 107,812	$ 10,696,998

For the Fiscal Year Ended September 30, 2011

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Earmarked Funds
Statement of Net Cost							
Gross Cost of Operations	$ 1,673,412	$ 234,356	$ 162,760	$ 662,569	$ 277,514	$ 332,106	$ 3,342,717
Less: Exchange Revenues	9,513	314,921	91,636	-	195,235	341,176	952,481
Net Cost of Operations	$ 1,663,899	$ (80,565)	$ 71,124	$ 662,569	$ 82,279	$ (9,070)	$ 2,390,236
Statement of Changes in Net Position							
Net Position Beginning of Period	$ 1,687,400	$ 176,675	$ 14,385	$ 5,866,596	$ (159,279)	$ 69,853	$ 7,655,630
Budgetary Financing Sources	1,585,180	1,070	71,420	1,998,221	-	-	3,655,891
Other Financing Sources	151,863	827	538	-	9,396	4,634	167,258
Total Financing Sources	1,737,043	1,897	71,958	1,998,221	9,396	4,634	3,823,149
Net Cost of Operations	(1,663,899)	80,565	(71,124)	(662,569)	(82,279)	9,070	(2,390,236)
Net Change	73,144	82,462	834	1,335,652	(72,883)	13,704	1,432,913
Net Position End of Period	$ 1,760,544	$ 259,137	$ 15,219	$ 7,202,248	$ (232,162)	$ 83,557	$ 9,088,543

These notes are an integral part of the financial statements.

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

Note 17. Earmarked Funds (continued)

As of September 30, 2010

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

For the Fiscal Year Ended September 30, 2010

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

These notes are an integral part of the financial statements.

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

Note 17. Earmarked Funds (continued)

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

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

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

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

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

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

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

Note 18. Net Cost of Operations by Suborganization

For the Fiscal Year Ended September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost	$ -	$ 378,325	$ 6,484	$ -	$ 106,082	$ 5,326,383	$ 5,649	$ -	$ -	$ (96,829)	$ 5,726,094
Less: Earned Revenue	-	116,209	-	-	693	463,936	-	-	-	(96,829)	484,009
Net Cost of Operations	-	262,116	6,484	-	105,389	4,862,447	5,649	-	-	-	5,242,085
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost	1,673,412	5,858,718	30,396	2,680,635	2,929,005	3,903,753	1,268,049	6,613	-	$ (1,123,450)	17,227,131
Less: Earned Revenue	9,513	1,002,609	-	32,322	722,217	813,186	91,300	-	-	(1,123,450)	1,547,697
Net Cost of Operations	1,663,899	4,856,109	30,396	2,648,313	2,206,788	3,090,567	1,176,749	6,613	-	-	15,679,434
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost	-	2,441,919	3,174,846	1,054,276	-	-	-	7,213,365	942,915	(1,813,663)	13,013,658
Less: Earned Revenue	-	203,511	1,583,960	10,440	-	-	-	385,676	904,683	(1,788,199)	1,300,071
Net Cost of Operations	-	2,238,408	1,590,886	1,043,836	-	-	-	6,827,689	38,232	(25,464)	11,713,587
Net Cost of Operations	$ 1,663,899	$ 7,356,633	$ 1,627,766	$ 3,692,149	$ 2,312,177	$ 7,953,014	$ 1,182,398	$ 6,834,302	$ 38,232	$ (25,464)	$ 32,635,106

For the Fiscal Year Ended September 30, 2010

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

These notes are an integral part of the financial statements.

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

Note 19. Imputed Financing from Costs Absorbed by Others

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

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

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

For the Fiscal Years Ended September 30, 2011 and 2010

	2011	2010
Imputed Inter-Departmental Financing		
U.S. Treasury Judgment Fund	$ 71,537	$ 135,498
Health Insurance	594,476	553,366
Life Insurance	2,038	1,969
Pension	330,434	212,044
Total Imputed Inter-Departmental	$ 998,485	$ 902,877

These notes are an integral part of the financial statements.

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

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

Imputed Intra-Departmental Financing Sources as defined in SFFAS No. 4, *Managerial Cost Accounting Standards and Concepts*, are the unreimbursed portion of the full costs of goods and services received by a Department component from a providing entity that is part of the Department. Recognition is required for those transactions determined to be material to the receiving entity. The determination of whether the cost is material requires considerable judgment based on the specific facts and circumstances of each type of good or service provided. SFFAS No. 4 also states that costs for broad and general support need not be recognized by the receiving entity, unless such services form a vital and integral part of the operations or output of the receiving entity. Costs are considered broad and general if they are provided to many, if not all, reporting components and not specifically related to the receiving entity's output. The FPI imputed $25,464 and $27,448 for FYs 2011 and 2010, respectively of unreimbursed costs for BOP warehouse space used in the production of goods by the FPI and for managerial and operational services BOP provided to FPI. These imputed costs have been eliminated from the consolidated financial statements.

Note 20. Information Related to the Statement of Budgetary Resources

Apportionment Categories of Obligations Incurred:

	Direct Obligations	Reimbursable Obligations	Total Obligations Incurred
For the Fiscal Year Ended September 30, 2011			
Obligations Apportioned Under			
Category A	$ 28,235,878	$ 5,835,181	$ 34,071,059
Category B	3,604,743	46,787	3,651,530
Exempt from Apportionment	-	824,853	824,853
Total	$ 31,840,621	$ 6,706,821	$ 38,547,442
For the Fiscal Year Ended September 30, 2010			
Obligations Apportioned Under			
Category A	$ 29,509,630	$ 5,664,568	$ 35,174,198
Category B	2,747,673	30,019	2,777,692
Exempt from Apportionment	-	841,869	841,869
Total	$ 32,257,303	$ 6,536,456	$ 38,793,759

The apportionment categories are determined in accordance with the guidance provided in Part 4 "Instructions on Budget Execution" of OMB Circular A-11, *Preparation, Submission and Execution of the Budget.* Category A obligations represent resources apportioned for calendar quarters. Category B obligations represent resources apportioned for other time periods; for activities, projects, and objectives or for a combination thereof.

These notes are an integral part of the financial statements.

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

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

Status of Undelivered Orders:

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

As of September 30, 2011 and 2010

	2011	2010
UDO Obligations Unpaid	$ 11,606,422	$ 12,835,522
UDO Obligations Prepaid/Advanced	1,344,717	1,824,439
Total UDO	$ 12,951,139	$ 14,659,961

Permanent Indefinite Appropriations:

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

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

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

These notes are an integral part of the financial statements.

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

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

Permanent Indefinite Appropriations (continued):

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

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

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

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

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

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

Legal Arrangements Affecting Use of Unobligated Balances:

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

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

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

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

The reconciliation as of September 30, 2010 is presented below. The reconciliation as of September 30, 2011 is not presented, because the submission of the Budget of the United States (Budget) for FY 2013, which presents the execution of the FY 2011 Budget, occurs after publication of these financial statements. The Department of Justice Budget Appendix can be found on the OMB website (http://www.whitehouse.gov/omb/budget) and will be available in early February 2012.

For the Fiscal Year Ended September 30, 2010
(Dollars in Millions)

	Budgetary Resources	Obligations Incurred	Distributed Offsetting Receipts	Net Outlays
Statement of Budgetary Resources (SBR)	$ 42,833	$ 38,794	$ 941	$ 29,948
Funds not Reported in the Budget				
Expired Funds: OBDs, USMS, DEA, OJP, FBI, ATF & BOP	(786)	(211)	-	-
AFF/SADF Forfeiture Activity	(12)	-	-	-
OCDETF Adjustments	(9)	15	-	-
USMS Court Security Funds	(418)	(398)	-	(380)
Distributed Offsetting Receipts	-	-	(368)	368
Special and Trust Fund Receipts	-	-	-	573
Other	(4)	2	1	(1)
Budget of the United States Government	$ 41,604	$ 38,202	$ 574	$ 30,508

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

These notes are an integral part of the financial statements.

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

Note 21. Net Custodial Revenue Activity

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

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

The OBDs collect civil fines, penalties, and restitution payments that are incidental to its mission. By court order, the OBDs were given the investment authority and the settlement funds collected must be invested. The OBDs invest these funds with the Treasury, Bureau of the Public Debt. As of September 30, 2011 and 2010, the custodial assets and liabilities recorded by the OBDs on the Consolidated Balance Sheet are $752,797 and $448,467, respectively. The OBDs custodial collections totaled $5,260,397 and $4,822,740 for the fiscal years ended September 30, 2011 and 2010.

For the fiscal years ended September 30, 2011 and 2010, DEA collected $97,268 and $20,963, respectively. DEA's collections include $15 million of the total fees collected for the Diversion Control Program and civil monetary penalties related to violations of the Controlled Substances Act that were incidental to DEA's mission. Since DEA has no statutory authority to use these excess funds, DEA transmits them to the Treasury General Fund. The DEA has a custodial liability for funds that have not yet been transmitted to the Treasury General Fund. As of September 30, 2011 and 2010 balances for custodial liabilities were $5,199 and $1,584, respectively.

As an agent of the federal government and as authorized by 26 U.S.C. § 6301, ATF collects fees from firearms and explosives industries, as well as import, permit and license fees. Special Occupational Taxes are collected from certain firearms businesses. Miscellaneous collections include project-generated proceeds. As ATF is unable to use these collections in its operations, ATF also has the authority to transfer these collections to the Treasury General Fund. The ATF custodial collections totaled $21,444 and $14,674 for the fiscal years ended September 30, 2011 and 2010, respectively.

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

Note 22. OMB Circular A-136 Consolidated Balance Sheet Presentation

U.S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2011 and 2010

Dollars in Thousands	2011	2010
ASSETS		
Intragovernmental		
Fund Balance with U.S. Treasury	$ 23,354,452	$ 23,596,587
Investments, Net	6,919,799	4,061,733
Accounts Receivable, Net	380,431	302,310
Other Assets	115,103	122,664
Total Intragovernmental	30,769,785	28,083,294
Cash and Other Monetary Assets	250,253	245,283
Accounts Receivable, Net	125,898	87,260
Inventory and Related Property, Net	170,889	237,347
General Property, Plant and Equipment, Net	10,217,770	9,741,154
Other Assets	1,258,495	1,696,352
Total Assets	**$ 42,793,090**	**$ 40,090,690**
LIABILITIES		
Intragovernmental		
Accounts Payable	$ 366,027	$ 273,619
Other Liabilities	1,245,156	1,525,985
Total Intragovernmental	1,611,183	1,799,604
Accounts Payable	2,504,820	2,520,022
Federal Employee and Veteran Benefits	1,359,360	1,314,105
Environmental and Disposal Liabilities	72,709	71,657
Other Liabilities	7,721,405	4,869,749
Total Liabilities	**$ 13,269,477**	**$ 10,575,137**
NET POSITION		
Unexpended Appropriations - Earmarked Funds	$ 21,727	$ 19,585
Unexpended Appropriations - All Other Funds	11,952,581	13,791,272
Cumulative Results of Operations - Earmarked Funds	9,066,816	7,636,045
Cumulative Results of Operations - All Other Funds	8,482,489	8,068,651
Total Net Position	**$ 29,523,613**	**$ 29,515,553**
Total Liabilities and Net Position	**$ 42,793,090**	**$ 40,090,690**

These notes are an integral part of the financial statements.

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

Note 23. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing)

For the Fiscal Years Ended September 30, 2011 and 2010

	2011	2010
Resources Used to Finance Activities		
Budgetary Resources Obligated		
Obligations Incurred	$ 38,547,442	$ 38,793,759
Less: Spending Authority from Offsetting Collections and Recoveries	7,709,445	7,626,950
Obligations Net of Offsetting Collections and Recoveries	30,837,997	31,166,809
Less: Offsetting Receipts	1,025,644	941,368
Net Obligations	29,812,353	30,225,441
Other Resources		
Donations and Forfeitures of Property	157,607	71,204
Transfers-In/Out Without Reimbursement	44,556	(3,433)
Imputed Financing from Costs Absorbed by Others (Note 19)	998,485	902,877
Other	(4,613)	-
Net Other Resources Used to Finance Activities	1,196,035	970,648
Total Resources Used to Finance Activities	31,008,388	31,196,089
Resources Used to Finance Items not Part of the Net Cost of Operations		
Net Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not Yet Provided	1,608,057	139,965
Resources That Fund Expenses Recognized in Prior Periods (Note 24)	(45,816)	(77,146)
Budgetary Offsetting Collections and Receipts That do not Affect Net Cost of Operations	294,218	300,608
Resources That Finance the Acquisition of Assets	(1,184,420)	(1,295,160)
Other Resources or Adjustments to Net Obligated Resources That do not Affect Net Cost of Operations	14,296	(49,768)
Total Resources Used to Finance Items not Part of the Net Cost of Operations	686,335	(981,501)
Total Resources Used to Finance the Net Cost of Operations	$ 31,694,723	$ 30,214,588

These notes are an integral part of the financial statements.

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

Note 23. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing) (continued)

For the Fiscal Years Ended September 30, 2011 and 2010	2011	2010
Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period		
Components That will Require or Generate Resources in Future Periods (Note 24)	$ 129,497	$ 450,866
Depreciation and Amortization	826,899	727,012
Revaluation of Assets or Liabilities	23,586	29,772
Other	(39,599)	63,064
Total Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period	940,383	1,270,714
Net Cost of Operations	$ 32,635,106	$ 31,485,302

These notes are an integral part of the financial statements.

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

Note 24. Explanation of Differences Between Liabilities not Covered by Budgetary Resources and Components of Net Cost of Operations Requiring or Generating Resources in Future Periods

Liabilities that are not covered by realized budgetary resources and for which there is not certainty that budgetary authority will be realized, such as the enactment of an appropriation, are considered liabilities not covered by budgetary resources. These liabilities totaling $3,617,966 and $3,478,383 on September 30, 2011 and 2010, respectively, are discussed in Note 11, *Liabilities not Covered by Budgetary Resources.* Decreases in these liabilities result from current year budgetary resources that were used to fund expenses recognized in prior periods. Increases in these liabilities represent unfunded expenses that were recognized in the current period. These increases along with the change in the portion of exchange revenue receivables from the public, which are not considered budgetary resources until collected, represent components of current period net cost of operations that will require or generate budgetary resources in future periods. The changes in liabilities not covered by budgetary resources and receivables generating resources in future periods are comprised of the following:

For the Fiscal Years Ended September 30, 2011 and 2010

	2011	2010
Resources that Fund Expenses Recognized in Prior Periods		
Other		
Decrease in Contingent Liabilities	$ (33,108)	$ (70,893)
Decrease in Unfunded Capital Lease Liabilities	(6,762)	(6,253)
Decrease in RECA Liabilities	(5,946)	-
Total Resources that Fund Expenses Recognized in Prior Periods	$ (45,816)	$ (77,146)
Components of Net Cost of Operations That Will Require or Generate Resources in Future Periods		
Increase in Accrued Annual and Compensatory Leave Liabilities	$ 5,921	$ 45,156
Increase in Environmental and Disposal Liabilities	1,052	49,545
(Increase)/Decrease in Exchange Revenue Receivable from the Public	(51,628)	(1,671)
Other		
Increase in Actuarial FECA Liabilities	45,255	80,206
Increase in Accrued FECA Liabilities	6,689	6,951
Increase in Deferred Revenue	47,578	41,324
Increase in RECA Liabilities	-	197,949
Increase in Other Unfunded Employee Related Liabilities	420	230
Increase in Other Liabilities	78,484	33,030
(Increase)/Decrease in Nonexchange Receivables from the Public	(94)	(63)
(Increase)/Decrease in Surcharge Revenue Receivable from Other Federal Agencies	(4,180)	(1,791)
Total Other	174,152	357,836
Total Components of Net Cost of Operations That Will Require or Generate Resources in Future Periods	$ 129,497	$ 450,866

These notes are an integral part of the financial statements.

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

Note 25. Changes in Accounting Principle

Based upon guidance received from the U.S. Department of Treasury in FY 2011, the OBDs has changed its method of reporting for Debt Collection Management miscellaneous receipts, which as of September 30, 2011 totaled $618,814. This change in method of reporting results in a change in accounting principle, which OBDs is applying prospectively beginning with FY 2011. The cumulative amount of miscellaneous receipts from prior years that were reported as Other Liabilities (Note 15) will no longer be reported in the Consolidated Balance Sheet, and will be reflected in the Statement of Custodial Activity as Transfers to the Treasury General Fund.

Based upon guidance received from OMB regarding their interpretation of P.L. 112-10, Section 1101, OJP has changed its method of accounting for previous years' unobligated CVF collections, which as of October 1, 2010, totaled $4,801,473. As a result of this change in accounting principle, which OJP is applying prospectively beginning with FY 2011 (subject to the annual appropriation language for the CVF fund), the cumulative amount of unobligated CVF collections from prior years is included in the 'Appropriations Received' and 'Temporarily Not Available Pursuant to Public Law' line items of the Combined Statement of Budgetary Resources.

These notes are an integral part of the financial statements.

Consolidating and Combining Financial Statements

See Independent Auditors' Report on Financial Statements

U. S. Department of Justice
Consolidating Balance Sheet
As of September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	$ 229,030	$ 5,223,163	$ 562,246	$ 11,287,838	$ 702,470	$ 3,618,458	$ 241,768	$ 1,468,669	$ 20,810	$ -	$ 23,354,452
Investments, Net	6,346,771	302,328	-	-	-	-	-	-	270,700	-	6,919,799
Accounts Receivable, Net	4,869	350,778	168,560	6,970	43,655	181,271	27,803	3,347	34,360	(441,182)	380,431
Other Assets	1,766	95,294	15,506	78,034	47,061	27,867	7,643	-	-	(158,068)	115,103
Total Intragovernmental	6,582,436	5,971,563	746,312	11,372,842	793,186	3,827,596	277,214	1,472,016	325,870	(599,250)	30,769,785
Cash and Monetary Assets	113,822	46	-	-	16,575	50,843	68,184	783	-	-	250,253
Accounts Receivable, Net	-	59,086	35	6,056	5,998	32,369	256	9,778	12,320	-	125,898
Inventory and Related Property, Net	-	106	3,060	-	7,506	8,103	-	18,180	133,934	-	170,889
Forfeited Property, Net	172,746	-	-	-	-	-	-	-	-	-	172,746
General Property, Plant and Equipment, Net	633	280,102	264,246	12,526	401,220	2,558,525	210,262	6,387,481	102,775	-	10,217,770
Advances and Prepayments	6	1,978	-	1,009,997	14,700	47,144	786	3,899	1,257	-	1,079,767
Other Assets	-	-	184	-	-	-	-	4,473	1,325	-	5,982
Total Assets	**$ 6,869,643**	**$ 6,312,881**	**$ 1,013,837**	**$ 12,401,421**	**$ 1,239,185**	**$ 6,524,580**	**$ 556,702**	**$ 7,896,610**	**$ 577,481**	**$ (599,250)**	**$ 42,793,090**
LIABILITIES											
Intragovernmental											
Accounts Payable	$ 67,345	$ 317,501	$ 31,314	$ 54,240	$ 46,943	$ 229,722	$ 14,942	$ 37,098	$ 3,612	$ (436,690)	$ 366,027
Accrued FECA Liabilities	-	9,780	15,912	86	27,222	30,829	20,074	144,780	1,942	-	250,625
Custodial Liabilities	-	599,810	-	-	5,199	-	-	-	-	-	605,009
Other Liabilities	169	83,592	26,609	117,275	20,766	121,218	10,474	69,364	102,615	(162,560)	389,522
Total Intragovernmental	67,514	1,010,683	73,835	171,601	100,130	381,769	45,490	251,242	108,169	(599,250)	1,611,183
Accounts Payable	851,013	307,561	354,200	24,177	92,054	416,733	45,450	367,973	45,659	-	2,504,820
Accrued Grant Liabilities	-	245,174	-	369,245	-	-	-	-	-	-	614,419
Actuarial FECA Liabilities	-	51,746	86,365	680	149,846	182,426	110,697	761,197	16,403	-	1,359,360
Accrued Payroll and Benefits	767	137,132	33,239	8,182	63,094	208,273	34,276	151,321	8,218	-	644,502
Accrued Annual and Compensatory Leave Liabilities	168	181,586	43,940	6,148	98,437	270,528	51,897	170,187	8,892	-	831,783
Environmental and Disposal Liabilities	-	-	-	-	-	9,987	-	62,722	-	-	72,709
Deferred Revenue	172,746	-	-	-	358,742	-	-	1,939	-	-	533,427
Seized Cash and Monetary Instruments	4,016,891	-	-	-	440	42,880	3,527	-	-	-	4,063,738
Contingent Liabilities	-	-	-	-	7,754	52,335	-	8,563	-	-	68,652
Capital Lease Liabilities	-	-	-	14	-	-	1,071	23,941	115	-	25,141
Radiation Exposure Compensation Act Liabilities	-	535,838	-	-	-	-	-	-	-	-	535,838
Other Liabilities	-	152,987	-	-	9,720	4,687	59,905	176,606	-	-	403,905
Total Liabilities	**$ 5,109,099**	**$ 2,622,707**	**$ 591,579**	**$ 580,047**	**$ 880,217**	**$ 1,569,618**	**$ 352,313**	**$ 1,975,691**	**$ 187,456**	**$ (599,250)**	**$ 13,269,477**
NET POSITION											
Unexpended Appropriations - Earmarked Funds	$ -	$ 21,727	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,727
Unexpended Appropriations - All Other Funds	-	3,472,362	257,093	4,605,970	503,763	2,194,512	174,210	744,671	-	-	11,952,581
Cumulative Results of Operations - Earmarked Funds	1,760,544	252,629	-	7,202,248	(232,162)	-	-	83,557	-	-	9,066,816
Cumulative Results of Operations - All Other Funds	-	(56,544)	165,165	13,156	87,367	2,760,450	30,179	5,092,691	390,025	-	8,482,489
Total Net Position	**$ 1,760,544**	**$ 3,690,174**	**$ 422,258**	**$ 11,821,374**	**$ 358,968**	**$ 4,954,962**	**$ 204,389**	**$ 5,920,919**	**$ 390,025**	**$ -**	**$ 29,523,613**
Total Liabilities and Net Position	**$ 6,869,643**	**$ 6,312,881**	**$ 1,013,837**	**$ 12,401,421**	**$ 1,239,185**	**$ 6,524,580**	**$ 556,702**	**$ 7,896,610**	**$ 577,481**	**$ (599,250)**	**$ 42,793,090**

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

	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	$ 180,150	$ 5,825,079	$ 684,686	$ 10,519,156	$ 809,035	$ 3,694,239	$ 261,136	$ 1,600,858	$ 22,248	$ -	$ 23,596,587
Investments, Net	3,491,262	270,271	-	-	-	-	-	-	300,200	-	4,061,733
Accounts Receivable, Net	4,245	291,193	149,713	6,883	39,117	158,737	28,291	6,235	25,219	(407,323)	302,310
Other Assets	2,607	134,244	17,212	76,831	51,090	30,638	14,349	407	-	(204,714)	122,664
Total Intragovernmental	3,678,264	6,520,787	851,611	10,602,870	899,242	3,883,614	303,776	1,607,500	347,667	(612,037)	28,083,294
Cash and Monetary Assets	131,030	46	-	-	13,407	51,017	49,009	774	-	-	245,283
Accounts Receivable, Net	-	19,769	47	5,774	2,325	30,384	162	20,012	8,787	-	87,260
Inventory and Related Property, Net	-	106	2,739	-	6,770	7,927	-	16,474	203,331	-	237,347
Forfeited Property, Net	189,122	-	-	-	-	-	-	-	-	-	189,122
General Property, Plant and Equipment, Net	1,417	231,301	257,937	12,032	382,137	2,197,590	207,118	6,334,726	116,896	-	9,741,154
Advances and Prepayments	12	8,225	17	1,428,298	9,929	46,698	1,669	3,845	2,711	-	1,501,404
Other Assets	-	-	184	-	-	-	-	4,662	980	-	5,826
Total Assets	**$ 3,999,845**	**$ 6,780,234**	**$ 1,112,535**	**$ 12,048,974**	**$ 1,313,810**	**$ 6,217,230**	**$ 561,734**	**$ 7,987,993**	**$ 680,372**	**$ (612,037)**	**$ 40,090,690**
LIABILITIES											
Intragovernmental											
Accounts Payable	$ 69,170	$ 306,300	$ 26,177	$ 18,928	$ 42,007	$ 162,573	$ 14,803	$ 33,303	$ 4,621	(404,263)	$ 273,619
Accrued FECA Liabilities	-	9,265	15,725	129	26,651	31,231	19,567	139,222	1,656	-	243,446
Custodial Liabilities	-	329,588	-	-	1,584	-	-	-	-	-	331,172
Other Liabilities	-	569,083	24,344	147,914	18,726	114,588	9,393	73,926	201,167	(207,774)	951,367
Total Intragovernmental	69,170	1,214,236	66,246	166,971	88,968	308,392	43,763	246,451	207,444	(612,037)	1,799,604
Accounts Payable	629,347	363,569	406,268	33,369	117,280	488,886	45,744	389,178	46,381	-	2,520,022
Accrued Grant Liabilities	-	147,652	-	383,171	-	-	-	-	-	-	530,823
Actuarial FECA Liabilities	-	50,022	83,490	657	144,858	176,353	107,012	735,856	15,857	-	1,314,105
Accrued Payroll and Benefits	-	128,797	30,525	7,930	59,032	187,572	31,560	140,727	8,838	-	594,981
Accrued Annual and Compensatory Leave Liabilities	-	183,120	42,138	6,068	98,608	265,775	52,408	168,853	9,911	-	826,881
Environmental and Disposal Liabilities	-	-	-	-	-	9,755	-	61,902	-	-	71,657
Deferred Revenue	189,122	-	-	-	311,164	-	-	1,833	-	-	502,119
Seized Cash and Monetary Instruments	1,424,806	-	-	-	447	42,120	3,010	-	-	-	1,470,383
Contingent Liabilities	-	4,738	17,000	-	4,928	66,762	3,505	4,827	-	-	101,760
Capital Lease Liabilities	-	-	946	18	-	-	1,875	30,703	107	-	33,649
Radiation Exposure Compensation Act Liabilities	-	541,784	-	-	-	-	-	-	-	-	541,784
Other Liabilities	-	118,879	-	-	7,639	3,297	41,416	96,138	-	-	267,369
Total Liabilities	**$ 2,312,445**	**$ 2,752,797**	**$ 646,613**	**$ 598,184**	**$ 832,924**	**$ 1,548,912**	**$ 330,293**	**$ 1,876,468**	**$ 288,538**	**$ (612,037)**	**$ 10,575,137**
NET POSITION											
Unexpended Appropriations - Earmarked Funds	$ -	$ 19,585	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ 19,585
Unexpended Appropriations - All Other Funds	-	3,979,216	328,900	5,571,977	559,167	2,255,206	202,183	894,623	-	-	13,791,272
Cumulative Results of Operations - Earmarked Funds	1,687,400	171,475	-	5,866,596	(159,279)	-	-	69,853	-	-	7,636,045
Cumulative Results of Operations - All Other Funds	-	(142,839)	137,022	12,217	80,998	2,413,112	29,258	5,147,049	391,834	-	8,068,651
Total Net Position	**$ 1,687,400**	**$ 4,027,437**	**$ 465,922**	**$ 11,450,790**	**$ 480,886**	**$ 4,668,318**	**$ 231,441**	**$ 6,111,525**	**$ 391,834**	**$ -**	**$ 29,515,553**
Total Liabilities and Net Position	**$ 3,999,845**	**$ 6,780,234**	**$ 1,112,535**	**$ 12,048,974**	**$ 1,313,810**	**$ 6,217,230**	**$ 561,734**	**$ 7,987,993**	**$ 680,372**	**$ (612,037)**	**$ 40,090,690**

U. S. Department of Justice
Consolidating Statement of Net Cost
For the Fiscal Year Ended September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security											
Gross Cost - Intragovernmental	$ -	$ 112,985	$ 6,484	$ -	$ 15,196	$ 1,448,527	$ -	$ -	$ -	$ (96,829)	$ 1,486,363
Gross Cost - With the Public	-	265,340	-	-	90,886	3,877,856	5,649	-	-	-	4,239,731
Subtotal Gross Costs	-	378,325	6,484	-	106,082	5,326,383	5,649	-	-	(96,829)	5,726,094
Earned Revenues - Intragovernmental	-	93,776	-	-	687	449,197	-	-	-	(96,829)	446,831
Earned Revenues - With the Public	-	22,433	-	-	6	14,739	-	-	-	-	37,178
Subtotal Earned Revenues	-	116,209	-	-	693	463,936	-	-	-	(96,829)	484,009
Subtotal Net Cost of Operations	$ -	$ 262,116	$ 6,484	$ -	$ 105,389	$ 4,862,447	$ 5,649	$ -	$ -	$ -	$ 5,242,085
Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Gross Cost - Intragovernmental	$ 380,028	$ 1,868,383	$ 30,396	$ 158,557	$ 907,038	$ 1,061,638	$ 381,239	$ -	$ -	$ (1,123,450)	$ 3,663,829
Gross Cost - With the Public	1,293,384	3,990,335	-	2,522,078	2,021,967	2,842,115	886,810	6,613	-	-	13,563,302
Subtotal Gross Costs	1,673,412	5,858,718	30,396	2,680,635	2,929,005	3,903,753	1,268,049	6,613	-	(1,123,450)	17,227,131
Earned Revenues - Intragovernmental	9,513	575,651	-	32,277	521,896	652,046	90,650	-	-	(1,123,450)	758,583
Earned Revenues - With the Public	-	426,958	-	45	200,321	161,140	650	-	-	-	789,114
Subtotal Earned Revenues	9,513	1,002,609	-	32,322	722,217	813,186	91,300	-	-	(1,123,450)	1,547,697
Subtotal Net Cost of Operations	$ 1,663,899	$ 4,856,109	$ 30,396	$ 2,648,313	$ 2,206,788	$ 3,090,567	$ 1,176,749	$ 6,613	$ -	$ -	$ 15,679,434
Goal 3: Ensure the Fair and Efficient Administration of Justice											
Gross Cost - Intragovernmental	$ -	$ 1,736,875	$ 546,964	$ 65,346	$ -	$ -	$ -	$ 1,629,744	$ 163,202	$ (1,813,663)	$ 2,328,468
Gross Cost - With the Public	-	705,044	2,627,882	988,930	-	-	-	5,583,621	779,713	-	10,685,190
Subtotal Gross Costs	-	2,441,919	3,174,846	1,054,276	-	-	-	7,213,365	942,915	(1,813,663)	13,013,658
Earned Revenues - Intragovernmental	-	158,055	1,581,441	10,440	-	-	-	15,252	800,498	$ (1,788,199)	777,487
Earned Revenues - With the Public	-	45,456	2,519	-	-	-	-	370,424	104,185	-	522,584
Subtotal Earned Revenues	-	203,511	1,583,960	10,440	-	-	-	385,676	904,683	(1,788,199)	1,300,071
Subtotal Net Cost of Operations	$ -	$ 2,238,408	$ 1,590,886	$ 1,043,836	$ -	$ -	$ -	$ 6,827,689	$ 38,232	$ (25,464)	$ 11,713,587
Total Net Cost of Operations	**$ 1,663,899**	**$ 7,356,633**	**$ 1,627,766**	**$ 3,692,149**	**$ 2,312,177**	**$ 7,953,014**	**$ 1,182,398**	**$ 6,834,302**	**$ 38,232**	**$ (25,464)**	**$ 32,635,106**

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

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

U. S. Department of Justice
Consolidating Statement of Changes in Net Position
For the Fiscal Year Ended September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Unexpended Appropriations											
Beginning Balances											
Earmarked Funds	**$ -**	**$ 19,585**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 19,585**
All Other Funds	**-**	**3,979,216**	**328,900**	**5,571,977**	**559,167**	**2,255,206**	**202,183**	**894,623**	**-**	**-**	**13,791,272**
Budgetary Financing Sources											
Appropriations Received											
Earmarked Funds	-	71,746	-	-	-	-	-	-	-	-	71,746
All Other Funds	-	6,901,999	1,142,388	1,893,160	2,019,682	7,941,932	1,114,772	6,394,155	-	-	27,408,088
Appropriations Transferred-In/Out											
All Other Funds	-	(187,823)	388,191	200,344	71,029	(61,176)	(7,892)	(1,834)	-	-	400,839
Other Adjustments											
Earmarked Funds	-	(326)	-	-	-	-	-	-	-	-	(326)
All Other Funds	-	(23,338)	(2,285)	(45,365)	(4,039)	(15,884)	(2,231)	(12,788)	-	-	(105,930)
Appropriations Used											
Earmarked Funds	-	(69,278)	-	-	-	-	-	-	-	-	(69,278)
All Other Funds	-	(7,197,692)	(1,600,101)	(3,014,146)	(2,142,076)	(7,925,566)	(1,132,622)	(6,529,485)	-	-	(29,541,688)
Total Financing Sources											
Earmarked Funds	**-**	**2,142**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,142**
All Other Funds	**-**	**(506,854)**	**(71,807)**	**(966,007)**	**(55,404)**	**(60,694)**	**(27,973)**	**(149,952)**	**-**	**-**	**(1,838,691)**
Net Change											
Earmarked Funds	-	2,142	-	-	-	-	-	-	-	-	2,142
All Other Funds	-	(506,854)	(71,807)	(966,007)	(55,404)	(60,694)	(27,973)	(149,952)	-	-	(1,838,691)
Ending Balances											
Earmarked Funds	**-**	**21,727**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**21,727**
All Other Funds	**-**	**3,472,362**	**257,093**	**4,605,970**	**503,763**	**2,194,512**	**174,210**	**744,671**	**-**	**-**	**11,952,581**
Total All Funds	**$ -**	**$ 3,494,089**	**$ 257,093**	**$ 4,605,970**	**$ 503,763**	**$ 2,194,512**	**$ 174,210**	**$ 744,671**	**$ -**	**$ -**	**$ 11,974,308**

U. S. Department of Justice
Consolidating Statement of Changes in Net Position - Continued
For the Fiscal Year Ended September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Cumulative Results of Operations											
Beginning Balances											
Earmarked Funds	**$ 1,687,400**	**$ 171,475**	**$ -**	**$ 5,866,596**	**$ (159,279)**	**$ -**	**$ -**	**$ 69,853**	**$ -**	**$ -**	**$ 7,636,045**
All Other Funds	**-**	**(142,839)**	**137,022**	**12,217**	**80,998**	**2,413,112**	**29,258**	**5,147,049**	**391,834**	**-**	**8,068,651**
Beginning Balances, as Adjusted											
Earmarked Funds	**1,687,400**	**171,475**	**-**	**5,866,596**	**(159,279)**	**-**	**-**	**69,853**	**-**	**-**	**7,636,045**
All Other Funds	**-**	**(142,839)**	**137,022**	**12,217**	**80,998**	**2,413,112**	**29,258**	**5,147,049**	**391,834**	**-**	**8,068,651**
Budgetary Financing Sources											
Other Ajustments											
All Other Funds	-	(26,000)	-	-	-	-	-	-	-	-	(26,000)
Appropriations Used											
Earmarked Funds	-	69,278	-	-	-	-	-	-	-	-	69,278
All Other Funds	-	7,197,692	1,600,101	3,014,146	2,142,076	7,925,566	1,132,622	6,529,485	-	-	29,541,688
Nonexchange Revenues											
Earmarked Funds	4,596	1,070	-	1,998,221	-	-	-	-	-	-	2,003,887
All Other Funds	-	-	-	508	-	-	-	-	-	-	508
Donations and Forfeitures of Cash and Cash Equivalents											
Earmarked Funds	1,580,584	-	-	-	-	-	-	-	-	-	1,580,584
Transfers-In/Out Without Reimbursement											
All Other Funds	-	113,735	-	-	-	-	-	-	-	-	113,735
Other Financing Sources											
Donations and Forfeitures of Property											
Earmarked Funds	157,381	-	-	-	-	-	-	-	-	-	157,381
All Other Funds	-	-	-	-	-	-	-	226	-	-	226
Transfers-In/Out Without Reimbursement											
Earmarked Funds	(6,120)	-	-	-	-	-	-	(72)	-	-	(6,192)
All Other Funds	-	(53,304)	162	10,600	14,358	74,270	3,153	1,485	24	-	50,748
Imputed Financing from Costs Absorbed by Others											
Earmarked Funds	602	1,365	-	-	9,396	-	-	4,706	-	-	16,069
All Other Funds	-	220,246	55,646	5,265	79,833	305,129	47,544	257,818	36,399	(25,464)	982,416
Other Financing Sources											
All Other Funds	-	-	-	-	-	(4,613)	-	-	-	-	(4,613)
Total Financing Sources											
Earmarked Funds	**1,737,043**	**71,713**	**-**	**1,998,221**	**9,396**	**-**	**-**	**4,634**	**-**	**-**	**3,821,007**
All Other Funds	**-**	**7,452,369**	**1,655,909**	**3,030,519**	**2,236,267**	**8,300,352**	**1,183,319**	**6,789,014**	**36,423**	**(25,464)**	**30,658,708**
Net Cost of Operations											
Earmarked Funds	(1,663,899)	9,441	-	(662,569)	(82,279)	-	-	9,070	-	-	(2,390,236)
All Other Funds	-	(7,366,074)	(1,627,766)	(3,029,580)	(2,229,898)	(7,953,014)	(1,182,398)	(6,843,372)	(38,232)	25,464	(30,244,870)
Net Change											
Earmarked Funds	73,144	81,154	-	1,335,652	(72,883)	-	-	13,704	-	-	1,430,771
All Other Funds	-	86,295	28,143	939	6,369	347,338	921	(54,358)	(1,809)	-	413,838
Ending Balances											
Earmarked Funds	**1,760,544**	**252,629**	**-**	**7,202,248**	**(232,162)**	**-**	**-**	**83,557**	**-**	**-**	**9,066,816**
All Other Funds	**-**	**(56,544)**	**165,165**	**13,156**	**87,367**	**2,760,450**	**30,179**	**5,092,691**	**390,025**	**-**	**8,482,489**
Total All Funds	**$ 1,760,544**	**$ 196,085**	**$ 165,165**	**$ 7,215,404**	**$ (144,795)**	**$ 2,760,450**	**$ 30,179**	**$ 5,176,248**	**$ 390,025**	**$ -**	**$ 17,549,305**

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

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

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

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

U. S. Department of Justice
Combining Statement of Budgetary Resources
For the Fiscal Year Ended September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Resources										
Unobligated Balance, Net, Brought Forward, October 1	$ 1,010,179	$ 929,953	$ 133,375	$ 232,500	$ 223,391	$ 946,877	$ 110,131	$ 377,906	$ 74,986	$ 4,039,298
Recoveries of Prior Year Unpaid Obligations	83,669	206,483	64,819	54,156	102,053	216,564	21,159	4,539	-	753,442
Budget Authority:										
Appropriations Received	2,097,810	7,255,995	1,142,388	8,692,854	2,262,356	7,941,932	1,114,772	6,394,155	-	36,902,262
Spending Authority from Offsetting Collections:										
Earned										
Collected	11,665	2,095,196	1,576,541	62,049	529,938	1,307,280	95,965	384,112	994,091	7,056,837
Change in Receivables from Federal Sources	624	43,636	16,620	87	4,563	19,410	(488)	1,768	9,141	95,361
Change in Unfilled Customer Orders										
Advance Received	-	(8,150)	(3,869)	(28,370)	(28)	771	-	(201)	(98,549)	(138,396)
Without Advance from Federal Sources	20	(21,863)	6,998	(517)	(29,182)	(5,967)	(10,057)	2,769	-	(57,799)
Subtotal Budget Authority	2,110,119	9,364,814	2,738,678	8,726,103	2,767,647	9,263,426	1,200,192	6,782,603	904,683	43,858,265
Nonexpenditure Transfers, Net, Anticipated and Actual	-	(74,088)	388,191	200,344	71,029	(61,176)	(7,892)	(1,834)	-	514,574
Temporarily not Available Pursuant to Public Law	(495,042)	(439)	-	(6,099,743)	-	-	-	-	-	(6,595,224)
Permanently not Available	-	(57,709)	(2,285)	(45,654)	(4,039)	(15,884)	(2,231)	(12,788)	-	(140,590)
Total Budgetary Resources	**$ 2,708,925**	**$ 10,369,014**	**$ 3,322,778**	**$ 3,067,706**	**$ 3,160,081**	**$ 10,349,807**	**$ 1,321,359**	**$ 7,150,426**	**$ 979,669**	**$ 42,429,765**
Status of Budgetary Resources										
Obligations Incurred										
Direct	$ 1,615,962	$ 7,259,310	$ 1,622,322	$ 2,848,111	$ 2,492,777	$ 8,101,889	$ 1,174,282	$ 6,725,968	$ -	$ 31,840,621
Reimbursable	4,244	2,295,381	1,610,059	32,133	509,012	1,300,384	86,110	44,645	824,853	6,706,821
Total Obligations Incurred	1,620,206	9,554,691	3,232,381	2,880,244	3,001,789	9,402,273	1,260,392	6,770,613	824,853	38,547,442
Unobligated Balance - Available:										
Apportioned	635,227	554,020	57,730	169,067	118,503	594,313	38,931	258,217	-	2,426,008
Exempt from Apportionment	-	-	-	-	-	-	-	56,381	154,816	211,197
Total Unobligated Balance - Available	635,227	554,020	57,730	169,067	118,503	594,313	38,931	314,598	154,816	2,637,205
Unobligated Balance not Available	453,492	260,303	32,667	18,395	39,789	353,221	22,036	65,215	-	1,245,118
Total Status of Budgetary Resources	**$ 2,708,925**	**$ 10,369,014**	**$ 3,322,778**	**$ 3,067,706**	**$ 3,160,081**	**$ 10,349,807**	**$ 1,321,359**	**$ 7,150,426**	**$ 979,669**	**$ 42,429,765**

U. S. Department of Justice
Combining Statement of Budgetary Resources - Continued
For the Fiscal Year Ended September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Change in Obligated Balance										
Obligated Balance, Net - Brought Forward, October 1										
Unpaid Obligations	$ 982,679	$ 4,874,461	$ 708,551	$ 5,510,847	$ 777,043	$ 3,221,811	$ 226,043	$ 1,185,212	$ 272,682	$ 17,759,329
Less: Uncollected Customer Payments from Federal Sources	4,245	794,774	165,214	25,666	181,976	479,261	70,398	6,345	25,219	1,753,098
Total Unpaid Obligated Balance, Net - Brought Forward, October 1	978,434	4,079,687	543,337	5,485,181	595,067	2,742,550	155,645	1,178,867	247,463	16,006,231
Obligations Incurred	1,620,206	9,554,691	3,232,381	2,880,244	3,001,789	9,402,273	1,260,392	6,770,613	824,853	38,547,442
Less: Gross Outlays	1,426,916	9,658,520	3,227,503	3,311,068	2,964,749	9,242,252	1,219,844	6,899,342	926,480	38,876,674
Less: Recoveries of Prior Year Unpaid Obligations, Actual	83,669	206,483	64,819	54,156	102,053	216,564	21,159	4,539	-	753,442
Change in Uncollected Customer Payments from Federal Sources	(644)	(21,773)	(23,618)	430	24,619	(13,443)	10,545	(4,537)	(9,141)	(37,562)
Obligated Balance, Net - End of Period:										
Unpaid Obligations	1,092,300	4,564,149	648,610	5,025,867	712,030	3,165,268	245,431	1,051,944	171,055	16,676,654
Less: Uncollected Customer Payments from Federal Sources	4,889	816,547	188,832	25,236	157,357	492,704	59,852	10,882	34,360	1,790,659
Total Unpaid Obligated Balance, Net - End of Period	$ 1,087,411	$ 3,747,602	$ 459,778	$ 5,000,631	$ 554,673	$ 2,672,564	$ 185,579	$ 1,041,062	$ 136,695	$ 14,885,995
Outlays										
Gross Outlays	$ 1,426,916	$ 9,658,520	$ 3,227,503	$ 3,311,068	$ 2,964,749	$ 9,242,252	$ 1,219,844	$ 6,899,342	$ 926,480	$ 38,876,674
Less: Offsetting Collections	11,665	2,087,046	1,572,672	33,683	529,910	1,308,051	95,965	383,911	895,542	6,918,445
Less: Distributed Offsetting Receipts	4,596	777,312	-	206	243,616	(7,284)	3,892	3,306	-	1,025,644
Total Net Outlays	**$ 1,410,655**	**$ 6,794,162**	**$ 1,654,831**	**$ 3,277,179**	**$ 2,191,223**	**$ 7,941,485**	**$ 1,119,987**	**$ 6,512,125**	**$ 30,938**	**$ 30,932,585**

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

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

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

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

U. S. Department of Justice
Combining Statement of Custodial Activity
For the Fiscal Year Ended September 30, 2011

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ -	$ 5,222,083	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,222,083
Fees and Licenses	-	-	-	-	15,000	-	17,437	-	-	32,437
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	82,268	-	20	-	-	82,288
Fines, Penalties and Restitution Payments - Criminal	-	38,255	-	-	-	-	95	-	-	38,350
Miscellaneous	-	59	-	-	-	-	3,892	-	-	3,951
Total Cash Collections	**$ -**	**$ 5,260,397**	**$ -**	**$ -**	**$ 97,268**	**$ -**	**$ 21,444**	**$ -**	**$ -**	**$ 5,379,109**
Accrual Adjustments	-	-	-	-	3,617	-	26	-	-	3,643
Total Custodial Revenue	**$ -**	**$ 5,260,397**	**$ -**	**$ -**	**$ 100,885**	**$ -**	**$ 21,470**	**$ -**	**$ -**	**$ 5,382,752**
Disposition of Collections										
Transferred to Federal Agencies										
U.S. Department of Agriculture	-	(96,346)	-	-	-	-	-	-	-	(96,346)
U.S. Department of Commerce	-	(5,103)	-	-	-	-	-	-	-	(5,103)
U.S. Department of the Interior	-	(29,959)	-	-	-	-	-	-	-	(29,959)
U.S. Department of Justice	-	(81,181)	-	-	-	-	-	-	-	(81,181)
U.S. Department of Labor	-	(736)	-	-	-	-	-	-	-	(736)
U.S. Postal Service	-	(4,362)	-	-	-	-	-	-	-	(4,362)
U.S. Department of State	-	(8,535)	-	-	-	-	-	-	-	(8,535)
U.S. Department of the Treasury	-	(130,778)	-	-	(97,268)	-	(21,138)	-	-	(249,184)
Office of Personnel Management	-	(58,144)	-	-	-	-	-	-	-	(58,144)
Federal Communications Commission	-	(14,727)	-	-	-	-	-	-	-	(14,727)
Social Security Administration	-	(2,726)	-	-	-	-	-	-	-	(2,726)
Smithsonian Institution	-	(190)	-	-	-	-	-	-	-	(190)
U.S. Department of Veterans Affairs	-	(28,703)	-	-	-	-	-	-	-	(28,703)
General Services Administration	-	(88,447)	-	-	-	-	-	-	-	(88,447)
Securities and Exchange Commission	-	(3)	-	-	-	-	-	-	-	(3)
Federal Deposit Insurance Corporation	-	(71)	-	-	-	-	-	-	-	(71)
Railroad Retirement Board	-	(100)	-	-	-	-	-	-	-	(100)
Environmental Protection Agency	-	(341,267)	-	-	-	-	-	-	-	(341,267)
U.S. Department of Transportation	-	(7,236)	-	-	-	-	-	-	-	(7,236)
U.S. Department of Homeland Security	-	(66,843)	-	-	-	-	-	-	-	(66,843)
Agency for International Development	-	(22,233)	-	-	-	-	-	-	-	(22,233)
Small Business Administration	-	(10,447)	-	-	-	-	-	-	-	(10,447)
U.S. Department of Health and Human Services	-	(2,001,923)	-	-	-	-	-	-	-	(2,001,923)
National Aeronautics and Space Administration	-	(3,792)	-	-	-	-	-	-	-	(3,792)
Export-Import Bank of the United States	-	(24,643)	-	-	-	-	-	-	-	(24,643)
U.S. Department of Housing and Urban Development	-	(11,099)	-	-	-	-	-	-	-	(11,099)
U.S. Department of Energy	-	(2,093)	-	-	-	-	-	-	-	(2,093)
U.S. Department of Education	-	(55,431)	-	-	-	-	-	-	-	(55,431)
Independent Agencies	-	(67,264)	-	-	-	-	-	-	-	(67,264)
Treasury General Fund	-	(618,814)	-	-	-	-	-	-	-	(618,814)
U.S. Department of Defense	-	(173,894)	-	-	-	-	-	-	-	(173,894)
Transferred to the Public	-	(516,597)	-	-	-	-	-	-	-	(516,597)
(Increase)/Decrease in Amounts Yet to be Transferred	-	(304,330)	-	-	(3,617)	-	-	-	-	(307,947)
Refunds and Other Payments	-	(364,312)	-	-	-	-	(332)	-	-	(364,644)
Retained by the Reporting Entity	-	(118,068)	-	-	-	-	-	-	-	(118,068)
Net Custodial Activity	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	$ -	$ 4,789,655	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,789,655
Fees and Licenses	-	-	-	-	15,000	-	13,985	-	-	28,985
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	5,963	-	22	-	-	5,985
Fines, Penalties and Restitution Payments - Criminal	-	33,004	-	-	-	-	44	-	-	33,048
Miscellaneous	-	81	-	-	-	-	623	-	-	704
Total Cash Collections	**$ -**	**$ 4,822,740**	**$ -**	**$ -**	**$ 20,963**	**$ -**	**$ 14,674**	**$ -**	**$ -**	**$ 4,858,377**
Accrual Adjustments	-	-	-	-	211	-	60	-	-	271
Total Custodial Revenue	**$ -**	**$ 4,822,740**	**$ -**	**$ -**	**$ 21,174**	**$ -**	**$ 14,734**	**$ -**	**$ -**	**$ 4,858,648**
Disposition of Collections										
Transferred to Federal Agencies										
U.S. Department of Agriculture	-	(84,620)	-	-	-	-	-	-	-	(84,620)
U.S. Department of Commerce	-	(1,725)	-	-	-	-	-	-	-	(1,725)
U.S. Department of the Interior	-	(283,244)	-	-	-	-	-	-	-	(283,244)
U.S. Department of Justice	-	(24,865)	-	-	-	-	-	-	-	(24,865)
U.S. Department of Labor	-	(3,537)	-	-	-	-	-	-	-	(3,537)
U.S. Postal Service	-	(6,762)	-	-	-	-	-	-	-	(6,762)
U.S. Department of State	-	(199)	-	-	-	-	-	-	-	(199)
U.S. Department of the Treasury	-	(571,742)	-	-	(20,891)	-	(14,345)	-	-	(606,978)
Office of Personnel Management	-	(46,636)	-	-	-	-	-	-	-	(46,636)
Federal Communications Commission	-	(2,693)	-	-	-	-	-	-	-	(2,693)
Social Security Administration	-	(3,558)	-	-	-	-	-	-	-	(3,558)
Smithsonian Institution	-	(209)	-	-	-	-	-	-	-	(209)
U.S. Department of Veterans Affairs	-	(35,068)	-	-	-	-	-	-	-	(35,068)
General Services Administration	-	(4,008)	-	-	-	-	-	-	-	(4,008)
Securities and Exchange Commission	-	(2)	-	-	-	-	-	-	-	(2)
Federal Deposit Insurance Corporation	-	(42)	-	-	-	-	-	-	-	(42)
Railroad Retirement Board	-	(143)	-	-	-	-	-	-	-	(143)
Environmental Protection Agency	-	(720,010)	-	-	-	-	-	-	-	(720,010)
U.S. Department of Transportation	-	(765)	-	-	-	-	-	-	-	(765)
U.S. Department of Homeland Security	-	(30,872)	-	-	-	-	-	-	-	(30,872)
Agency for International Development	-	(2,155)	-	-	-	-	-	-	-	(2,155)
Small Business Administration	-	(5,360)	-	-	-	-	-	-	-	(5,360)
U.S. Department of Health and Human Services	-	(1,528,861)	-	-	-	-	-	-	-	(1,528,861)
National Aeronautics and Space Administration	-	(2,859)	-	-	-	-	-	-	-	(2,859)
Export-Import Bank of the United States	-	(4,704)	-	-	-	-	-	-	-	(4,704)
U.S. Department of Housing and Urban Development	-	(25,985)	-	-	-	-	-	-	-	(25,985)
U.S. Department of Energy	-	(2,281)	-	-	-	-	-	-	-	(2,281)
U.S. Department of Education	-	(63,002)	-	-	-	-	-	-	-	(63,002)
Independent Agencies	-	(54,493)	-	-	-	-	-	-	-	(54,493)
Treasury General Fund	-	(485,769)	-	-	-	-	-	-	-	(485,769)
U.S. Department of Defense	-	(112,640)	-	-	-	-	-	-	-	(112,640)
Transferred to the Public	-	(391,304)	-	-	-	-	-	-	-	(391,304)
(Increase)/Decrease in Amounts Yet to be Transferred	-	(210,225)	-	-	(283)	-	-	-	-	(210,508)
Refunds and Other Payments	-	(10,627)	-	-	-	-	(389)	-	-	(11,016)
Retained by the Reporting Entity	-	(101,775)	-	-	-	-	-	-	-	(101,775)
Net Custodial Activity	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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Required Supplementary Stewardship Information Unaudited

See Independent Auditors' Report on Financial Statements

U.S. Department of Justice
Required Supplementary Stewardship Information
Consolidated Stewardship Investments
For the Fiscal Years Ended September 30, 2011, 2010, 2009, 2008 and 2007

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

VOI/TIS and CSCATL funds are available for the following purposes:

- Build or expand correctional facilities to increase the bed capacity for the confinement of persons convicted of a Part 1 violent crime or adjudicated delinquent for an act that, if committed by an adult, would be a Part 1 violent crime. NOTE: Part 1 violent crime included murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault as reported to the Federal Bureau of Investigation for purposes of the Uniform Crime Reports.

- Build or expand temporary or permanent correctional facilities, including facilities on military bases, prison barges, and boot camps, for the confinement of convicted offenders and criminal aliens, for the purpose of freeing suitable existing prison space for the confinement of persons convicted of a Part 1 violent crime.

- Build or expand jails.

- Additionally, since fiscal year (FY) 1999, up to 10.0 percent of a state's VOI/TIS award may be applied to the costs of offender drug testing or intervention programs during periods of incarceration and post-incarceration criminal justice supervision and/or pay the costs of providing the required reports on prison drug use.

VOI/TIS and CSCATL funds expended from FY 2007 through FY 2011 are as follows:

Dollars in Thousands	2011	2010	2009	2008	2007
Cooperative Agreement Program Administered by USMS	$0	$0	$0	$1,140	$2,839
Discretionary Grants to Indian Tribes	52,339	24,768	14,320	5,094	11,334
Formula Grants to States	-1,139	11,389	41,561	59,011	188,171
Total	$51,200	$36,157	$55,881	$65,245	$202,344

SECTION IV
Management Section

Section IV Management Section (Unaudited)

Overview

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

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

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OIG Top Management and Performance Challenges in the Department of Justice

November 8, 2011

MEMORANDUM FOR THE ATTORNEY GENERAL
THE DEPUTY ATTORNEY GENERAL

FROM: CYNTHIA A. SCHNEDAR
ACTING INSPECTOR GENERAL

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

Attached to this memorandum is the Office of the Inspector General's (OIG) 2011 list of top management and performance challenges facing the Department of Justice (Department). We have prepared similar lists since 1998. By statute, this list is required to be included in the Department's annual Performance and Accountability Report.

While the challenges are not presented in priority order, similar to past years we continue to believe that *Counterterrorism* presents the greatest challenge to the Department. In addition, we added the challenge of *Implementing Cost Savings and Efficiencies* in recognition of the difficult challenges the Department faces in continuing to execute its mission in this constrained fiscal climate. In recognition of the fact that 2011 was the fifth straight year that the Department earned an unqualified opinion on its consolidated financial statements with no material weakness, we have removed the challenge of *Financial Management* from the top 10 list. In addition, we have re-categorized two of last year's challenges so that the issues previously represented by *Organized Crimes* and *Financial Crimes and Cyber Crimes* are represented in this year's list as *Criminal Law Enforcement* and *Financial Enforcement.*

We wish to emphasize that all 10 challenges are critical, and many are closely related to each other. For example, we believe that the challenges of combating terrorism, enforcing criminal law, and managing detention and incarceration cannot be addressed in isolation, but rather must take into account the challenge of protecting civil rights and civil liberties. Similarly, many of this year's top 10 challenges relate to fiscal responsibility and resource management, such as *Implementing Cost Savings and Efficiencies; Information Technology Systems Planning, Implementation, and Security; Financial Enforcement;* and *Grants and Contract Management.*

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

Attachment

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1. Counterterrorism: Ten years after the anniversary of the terrorist attacks on September 11, 2001, counterterrorism remains the highest priority of the Department of Justice (the Department). The deaths of al-Qaeda leaders, including the May 2011 death of Osama Bin Laden, have not affected the goal of al-Qaeda and other terrorist groups to conduct attacks inside the United States. In June 2011, the Administration's Strategy for Counterterrorism noted that the significant terrorist threat posed by al-Qaeda, its affiliates, and its adherents requires the United States and its partners to develop and pursue more agile and adaptive methods to defeat it. In addition, domestic terrorism also remains a significant concern, as illustrated by the January 2011 discovery of an improvised explosive device alongside a parade route in Spokane, Washington, and by the increasing dangers posed by anti-government militia extremism. Although the country and the Department have made considerable progress over the past decade to combat terrorism, the present era of budget and deficit reduction means that significant challenges remain in protecting the country from those who would do it harm while not shortchanging the Department's other important missions.

Examination of the circumstances of the September 11 attacks makes it clear that the Department must ensure that it accurately processes, manages, and shares the information it has regarding known and suspected terrorists. The Office of the Inspector General (OIG) is conducting multiple reviews and audits to assess how the Department manages information relating to counterterrorism. For example, we are examining the Federal Bureau of Investigation's (FBI) management of the terrorist watchlist nominations process and its encounters with individuals on the watchlist. In a previous audit, the OIG concluded that the FBI did not nominate known or suspected terrorists to the watchlist in a timely manner and did not update or remove watchlist records as required. The current review follows up on our prior audit to ensure that the FBI is making adequate progress to improve this important program. It is critical that the watchlist contain accurate and up-to-date information because it is used by government personnel to determine how to respond when a known or suspected terrorist requests entry into the United States. The OIG is also examining the FBI's Foreign Terrorist Tracking Task Force (FTTTF) to determine if the FBI has implemented a viable strategy to locate and track suspected terrorists and their supporters; if the FTTTF's coordination with law enforcement, intelligence agencies, and other outside entities has enhanced its abilities; and if the FBI has appropriately managed terrorist-related information maintained by the FTTTF.

Accurate tracking of counterterrorism efforts is also essential to the management of Department resources, as Congress and the Department use statistical reports relating to terrorism to make operational and funding decisions to support the Department's annual budget requests for counterterrorism activities. Particularly in this time of constrained budgets and deficit reduction efforts, it is essential that the Department report with precision terrorism-related statistics, such as the number of individuals charged with terrorism as a result of terrorism investigations and the number of threats made against people, cities, and transportation facilities. The OIG is conducting a follow-up audit of the Department's internal controls over terrorism reporting to determine whether the National Security Division (NSD), the Executive Office for United States Attorneys, and the FBI have taken appropriate actions to implement the recommendations from our 2007 audit that found that Department components and the Department as a whole did not accurately collect and report terrorism-related statistics. Four of the recommendations we made in that prior audit remain open, including that the FBI ensure terrorism-related statistics are not reported unless evidence is maintained to support the statistics. Our follow-up audit seeks to determine what progress has been made toward closing our recommendations and to determine whether the other corrective actions the Department has implemented have improved the components' ability to gather, track, classify, verify, and report accurate terrorism-related statistics.

Terrorists and criminal hackers are increasingly using the freedom and anonymity of the Internet to threaten national security, and their evolving methods require ongoing adaptation by the Department and the FBI. In April 2011, the OIG published a report examining the FBI's ability to address the threat of cyber intrusions intended to compromise national security. The report focused on the FBI's efforts to develop the National Cyber Investigative Joint Task Force (NCIJTF) and the capabilities of FBI field offices to investigate national security cyber intrusion cases. While our audit found that the FBI had completed the interim goals for the NCIJTF, such as identifying techniques and tactics being used to attack computer networks and incorporating intelligence and law enforcement community partners into the day-to-day operations of the task force, we also identified areas where the NCIJTF could improve its capabilities to defend against cyber attacks. For example, information sharing, even among task force members, was a significant concern. We found that the NCIJTF did not always share relevant information about cyber threats among the task force's partner agencies even though the agencies are co-located at the NCIJTF and are expected to work together daily to mitigate and neutralize cyber threats. Some agencies' representatives were often asked to leave NCIJTF threat focus cell meetings to limit dissemination of information. Further, our audit found that NCIJTF partner agencies had not agreed to a consistent information sharing framework, leaving NCIJTF partner agencies with potentially divergent understandings about what information would be shared.

In addition, we found that FBI field agents often lacked the technical skills necessary to investigate cyber intrusion cases, and many agents believed they did not have time to take the required training to gain these skills. Effective information sharing and proper training are critical to an effective counterterrorism strategy in general, and particularly with regard to cyber intrusions. Our report made 10 recommendations, including that the FBI consider creating a new "cyber intrusion" career path and establish regional hubs staffed with cyber intrusion experts to ensure that the Department has appropriate specialists to address this emerging threat. The FBI has indicated that it agrees with all 10 recommendations, and the OIG will continue to monitor this important issue.

Investigation and prosecution of terrorist financing also play an important role in the Department's efforts to disrupt terrorist organizations and prevent terrorist attacks. The FBI and NSD share responsibility for identifying, investigating, and prosecuting persons and entities providing financial support to terrorist organizations and in providing operational support and legal guidance to federal, state, local, and international entities. The OIG has initiated a review of FBI and NSD efforts to combat terrorist financing that will examine whether the FBI and NSD are appropriately handling and coordinating these important responsibilities.

In addition, the Department must ensure that it is prepared to respond in the event of a terrorist attack. Since the publication of our June 2010 report concluding that the Department as a whole needed to improve its preparedness to respond to a weapon of mass destruction incident, the Department has formed an Emergency Preparedness Committee to assess its emergency preparedness policies and procedures, and to implement the recommendations made in our report. Those recommendations included designating a leader in the Department with the authority to manage the entire response program and updating the Department's response policies to conform them to the National Response Framework and National Incident Management System. However, 18 months after the creation of this committee, all five of the recommendations we made to the Department remain open. We believe that the Department will be better prepared to ensure public safety in the event of a terrorist attack when this work is complete.

Finally, coordination between the FBI and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) in the event of a terrorist attack involving explosives remains a significant concern. We first raised these issues in our October 2009 review of the coordination between the FBI and ATF in responding to explosives incidents. While the FBI and ATF have made efforts to address the problems identified in our report and the Department has assigned lead jurisdiction over terrorism-related explosives investigations to the FBI, important questions remain. The questions include what ATF's investigative role will be when an explosion's nexus to terrorism is in dispute and which component will have lead agency jurisdiction over non-terrorism crimes that have historically been investigated by the FBI, such as bank robberies. The Department must resolve these coordination issues promptly.

In sum, the effective management of counterterrorism efforts remains a fundamental challenge for the Department. Although the Department's commitment to combating terrorism has been robust and steady, its management of such critical matters as information sharing and agency coordination can be substantially improved.

2. Implementing Cost Savings and Efficiencies: The Congressional Budget Office estimates that the United States is facing an enormous budget deficit of $1.28 trillion in 2011, and there are significant pressures to reduce this deficit. During the past fiscal year, two potential government shut downs were narrowly averted by last minute bipartisan agreements, which included the establishment of a "Super Committee" of Members of Congress appointed to find ways to deeply cut the federal budget. Within the current fiscal environment of reduced budgets, hiring and pay freezes, and deficit reduction, it is essential that the Department manage its resources as efficiently and effectively as possible by streamlining or eliminating duplicative or ineffective programs and ensuring that expenditures directly support its mission.

To its credit, the Department has already taken steps to eliminate duplicative programs and reduce costs. In July 2010, the Attorney General created the Advisory Council for Savings and Efficiencies (the SAVE Council), which helps the Department identify and implement best practices for saving taxpayer dollars, realizing efficiencies, and monitoring Department progress. The Department has estimated that the SAVE Council has saved more than $51 million. Most recently, the Department announced more than $130 million in cost savings and efficiency measures (which include the previously mentioned $51 million) that it intends to implement, such as consolidating Antitrust Field Division offices and merging the Justice Management Division's strategic planning and management functions. Additionally, in January 2011, Attorney General Holder issued a memorandum ordering a Department-wide temporary hiring freeze and instructing components to limit travel, training, and conference spending to only those needs that are essential. The Department also has announced that it will realign functions in various offices, lower lease costs by consolidating or reducing office space, and continue to look for ways to more effectively use the Department's resources. The Department's efforts to identify cost savings are commendable.

Yet more can be done. We believe that the Department also could achieve significant cost savings if it were to consolidate and streamline its efforts in programs with comparable characteristics. For example, as we described in our 2009 report regarding explosives investigation coordination between the FBI and ATF, the Department should consider consolidating its explosives training facilities, including the facilities used to train explosives-detecting canines, as well as Department laboratories that perform explosives-related analyses. In addition, the Department maintains three components that award grants – the Office of Justice Programs (OJP), the Office on Violence Against Women (OVW), and Community Oriented Policing Services (COPS). In our March 2011 report regarding the Department's efforts to monitor and oversee grants awarded through OJP, we found that OVW and COPS perform certain monitoring and oversight functions that are duplicative of the services available through OJP.

In addition to streamlining duplicative programs and consolidating office space, the Department must also negotiate its contracts in a manner that maximizes the value it receives. For example, the Department spends over $1.2 billion a year on non-federal detention space, an amount that has continued to increase each year even though the number of detainees has remained relatively constant. We have repeatedly expressed concern that the Department was not effectively negotiating the rates it pays to house federal detainees. In our March 2011 report regarding the Department's process for negotiating the rates it pays to state and local governments to house detainees, we described significant deficiencies in the United

States Marshals Service's (USMS) negotiation strategy tools. For example, although the USMS collects operating expense data from jails showing how much each spends to house detainees, it did not consistently use this data to negotiate lower rates. In addition, we found that during negotiations, the USMS inconsistently applied pricing factors such as independent estimates and rates charged by nearby jails and, in some cases, proposed rates were compared only to the highest rates in a particular area without regard to whether facilities were comparable in terms of type, size, and location. We also identified instances in which some state and local governments took advantage of circumstances such as a shortage in detention space to demand unjustifiable increased rates. We therefore made several recommendations to help the Department better negotiate, justify, and document agreements to obtain non-federal detention space that could result in significant cost savings, including moving detainees to different facilities when a local facility demands an unjustifiable rate increase. It is essential that the Department collect and use accurate and up-to-date information in this program and others to ensure it is in the best position when it negotiates with contractors and vendors what it will spend on its programs.

During fiscal year (FY) 2011, the OIG issued several reports that highlighted other, smaller expenditures that the Department should analyze to identify opportunities for cost savings. For example, the OIG conducted an audit of how much the Department spends on conference planning and food and beverage costs. The Department reported that it hosted or participated in 1,832 conferences in FYs 2008 and 2009 at a total cost of $121 million. Our audit found that the Department spent approximately $600,000 in grant funds to procure event planning services for five conferences without demonstrating that these firms also offered the most cost-effective logistical services and that two of the Department's components did not collect salary and benefit cost data from their event planners. We also identified unallowable and unnecessary event planning costs. We recommended that components ensure that the Department uses training and technical assistance providers, who are generally more skilled than needed for providing purely logistical services, to plan conferences only when it is the most cost-effective method of providing logistical services, and that recipients of Department funds for conference planning be required to track their time and activities associated with such services. The Department should ensure it is receiving good value for the considerable sums of money it spends on conferences. In response to our report, the Department is taking action to control future conference expenditures. For example, the Justice Management Division (JMD) is issuing guidance to Department components requiring them to conduct a cost-benefit analysis when justifying ordering food and beverages to obtain free meeting space. In addition, Department components are implementing guidelines regarding conference food and beverage limits for conferences supported with cooperative agreement funds that are congruent with Department-wide rules.

The Department can also control expenditures through oversight to ensure that expenses are incurred in accordance with Department policy and government regulations. In November 2010, the OIG issued a report that found while the large majority of U.S. Attorneys rarely or never exceeded the government lodging rate, a small number of U.S. Attorneys routinely exceeded the government rate by large amounts, with insufficient justification. We also found that deficiencies and inconsistencies in the Department's travel policies enabled U.S. Attorneys to authorize their own travel, including authorizing themselves to exceed the government rate. As a result of this review, the Department issued a new policy clarifying the requirement that U.S. Attorneys obtain authorization for their travel from the Executive Office for United States Attorneys. The Department reports that it is implementing new procedures to ensure that U.S. Attorneys, and all Department employees, receive authorization for travel only when necessary and that all related travel expenses are incurred in accordance with government and Department travel regulations. We will continue to monitor their efforts in this area.

Fiscal responsibility is always important, and never more so than in difficult economic times when the Department must fulfill its mission despite budget constraints. The Department must remain innovative and vigilant in continuing to identify opportunities to increase efficiencies, eliminate ineffective programs, and direct funding toward its highest priorities. The Department's challenge is to use its resources wisely and maximize the effectiveness of its programs while meeting or exceeding established performance goals.

3. Southwest Border Security Issues: For the second year in a row, the effort to combat organized criminal activities such as the smuggling of humans, drugs, firearms and ammunition, and currency along the 2,000-mile U.S. border with Mexico continues to present a formidable challenge for the Department. The Department's 2011 National Drug Threat Assessment continued to report that crime cartels are primarily responsible for most of the illicit drugs and the thousands of illegal immigrants that are smuggled across the border from Mexico. Simultaneously, firearms and currency are smuggled from the United States into Mexico.

The Department has responded to these criminal activities with a multi-faceted approach under its Southwest Border Enforcement Initiative, using assets of the Drug Enforcement Administration (DEA), ATF, FBI, the Organized Crime and Drug Enforcement Task Forces (OCDETF), and United States Attorneys' Offices, among others. Major efforts aimed at the Southwest border include ATF's Project Gunrunner; the DEA's El Paso Intelligence Center (EPIC) and its Special Operations Division (SOD); OCDETF co-located strike forces and the multi-agency OCDETF Fusion Center; and the FBI's criminal investigations. However, according to the 2011 National Drug Threat Assessment, the availability of most illegal drugs has continued to increase. While violent crime along the Southwest border as a whole has decreased, as it has nationwide, some locations have seen increases.

ATF's efforts to manage its Southwest border law enforcement responsibilities have been complicated by allegations that a gun trafficking investigation known as Operation Fast and Furious was mishandled and endangered public safety. Operation Fast and Furious grew out of ATF's Project Gunrunner, a national initiative to stem firearms trafficking to Mexico, and the Department's Southwest Border Enforcement Initiative, which is intended to reduce cross-border drug and firearms trafficking and the high level of violence associated with these activities. The OIG is reviewing the development and implementation of Operation Fast and Furious and similar investigations, including matters such as the involvement of Department components and other law enforcement or government entities in the investigations; information sharing issues among the agencies; the guidelines and other internal controls in place and compliance with those controls during the investigations; and the investigative outcomes.

In addition to our ongoing review of Operation Fast and Furious, in November 2010 we completed a review of ATF's overall management of Project Gunrunner. Our review found poor coordination and collaboration, and inadequate information sharing between ATF and other Department components, and between ATF and units of the Mexican government. In response to the OIG's 15 recommendations, ATF has reported to the OIG that it will implement a revised Cartel Strategy for combating firearms trafficking, increase its dissemination of intelligence information to its Mexican partners, increase coordination with the Department of Homeland Security's (DHS) Customs and Border Protection and Immigration and Customs Enforcement, and improve its coordination with the DEA. The OIG continues to monitor ATF's implementation of the corrective actions it agreed to take in response to our recommendations.

The OIG also continues to examine other aspects of the Department's Southwest Border Enforcement Initiative. In response to the recommendations we made in our June 2010 report regarding the DEA's El Paso Intelligence Center, the Department has implemented initiatives to improve its operations, including establishing a Predictive Analysis and Targeting Unit to enhance analysis of information regarding drug seizures and the use of fraudulent documents. The DEA also reported to the OIG that it received Office of National Drug Control Policy funding for a program that allowed EPIC to increase drug seizure data reporting into the National Seizure System and, thus, to create a more complete record of drug seizure information. In addition, the DEA reported that EPIC added a Community of Interest feature to its web portal, which provides broader and more interactive sharing of Southwest border information for EPIC's users. With the integration of the Border Intelligence Fusion Section, another new DHS-led organization based at EPIC, the Department may be able to provide more timely and accurate information and analysis to other agencies and intelligence centers.

Border security issues are also affected by the enforcement of immigration laws. Although DHS organizations are charged with most immigration-related responsibilities, we are reviewing the efforts of the Department's Executive Office for Immigration Review (EOIR) to address its backlog of cases.

Although the Department is actively working with other federal agencies, with state and local law enforcement, and with Mexico to respond to the law enforcement challenges along the Southwest border, much remains to be done. The Department's challenge is to continue its efforts to reduce the flow of illegal immigrants, drugs, and weapons between Mexico and the United States effectively, without endangering public safety.

4. Protecting Civil Rights and Civil Liberties: While the Department must aggressively continue to pursue its counterterrorism and criminal law enforcement responsibilities, it also must not waver from its commitment and responsibility to uphold civil and constitutional rights. As several of our recent reviews have demonstrated, finding the appropriate balance between these important goals presents a significant challenge.

The OIG has conducted a series of reviews to evaluate the Department's and the FBI's use of various counterterrorism investigative tools. For example, the OIG is currently conducting its third examination of the FBI's use of National Security Letters (NSL), which are used to obtain information such as telephone and financial records from third parties without a court order. Of particular note, this review will evaluate the automated system the FBI implemented to generate and track NSLs. This system, which the FBI created in response to deficiencies identified in our prior reports, is critical to the responsible administration of the FBI's counterterrorism tools. We are also examining the FBI's use of its authority pursuant to Section 215 of the *USA PATRIOT Act* (Patriot Act) to obtain business records and the FBI's use of its pen register and trap-and-trace authority under the *Foreign Intelligence Surveillance Act.*

Another powerful investigative mechanism with important implications for civil rights and liberties is the material witness warrant. These warrants are governed by a statute that permits the arrest and detention of witnesses, under specified circumstances and without a showing of probable cause, so that they are available to provide testimony in criminal proceedings. The OIG has initiated a review of allegations of civil rights and civil liberties abuses in the Department's post-September 11 use of material witness warrants in the national security context.

The Department has also been granted intelligence-gathering authorities under Section 702 of the *FISA Amendments Act of 2008* (FAA) that are useful to its counterterrorism mission but also have civil rights and liberties implications. Section 702 authorizes targeting non-U.S. persons reasonably believed to be outside the United States in order to acquire foreign intelligence information. The OIG is examining the FBI's use of this statute, including the FBI's compliance with targeting and minimization procedures required under the FAA that are designed to ensure that the Department strikes an appropriate balance between its national security responsibilities and its responsibility to protect civil rights and liberties.

With regard to non-terrorism investigations, the Department has made progress implementing recommendations we made in our 2010 report concerning allegations that the FBI improperly targeted certain domestic advocacy groups for scrutiny based upon the exercise of their First Amendment rights. For example, the FBI has reported that its Office of General Counsel has issued instructions to its personnel not to retain information regarding an individual's exercise of First Amendment rights without the requisite law enforcement nexus, statutory authorization, or the individual's consent, and it is developing a corporate policy to the same effect. The FBI has also promised to ensure that FBI agents must specify the potential violation of a specific federal criminal statute as part of documenting the basis for opening a preliminary or full investigation in cases involving investigation of members of advocacy groups for activities connected to the exercise of their First Amendment rights. The FBI has not, however, taken the same action with regard to investigation of advocacy groups themselves, and we believe the FBI should do so promptly.

Protecting civil rights and liberties, however, is not just a matter of balancing the citizenry's rights against the need for aggressive law enforcement or counterterrorism investigations. The Department also must ensure that it is properly enforcing civil rights laws. The OIG has undertaken a review of the enforcement of civil rights laws by the Voting Section of the Department's Civil Rights Division. The review is examining the types of cases brought by the Voting Section and any changes in the types of cases over time; any changes in Voting Section enforcement policies or procedures over time; whether the Voting Section has enforced the civil rights laws in a non-discriminatory manner; and whether any Voting Section employees have been harassed for participating in the investigation or prosecution of particular matters.

Another critical challenge facing the Department in protecting civil rights and liberties is ensuring that it has adequate measures in place so that it does not wrongly accuse someone of committing a crime. This issue was raised in the OIG's June 2011 follow-up report examining the FBI's progress in implementing recommendations for improvements to the FBI Laboratory's latent fingerprint operations following the misidentification of Brandon Mayfield in 2004. Mayfield, who was an attorney in Portland, Oregon, at the time, was arrested after the FBI Laboratory examiners wrongly identified his fingerprint as matching a fingerprint found on a bag of detonators connected to the March 2004 terrorist attack on commuter trains in Madrid, Spain. Our follow-up report concluded that the FBI Laboratory has made significant improvements to its latent print operations since the misidentification, including undertaking research to develop objective criteria for latent fingerprint analysis and substantially revising its Standard Operating Procedures and training materials to address many of the causes of the Mayfield misidentification.

Finally, the Department's responsibility to protect civil rights and liberties includes ensuring the integrity of our justice system in all respects, even after conviction. The Department's challenges relating to detention and incarceration, a crucial aspect of protecting civil rights and liberties, are discussed in the *Detention and Incarceration* section of this document.

5. Information Technology Systems Planning, Implementation, and Security: The Department's management of its information technology (IT) systems continues to remain a top management challenge, and it has proven particularly difficult recently. Large IT projects have failed, been delayed, or faced cost overruns just as federal budgets are tightening and cyber intrusions are emerging as a bigger threat. The Department's struggles in planning and implementing IT systems are so serious that in 2010, three Department projects were identified by the Office of Management and Budget (OMB) as "high risk": the Justice Management Division's Litigation Case Management System (LCMS), the FBI's Sentinel case management project, and the FBI's Next Generation Identification (NGI) project to share fingerprint and other biometric information. Since that time, the Department has decided to terminate the LCMS project, after spending millions of dollars on the project. As a result, the Department still struggles with decentralized, disparate litigation case management processes.

The FBI is continuing with its two projects that OMB identified as high-risk. One is the ongoing development and implementation of the Sentinel project intended to upgrade the FBI's electronic case management system and provide the FBI with an automated workflow process. In our October 2010 report on Sentinel, we expressed our concerns that the implementation of Sentinel had been delayed and was over budget. We found that the deployment of Sentinel's Phase 2 in July 2010 had resulted in some improvements to the FBI's case management system, but it did not deliver much of the functionality that was originally intended. We are currently concluding our eighth review of the Sentinel program, and we continue to have concerns regarding its implementation. When we began this review, the Sentinel project was at a crossroads and the FBI had announced a plan to complete the remaining two phases of Sentinel using a new "Agile development" strategy. We are currently examining the effectiveness of the new Agile strategy and whether the FBI will meet the functionality requirements of the case management system. In addition, we are evaluating the milestones the FBI has set to determine if the FBI will meet its goals without cost overruns.

Another difficult and costly IT project for the FBI has been the development of NGI, its fingerprint and biometric information sharing project. According to OMB's "Federal IT Dashboard," NGI is expected to cost $1.2 billion by the time it is completed in FY 2017. One of the key challenges for this project is to contain its cost while implementing a design that can accommodate new types of biometric evidence as it becomes available.

In addition to the three IT systems OMB identified as "high risk," we are concerned about the implementation and maintenance of the Department's Unified Financial Management System (UFMS). The Department has long sought to implement a Department-wide financial management system to replace the disparate accounting systems used throughout the Department. The OIG reviewed whether the UFMS project was on budget and being implemented according to schedule. In our June 2011 report, we found that although the UFMS is intended to standardize and integrate financial processes and systems to more efficiently support accounting operations, facilitate preparation of financial statements, and streamline audit processes, different and sometimes outdated versions of UFMS are in use. Using different and outdated versions of UFMS increases the risk and complexity of making any necessary changes or updates to the system. The significant challenges the Department continues to face regarding the implementation of UFMS include justifying and obtaining sufficient funding for the project in difficult budget times, staff turnover, and ensuring progress while competing with other Departmental priorities. Additionally, the Department must manage and support current UFMS users. Despite the Department's difficulties with UFMS, it is vital for the Department to obtain accurate, near real-time financial information concerning its operations in order to more effectively support its mission.

Another complex and problematic technology project for the Department is the development and implementation of a secure, interoperable, nationwide wireless integrated network to facilitate communication among federal law enforcement officials in different agencies and to meet mandates to use radio frequencies more efficiently. For the past several years, the Department has been attempting to fully implement this project along with the Departments of Homeland Security and the Treasury. In our 2007 report, we noted that the program was at a high risk for failure because of inconsistent funding and weaknesses in the program's governing structure. We continue to have concerns about the program's implementation, and our review of the program is ongoing.

While the Department has had difficulties developing and implementing new systems, it has had some success in making its existing IT systems more secure. The Justice Security Operations Center (JSOC) was established in 2007 to protect Department IT environments from cyber intrusions, incidents, attacks, and espionage. JSOC provides incident response planning, training, and assistance to all Department components and works with components to prevent, monitor, mitigate, and resolve cyber incidents and attacks on the Department. JSOC also coordinates with the Department of Homeland Security's United States Computer Emergency Readiness Team (US-CERT) in reporting incidents. Our audit of the Justice Security Operations Center's capabilities and coordination determined that for the most part, JSOC has been able to effectively monitor network traffic, process the information it receives from Department components and offices, and report incidents to US-CERT. However, we also found that JSOC could further enhance its communication regarding cyber incidents with Department components.

Up-to-date and secure systems are vital to effective management of all of the Department's operations. Developing, implementing, and securing IT systems is a complex, costly, and constantly evolving challenge. Particularly in this era of budget tightening, the Department must ensure that it implements and supports valuable and cost-effective IT systems.

6. Criminal Law Enforcement: Although the Department has consistently identified the fight against terrorism as its top priority in recent years, the Department's criminal law enforcement efforts are a major part of its responsibilities. Transnational organized crime, which encompasses a broad spectrum of criminal activities ranging from illegal gambling to the distribution of illegal drugs and weapons, human trafficking, and financial crimes, is truly global in nature and scope as technological advances enable criminal organizations to operate anywhere in the world. Cyber crime, the use of computers to conduct a wide variety of criminal activities, including fraud, identity theft, and sexual exploitation of minors, is a persistent law enforcement challenge. Fighting violent, transnational, and cyber crime presents an unrelenting management challenge for the Department.

However, there was positive news in the September 2011 report issued by the Bureau of Justice Statistics, which stated that the rate of violent crime committed against U.S. residents aged 12 or older during 2010 fell by 13 percent. Statistics in the FBI's Uniform Crime Report also indicate that crime during 2010 generally decreased 6 percent from 2009 levels, and in particular, the estimated number of violent crimes, such as murder, non-negligent manslaughter, rape, robbery, and aggravated assault, declined for the fourth consecutive year.

Some additional positive news is that the FBI has eliminated the backlog in processing DNA samples of convicted offenders, arrestees, and detainees, which assists in identifying and prosecuting violent criminals. Historically, the FBI Laboratory has had a significant backlog of DNA samples to process as a result of federal legislation enacted in the past 10 years that expanded the scope of DNA sample collection from violent offenders to include anyone who commits a federal offense, as well as to non-U.S. citizens detained in the United States. Our 2011 audit report examining the FBI's efforts to reduce its backlog revealed that the FBI has effectively eliminated its backlog and currently has a manageable monthly workload. However, we identified some areas for improvement, such as the lack of written policies and reporting methods designed to ensure workload levels are accurately identified and reported to management, and the need for better long-term storage of DNA samples, which are maintained indefinitely in the event the FBI must retest a sample to confirm a match.

While the FBI has eliminated the backlog in processing DNA samples of convicted offenders, arrestees, and detainees, it is also responsible for processing forensic DNA collected from crime scenes and evidentiary items such as envelopes, clothing, and drinking glasses, which is then compared to samples collected from known persons in an attempt to identify the perpetrator of a crime. Our August 2010 report examining the FBI Laboratory's forensic DNA case backlog concluded that the FBI Laboratory had a significant and growing backlog of cases requiring the processing of forensic DNA samples, and in September 2011, the OIG initiated a follow-up review to determine if the FBI has made progress to reduce this backlog.

Along with continuing the Department's efforts to reduce the threat, incidence, and prevalence of violent crime generally, dismantling and disrupting organizations that distribute and traffic illegal drugs and firearms continues to present a significant challenge to the Department. According to the Department's 2011 National Drug Threat Assessment, major transnational criminal organizations are largely responsible for the supply of illicit drugs smuggled to the United States, and criminal gangs remain in control of most of the retail distribution of illegal drugs throughout the United States. The study also determined that the threat posed by gang involvement, particularly in the Southwest region of the United States, is increasing. One of the measures the Department has taken to combat this threat is the creation of the Organized Crime and Gang Section in the Criminal Division. In a review completed in late 2009, we raised serious concerns about the lack of information sharing between National Gang Intelligence Center (NGIC) and the National Gang Targeting, Enforcement, and Coordination Center (GangTECC). In response to our review, in late 2010, the Organized Crime and Gang Section merged with GangTECC. We believe this important step could enhance the Department's efforts to more effectively battle organized crime related to illegal drug trafficking.

However, one of the fastest growing gang-related drug threats is the manufacturing and distribution of methamphetamine, along with the distribution of cocaine and crack cocaine. In 2010, the OIG issued a report describing its review of the DEA's Mobile Enforcement Team (MET) program, which was established primarily to assist local law enforcement agencies in rural areas to reduce drug-related violence and disrupt or dismantle methamphetamine traffickers and laboratories. We determined that a significant problem with the MET program was that it was not deployed in the rural areas for which it was intended. Although the DEA concurred with our recommendations regarding the implementation of the METs, in October 2011, the Department announced that it would eliminate the MET program and reassign 145 positions. The manufacture and distribution of methamphetamine remains a significant problem, and the DEA will have to redirect its efforts to ensure that the elimination of the MET program does not increase the growth of this threat.

In addition to illegal drugs, the use and distribution of illegal weapons is a continuing threat. ATF is responsible for the federal firearms licensee inspection program, which helps ensure that licensed gun dealers do not sell firearms to individuals who are prohibited from owning them. The OIG is conducting a follow-up review of ATF's inspection program, which will evaluate the changes ATF has made to its inspection process, the process it uses to refer suspected criminal violations, and how it institutes administrative actions against licensed dealers who violate federal firearms laws and regulations.

Illegal weapons and drugs, and the violence associated with the manufacture and distribution of illegal drugs, are not the only serious criminal law enforcement threats the Department must address. As sophisticated criminal organizations increasingly take advantage of technological advancements and create online global networks to carry out criminal activity, organized crime has evolved from extortion and intimidation to additionally encompass matters as complex as financial fraud and human smuggling. Organized crime has now truly become "transnational" in scope, and the Department must use sophisticated and aggressive techniques to address it.

Fighting transnational and cyber crime, such as identity theft, remains an important challenge for the Department. Large-scale breaches of corporate and government data networks resulting in the theft of millions of credit and debit card numbers and other personal information have been the subject of numerous recent news articles, underscoring the increase in and prevalence of cyber crime. In April 2011, the Department announced that it had disabled an international "botnet," which infected more than 2 million computers with a malicious software program that enabled criminals to remotely control computers to steal private personal and financial information from unsuspecting users. While the Department made strides in investigating and prosecuting cyber criminals in 2011, it must continue to focus its efforts in this area in conjunction with other law enforcement partners, not the least because, as we noted in the *Counterterrorism* challenge, cyber intrusion poses a grave threat to national security.

In sum, while the Department has made some progress in the struggle to reduce violent crime, it still faces significant challenges in reducing the global influence of transnational criminal networks.

7. Restoring Confidence in the Department: We have reported this as a management challenge since 2007 in response to the controversy surrounding the firing of nine U.S. Attorneys and the hiring of certain career attorneys based on improper political and ideological affiliation. Since we first reported this challenge, we recognize that the Department has undertaken significant efforts toward restoring confidence in the Department. However, as we reported last year, some concerns remain over whether the Department has an adequate disciplinary process for its attorneys and law enforcement personnel, and new issues have arisen concerning enforcement decisions by the Department.

In 2008 and 2009, the OIG and the Department's Office of Professional Responsibility issued a series of three reports substantiating allegations that Department officials improperly used political and ideological considerations to make employment decisions for career attorney positions in the Civil Rights Division, the Department's Honors Program and Summer Law Intern Program, and other career attorney positions. Since those reports were issued, the Department has addressed most of our recommendations by developing new policies, briefings, and training materials that explicitly instruct hiring officials to use merit-based principles rather than ideological or political affiliation when hiring for career positions. However, a May 2011 Equal Employment Opportunity (EEO) policy that prohibits discrimination on the basis of political affiliation, among other factors, does not specifically state that it applies to detailee positions, not even detailees in policy-making positions. We do not believe that the Department's new EEO policy sufficiently addresses the concerns we raised in one of our hiring reports, and we believe that the Department should provide guidance that includes examples of the types of questions permissible in detailee interviews that are consistent with the Department's policy prohibiting the consideration of political affiliation.

Law enforcement agency misuse of investigative authority also undermines confidence in Department operations. In a 2007 review, the OIG found that the FBI had improperly or illegally used its National Security Letter authority, which is used in terrorism and espionage investigations and permits the FBI to obtain information such as telephone, e-mail, and financial records from third parties without a court order. To address such concerns, the FBI established the Integrity and Compliance Program, modeled on compliance programs in the private sector, to proactively identify and correct weaknesses in policy, training, or other operations that could result in FBI employees violating the law or FBI policy as they conduct their work. Among other measures, the Office of Integrity and Compliance (OIC) has established a compliance helpline that allows FBI employees to report compliance concerns anonymously, promulgated a non-retaliation policy for reporting compliance concerns, and incorporated an explicit compliance element into the performance appraisal plans of FBI employees. We currently are reviewing the Integrity and Compliance Program to evaluate, among other things, where the program is effective at promoting a culture of integrity and ethical compliance throughout the FBI.

We believe the FBI's establishment of the Integrity and Compliance Program is a good beginning, but as the Department's leading law enforcement agency charged with upholding and enforcing all federal criminal laws, the FBI must continue to develop strong measures to reinforce and sustain its integrity. In 2010 we issued a report finding significant abuses and cheating on the examination designed to measure FBI employees' knowledge of the Domestic Investigations and Operations Guide (DIOG), which implements the Attorney General's Guidelines governing FBI domestic operations. Since our report was issued, the FBI's Office of Professional Responsibility has been investigating and adjudicating the individual cases and has imposed a range of discipline, including non-disciplinary counseling, letters of censure, and suspension without pay for a period of time. The FBI is in the process of updating and revising the DIOG and has announced plans for new training and testing focusing on the revisions. While we believe these measures are important, the FBI must also continually ensure that its personnel are fully trained and are able to demonstrate that they take seriously the responsibility to act in accordance with the Constitution, laws, rules, policies, and procedures governing the FBI's investigative activities.

In addition to addressing law enforcement misconduct, the Department must also address allegations of prosecutorial misconduct in a manner that promotes public confidence. The Department has recently undertaken several measures to address the issue of prosecutorial misconduct. In addition to mandatory training it began in 2010 regarding the government's discovery obligations in criminal cases, the Department has instituted changes to its internal process for investigating, reporting, and addressing prosecutorial misconduct. In 2011, as part of an effort to address allegations that its investigations were not concluded in a timely fashion, a new management team in the Department's Office of Professional Responsibility (OPR) instituted internal management controls and deadlines for completing investigations and reports. Prior backlogs in the publication of OPR's annual report, which describes how it handles its caseload and summarizes its significant investigations, have been eliminated and it is currently up to date. However, the report summaries contained in the annual report provide only limited details regarding the investigations and the basis for OPR's conclusions. While OPR has begun to take steps to determine whether it can make public more information about the cases it investigates, it states that constraints in the provisions of *the Privacy Act* limit the amount of information it can publicly disclose.

In order to facilitate timely and consistent resolution of disciplinary matters arising out of findings of professional misconduct by OPR, the Attorney General also established the Professional Misconduct Review Unit (PMRU) in 2011. The PMRU was designed to reduce delays in imposing attorney discipline and to establish consistent resolution of similar misconduct matters. Beginning in October 2011, the PMRU has been required to submit a report to the Deputy Attorney General semiannually, detailing its compliance with the deadlines established for deciding appropriate disciplinary action. We believe OPR's efforts and the establishment of the PMRU are improvements to the process of addressing prosecutorial misconduct in a more timely and consistent way, but we believe OPR and the PMRU should devise ways to make public more of their findings in order to deter potential misconduct and to promote the Department's efforts to address it.

In addition, as discussed in the *Southwest Border Security Issues* challenge, we are reviewing ATF's gun trafficking investigation known as Fast and Furious and allegations that it was mishandled and endangered public safety. This review is examining the involvement in and oversight and management of the investigation by multiple Department components, including ATF, the United States Attorney's Office, and divisions within the Department.

Overall, the Department has taken several significant steps toward restoring its reputation for impartiality and excellence, but we believe the Department as a whole should continue to enhance its training and ethics programs and develop ways to make its disciplinary findings more transparent.

8. Financial Enforcement: It is especially important in this era of budget cuts and deficit reduction for the Department to vigorously enforce laws related to financial crimes such as mortgage fraud and fraud related to government contracts. In November 2009, President Obama established the Financial Fraud Enforcement Task Force (FFETF) to enhance effectiveness in sharing information among federal, state, and local government agencies to help prevent and combat financial fraud. We believe that this effort is essential and that the Department's role in it is central, but the Department should aggressively pursue financial crimes of all kinds, both independent from and in cooperation with the FFETF. The Department should also continue to pursue civil enforcement actions against those who commit fraud.

Mortgage fraud has become pervasive, causing the mortgage lending industry, homeowners, businesses, and the national economy to lose billions of dollars annually. The FBI's 2010 Mortgage Fraud Report noted that mortgage fraud continued to steadily increase over 2009 levels. Combating mortgage fraud effectively requires the cooperation of law enforcement, prosecutors, and industry entities. The Department's Mortgage Fraud Working Group, which consists of representatives from the federal inspectors general community, the FBI, U.S. Attorneys' Offices, and the National Association of

Attorneys General, helps direct the resources aimed at addressing the growing problem of mortgage fraud. The OIG is performing an audit of the Department's efforts to address mortgage fraud, which will include an assessment of the Department's efforts in and as a result of the Mortgage Fraud Working Group.

In addition to prosecuting mortgage fraud, the Department recovers significant civil penalties pursuant to statutes such as the *False Claims Act*, which imposes liability upon individuals and organizations that submit fraudulent claims to the government. In October 2011, the Department announced that its total recoveries in *False Claims Act* cases since January 2009 exceeded $7.8 billion.

However, fraud and mismanagement among recipients of federal funds also demands swift and effective action, and the Department should take steps to ensure that it uses all of the tools at its disposal to protect the funds it administers. For example, the Department should suspend or debar irresponsible recipients of federal financial and nonfinancial assistance and benefits. Suspension and debarment prevent irresponsible recipients from receiving federal funding if they have a criminal conviction or have been indicted for a criminal offense or a willful failure to perform to the terms of a contract or grant. In October 2011, the OIG issued a report regarding the Department's implementation and oversight of debarment and administrative suspension and other enforcement tools. We found that Department awarding officials have generally complied with federal regulations. However, we also found that the Department did not have a formal system to track the status of suspension and debarment referrals, and that 77 contracts and contract modifications totaling $15 million were awarded to 6 separate suspended or debarred parties. We provided eight recommendations to improve the effectiveness of the Department's suspension and debarment program. The Department already has implemented many of the recommendations we made in our report, such as creating a case tracking system, and it is working to address the remaining recommendations.

The Department's financial responsibilities also include seizing and forfeiting assets criminals and their organizations have acquired through such serious offenses as drug trafficking, human trafficking, white collar crime, and money laundering. In 2011, the OIG issued a report regarding the management and oversight of the United States Marshals Service's Complex Asset Team, which is responsible for helping USMS district offices manage and dispose of unique and complicated assets, such as operating businesses, financial instruments, and commercial real estate holdings. We identified numerous deficiencies, including inadequate record keeping procedures, inadequate pre-seizure planning to ensure that the government can effectively administer a seized asset, and inadequate tracking mechanisms to account for seized assets. In addition, we found that the way the USMS managed complex assets increased the risk that the government could undervalue forfeited assets. The OIG's recommendations included developing and implementing formal procedures regarding the disposition of complex assets, conducting pre-seizure planning, and bolstering the legal, accounting, and valuation knowledge of asset management staff.

The Department must use both criminal prosecution and civil penalty enforcement to ensure that it forcefully exercises its financial enforcement responsibilities. The challenge for the Department is not only to punish those who commit fraud, but also to use all available measures to reduce and deter the incidence of fraud in taxpayer-funded programs.

9. Detention and Incarceration: The Department, primarily through the Federal Bureau of Prisons (BOP) and the United States Marshals Service, continues to face the daunting challenge of safely, securely, and economically handling the growing population of federal inmates and detainees. This challenge is multi-faceted, as the BOP must address overcrowding and the resulting higher inmate-to-staff ratios; provide health care, jobs, training, and other rehabilitative programs for inmates while they are incarcerated; and manage residential reentry centers for inmates readjusting to their communities. At the same time, the BOP must effectively manage its own staff to prevent misconduct such as staff smuggling in contraband or staff sexual abuse of inmates. Further, the BOP must constantly work to maintain the infrastructure of its aging facilities.

Detention and incarceration remains a challenge because the federal inmate population continues to rise. In FY 2011, the federal inmate population increased by 3.6 percent, from 210,227 to 217,768 inmates. This continues the trend of the last decade, which saw the federal inmate population rise by 39 percent since end of FY 2001. This sustained influx of prisoners has led to increased overcrowding across the federal prison system as capacity has not expanded along with the inmate population. As of the end of FY 2011, BOP facilities were filled to 39 percent above rated capacity, as compared with being filled to 32 percent over rated capacity a decade ago. The greatest growth is in the numbers of medium- and high-security inmates who must be housed in BOP facilities rather than in contract facilities such as local jails. Consequently, the BOP must either add beds to existing BOP institutions, often by converting program or recreational space, or it must build new institutions, which becomes increasingly difficult to finance in an era of budget reductions. Since FY 2006, the Department has identified prison overcrowding as a programmatic material weakness in the Department's annual Performance and Accountability reports.

One way to assist in reducing the inmate population is through the International Prisoner Treaty Transfer Program, which permits certain foreign national inmates from treaty nations to transfer to their home countries to serve the remainder of their sentences. The OIG is currently reviewing the responsibilities of the Bureau of Prisons and the Criminal Division's International Prisoner Transfer Unit in the treaty transfer program.

The increasing inmate population also challenges the BOP's ability to manage its workforce and maintain a safe and secure prison environment. The BOP's staffing has not increased commensurately with the inmate population. From FY 2001 to FY 2011, the inmate-to-staff ratio increased from 4.1 inmates for each correctional officer to 4.94 to 1, an almost 21-percent increase. According to the BOP, increases in prison crowding and the inmate-to-staff ratio are correlated with increases in inmate violence. The stretching of the BOP workforce also increases the challenge for the BOP to detect and prevent misconduct by staff members. The number of misconduct investigations of BOP Correctional Officers doubled from FY 2001 to FY 2010, from 2,299 to 4,603. Arrests of Correctional Officers also increased, as a total of 272 Correctional Officers were arrested, increasing 89 percent from 18 in FY 2001 to 34 in FY 2010. Although the number of BOP employees involved in misconduct is only a fraction of the BOP's workforce of over 38,000, misconduct by even a few employees can undermine the safety and security of institutions and violate the rights of inmates.

We believe the BOP can help prevent staff misconduct by screening out unsuitable applicants when hiring correctional officers and staff members. In September 2011, the OIG released a report analyzing whether the BOP's hiring process could more effectively identify potentially unsuitable applicants for Correctional Officer positions. Through logistic regression analysis, we found that combinations of certain applicant characteristics have strong relationships with an increased likelihood that substantiated misconduct resulting in at least a 1-day suspension would occur during the first 2 years after a Correctional Officer begins work. We determined that if the BOP were to systematically evaluate individuals based on combinations of factors in addition to the single thresholds it now relies on, it could add a useful tool to its screening practices. The BOP agreed to examine how it might implement this approach.

Along with preventing staff misconduct generally, another especially serious issue is preventing sexual abuse of inmates. The *Prison Rape Elimination Act of 2003* mandated that the Department review proposed standards issued by the National Prison Rape Elimination Commission and issue national standards to enhance the detection, prevention, reduction, and punishment of prison rape by June 2010. The Department did not meet that deadline until January 24, 2011, when it released a proposed rule designed to prevent and respond to sexual abuse in incarceration settings. The Department plans to issue the final rule by December 2011, according to the schedule it published in the *Federal Register*.

In addition to the formidable challenges it faces in eliminating staff misconduct, the BOP also faces challenges in supporting the effective and safe operation of its prisoner work program, Federal Prison Industries, Inc. (FPI), a wholly owned federal government corporation that operates under the trade name UNICOR. Created by Congress in 1934, FPI's mission is to provide employment and training to keep federal inmates productively and safely occupied. At the same time, FPI's mandate is to maintain its self-sufficiency through the sale of its products and services. However, over the last 2 fiscal years, FPI closed or downsized 40 of its 109 work facilities and reduced the number of inmates working in FPI facilities so that, although FPI has a goal of employing 25 percent of work-eligible inmates, at present it employs only about 9 percent. The OIG is currently reviewing FPI's business management practices.

Aspects of the Department's *Detention and Incarceration* challenge also extend to the United States Marshals Service, which is responsible for maintaining the safety of tens of thousands of detainees awaiting trial or sentencing. The primary difficulty the USMS faces is to arrange for safe, affordable, and cost-effective detention space to house some 60,000 federal detainees, 80 percent of whom must be housed in state and local jails or other community detention facilities because there is insufficient federal space in which to house them. As discussed in more detail in the *Implementing Cost Savings and Efficiencies* challenge, housing detainees in a safe environment in a cost-effective manner continues to represent a significant challenge for the Department, and the USMS must ensure that such facilities are not in a position to take advantage of the need for space by charging unjustifiable rates.

In sum, the Department continues to face difficult challenges in providing adequate and safe prison and detention space for the increasing prisoner and detainee populations and in maintaining the safety and security of federal inmates and prison personnel.

10. Grants and Contract Management: The Department's management of grants and contracts it awards has long presented a challenge in light of the large amounts of money at stake. Since FY 2009, the Department has received over $15 billion in grant funds to award through the combined appropriations from the regular appropriations cycle and pursuant to the *American Recovery and Reinvestment Act of 2009* (Recovery Act). In addition, the Department also spends a sizable amount through contract purchases each year. According to USAspending.gov, the Department awarded approximately $6.3 billion in contracts for goods and services for FY 2011. In light of this large volume of grant and contract awards, the OIG devotes considerable attention through audits and fraud investigations to overseeing the Department's efforts at grants and contract management. While we believe the Department has made concerted efforts to enhance its management of its responsibilities, such as increasing training and providing assistance in determining how to collect performance information, these changes will take time to fully implement and to incorporate into the Department's regular practices.

Through FY 2011, the Department has obligated more than 99 percent of its Recovery Act funds, and the grantees have received approximately 72 percent of the Recovery Funds that have been obligated. Such significant amounts of money require strict controls over the way the funds are awarded and spent. The Department has taken significant steps in recent years to improve its grant management practices, including implementing better controls to ensure that it correctly ranks applications, treats applicants consistently, documents award decisions, and resolves conflicts of interest. While the Department has implemented corrective actions to address the majority of the concerns we have raised in our reports, some recommendations remain open. For example, the Office on Violence Against Women (OVW) revised its Peer Review Guidelines to ensure that peer reviewers carefully assess applications for potential conflicts of interest before they actually evaluate and score the applications. However, the revised guidelines do not provide staff with a process to follow when conducting an internal review that will check for scoring errors and verify the accuracy of future final peer review scores. We believe that OVW should provide specific guidance as to the correct protocols necessary for an internal review. In addition, our February 2011 review of the award process for the Bureau of Justice Assistance's (BJA) Recovery Act Correctional Facilities on Tribal Lands Grant Program revealed that an internal BJA peer reviewer had significant involvement with an applicant that received an award. Specifically, the peer reviewer had participated in the applicant's Advisory Committee, but the reviewer still certified that he had no conflicts of interest while reviewing program applications. We believe that the BIA should consider strengthening internal controls to reduce the risk of appearances of conflicts of interest or favoritism towards a particular grantee.

One of the most significant challenges remaining for the Department in this area is to translate improvements it has made in its own management of grants into improvements in grantees' management of funds. The Department must improve its oversight of grantees' internal controls to ensure funds are being spent in accordance with the terms of the grants. For example, the Office of Justice Programs (OJP), the Department's primary grant awarding agency, provides grants to state and local law enforcement and community organizations to prevent and control crime, improve the criminal and juvenile justice systems, increase knowledge about crime and related issues, and assist crime victims. The OIG recently reviewed OJP's monitoring and oversight of grants it awarded in FYs 2009 and 2010. During that period, OJP made over 13,000 grant awards totaling more than $7.7 billion, which included over 4,000 Recovery Act grants, totaling about $2.8 billion. Our March 2011 report noted that while OJP has significantly improved its monitoring and oversight, it should make additional improvements such as more thoroughly assessing and documenting how it reviews the programmatic, financial, and administrative aspects of the grants it awards and more clearly describing the methodology it uses to select which grants to monitor. We also recommended that the Department eliminate duplication among certain grant monitoring services performed by OJP, OVW, and the Community Oriented Policing Services Office.

The Department's limited budgetary resources also currently present a considerable challenge to its efforts to improve oversight of grantees' internal controls. In April 2011, budget restrictions forced OJP to freeze most travel, including travel for monitoring, grantee training, programmatic conferences, and other programmatic travel. It remains to be seen whether OJP's alternative monitoring plans, which include multi-office site visits, local travel, and remote monitoring (enhanced desk reviews), will slow or decrease the progress it has made in enhancing its oversight efforts.

Further, while monitoring and oversight of grants is an important responsibility, we also believe that the Department must take further action to address outstanding recommendations to remedy questioned costs from our audits of grantees. We understand that corrective actions take time to implement. However, some recommendations have been outstanding for more than 6 years and involve potentially significant amounts of money. For example, in a December 2006 report of our audit of the Department's grant closeout process, we identified over $37 million in questioned costs related to drawdowns occurring more than 90 days past the grant end date. Effective oversight and monitoring includes follow up to ensure that taxpayer dollars have been spent in accordance with grant requirements.

In addition to grants, the Department spends a considerable amount of taxpayer funds in its contracts for goods and services. All government agencies are required to promote full and open competition for these contracts, which is critical to ensure that the government receives the best offer for goods and services that it procures. One of the key steps in the procurement process is thoroughly evaluating the vendors' technical proposals to determine which vendors have met the minimum requirements of the request for proposal and have the most effective plan for accomplishing those requirements. The failure to undertake this evaluation can have significant adverse consequences. For example, we reviewed the United States

Marshals Service's oversight of its Judicial Facilities Security Program. Our November 2010 report found that the USMS awarded a contract worth approximately $300 million to a court security officer contractor with a history of fraudulent activities, despite an earlier fraud alert issued by the OIG's Investigations Division. The contractor ultimately filed for bankruptcy, leaving many court security officers temporarily without payment for their services.

Some of the largest contracts that the Department awards are related to the planning and implementation of complex information technology systems. As previously discussed in *Information Technology Systems Planning, Implementation, and Security*, the management and oversight of IT contracts to minimize cost overruns and provide planned system functionality remain a top challenge for the Department.

In sum, the Department expends a considerable amount of scarce resources on grants and contracts. It is essential that the Department use proper controls to ensure grants and contracts are properly awarded and monitored to eliminate waste, fraud, and abuse.

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MANAGEMENT'S RESPONSE TO THE OFFICE OF THE INSPECTOR GENERAL'S TOP MANAGEMENT AND PERFORMANCE CHALLENGES

The Department of Justice (the Department, DOJ) is the world's largest law office and the central agency for enforcement of federal laws. As such, the mission and responsibilities of DOJ extend over the broad spectrum of American life. The Department appreciates the Office of the Inspector General's (OIG) recognition of our progress in addressing management and performance challenges over our diverse institution. The removal of *Financial Management* from DOJ's top 10 list of management and performance challenges represents the Department's commitment to prioritizing and addressing these areas.

1. Counterterrorism

Countering terrorism continues to be the highest priority of the Department. To be successful in confronting terrorism, the Department is keenly aware that it must be vigilant and fair in its investigations of those who would do harm to Americans. The Department acknowledges the need for accurate reporting of terrorism-related statistics so that it can make knowledgeable operational decisions and provide Congress with explicit budget requests. To that end, and with regard to the OIG Follow-Up Audit of the Department's Internal Controls Over Terrorism Reporting, the Department notes that the Federal Bureau of Investigation (FBI) created new corporate policy following the OIG 2007 audit and has provided drafts of that policy to the OIG. Upon final approval, expected in early FY 2012, these actions should close out the remaining four recommendations.

The Executive Office for U.S. Attorneys (EOUSA) also works to properly maintain and disseminate accurate terrorism data. As part of its February 2007 audit, the OIG made six recommendations to EOUSA to help ensure better reporting of terrorism data by the U.S. Attorneys' Offices (USAOs) and to better track the flow of terrorism data at EOUSA. EOUSA immediately responded to those recommendations, and by September 2007, the OIG had affirmatively closed all six. In March 2011, the OIG opened a new review of terrorism statistics with EOUSA, FBI, National Security Division (NSD), and other components, all of which are working closely with the OIG on this latest review.

In the OIG's report on the FBI's ability to address the threat of cyber intrusions, the OIG found that while the FBI had made progress in developing the National Cyber Investigative Joint Task Force (NCIJTF), information sharing at the NCIJTF was hindered by legal restrictions and policy limitations. As noted by the OIG, while the FBI has no legal authority to require its NCIJTF partners to share information, the FBI has successfully established and implemented new policies and procedures, agreed to by the NCIJTF partners, for the sharing of information within the NCIJTF. Since the OIG report was issued, the FBI has taken sufficient action to close seven out of ten issued recommendations.

The Department is acutely aware that terrorists are increasingly using technology to threaten national security, and government employees must have the skills to be able to defend against them. To address improving technical skills, the Department is actively participating in a governmentwide effort, led by the Office of Personnel Management, to develop a comprehensive strategic human capital plan to reduce high risk skills gaps in specific mission critical occupations (MCOs). Once the framework is finalized, the Department will focus on identifying and mitigating skills gaps in MCOs throughout the Department. We expect that cybersecurity (to include cyber intrusion) will be identified as one of DOJ's MCOs to be considered.

The Department understands the need for clear roles and coordination in the event of a terrorist attack involving explosives. An August 3, 2010, Deputy Attorney General memorandum – Protocol for Assigning Lead Agency Jurisdiction in Explosives Investigations – required the FBI and Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to develop a joint plan to consolidate and streamline their efforts. Regarding overlap with the now operational National Explosives Task Force (NETF), the efforts of the ATF and the FBI will more than meet the recommended changes addressed in the OIG's audit. The NETF, jointly staffed by FBI and ATF subject matter experts, provides a coordination point to ensure effective and proper application of Department explosives resources in joint responses to incidents. This ensures cooperation, communication, de-confliction, and coordination of resources to eliminate overlap and duplication of effort. ATF and FBI continue to meet regularly to ensure there is no jurisdictional confusion or unnecessary overlap.

2. Implementing Cost Savings and Efficiencies

The Department is constantly searching for ways in which it can save costs and operate more efficiently. The Attorney General's Advisory Council for Savings and Efficiencies (the SAVE Council) is responsible for developing and reviewing Departmentwide savings and efficiency initiatives. The Council provides a framework to identify and implement best practices for saving taxpayer money, realizing efficiencies. The Council paves the way for the development of future on-going initiatives that will result in cost avoidance, actual savings, and streamlining, while leveraging and instituting best practices. The Council conducts monthly meetings to monitor component progress to ensure positive results for cost savings, cost avoidance, and efficiencies. In addition, the Council meets quarterly with the Deputy Attorney General to provide a progress report.

Efficiency is invaluable in the event of a terrorist attack. Since the OIG's issuance of its 2009 report regarding explosives investigation coordination between the FBI and ATF, the Department has taken significant measures to resolve the issued recommendations. Most notably, the August 3, 2010, memorandum mentioned above, required the FBI and ATF to develop a joint plan to consolidate and streamline their efforts regarding explosives investigations; explosives training facilities, including the facilities used to train explosives-detecting canines; and Department laboratories that perform explosives-related analyses. In response, the FBI and ATF have agreed to uniform standards for explosive detection canine training. The FBI and ATF have agreed broadly to increase interoperability of explosives information databases, including integrating explosives databases into state-based fusion centers, enabling unified searches of multiple explosives databases and co-locating personnel responsible for analysis of both trends and technical exploitation analysis. To this end, upon request, ATF issued Bombing and Arson Tracking Team accounts for all FBI Special Agent Bomb Technicians. In addition, all FBI Special Agent Bomb Technicians report their response to explosive incidents to the FBI's Strategic Information Operations Center as well as to local ATF counterparts.

To address the OIG's recommendation that the Department pursue efforts to standardize oversight services provided by the Office of Justice Programs (OJP) to the Office on Violence Against Women (OVW) and the Community Oriented Policing Service (COPS) Office, the Office of the Associate Attorney General continues to convene regular meetings with the Department Grants Management Challenges Workgroup, which was created in January 2010. The Workgroup, led by a Deputy Associate Attorney General and comprised of grant officials from OJP, the COPS Office, and OVW, addresses common issues and develops consistent management practices. In addition to developing a Departmentwide High-Risk Grantee Designation Program, the Workgroup recently has developed a Departmentwide, on-line financial training tool for grantees that will be launched in December 2011, in partnership with the OIG. The Workgroup also is revising the training tool to incorporate information pertaining to conference planning, costs, and reporting in compliance with Justice Management Division's (JMD) conference guidelines. Additionally, the Workgroup has developed an internal training module for all of the grant-making components to use to train their staffs on the Departmentwide High-Risk Grantee Designation Program. The training sessions for each component are scheduled to begin by year end, although some of the components already have begun to provide this training.

Under this challenge, the OIG mentions findings in a March 2011 report of some duplicative monitoring and oversight functions within OJP, the COPS Office, and OVW. To clarify, the COPS Office has a comprehensive monitoring strategy that entails programmatic and financial oversight of all its grantees. During FY 2011, the Office Monitoring Division visited over 126 sites and reviewed 233 grants valued at over $259 million. Meanwhile, OJP conducts financial oversight of a very small selection of COPS grantees. For example, during FY 2011 OJP visited only two COPS sites. In addition, the COPS Finance Office monitors grantees' financial implementation daily, weekly, and quarterly as defined in a series of internal policies on expired grants, extended grants, and closed out grants. In FY 2011, for monitoring purposes, the COPS' Finance Office tailored and enhanced site visits for COPS-specific grantees. None of this monitoring is conducted by OJP.

However, per a request from the Associate Attorney General's Office to ensure consistency across programs, OJP does provide financial monitoring for OVW through a reimbursable agreement. OVW's programmatic monitoring is separate, though. OVW administers statutorily defined programs that require an understanding of both violence against women issues and the underlying program for effective programmatic monitoring. Each of OVW's 22 grant programs has program-specific eligibility, purpose areas, and minimum certification requirements. Even within OVW, it has been determined that the effectiveness of programmatic monitoring declines significantly if a program specialist is required to know the intricacies of more than four or five programs.

Besides eliminating duplicative functions between or among components, Department components also are looking within to find cost savings and efficiencies. The U.S. Marshals Service (USMS), for instance, is making strides to streamline its business processes. For example, it has undertaken a number of cost savings initiatives. In FY 2011, the USMS has identified and started to reduce a number of programs, including Home to Work Use of Vehicles. It also has identified a number of consolidation initiatives, including office space and business functions, and is studying them for implementation feasibility in FY 2012. Furthermore, the USMS is looking at consolidating business-financial and procurement operations, leveraging the deployment of the Unified Financial Management System in FY 2013 to potentially eliminate positions as incumbents attrit.

Another method through which the Department constantly strives for cost savings is via contract negotiations. The OIG refers to the USMS's responsibility to house detainees and to negotiate contracts in a manner that maximizes the value it receives from third parties for housing detainees. The OIG also discusses this under Challenge #9, *Detention and Incarceration*. The Department's response can be found under Challenge #9, as well.

Another area at which the Department is looking to increase cost savings and efficiencies is conference spending. For the most part, components abide by the Department's guidelines. For example, during the COPS 2011 Conference, the COPS Office adhered to the Department's guidance on conference planning that resulted from the previous 2006 audit on this subject.

Although the Department has put extensive new conditions in place, in response to a recent OIG report, some components are taking this opportunity to enhance their own policies. For example, OJP already has implemented numerous measures, and has others underway, to control the costs of conferences and further enhance oversight. It currently is examining the logistical arrangements and contract costs for every planned OJP-sponsored conference and meeting and is obtaining Department approval. For new contracts and agreements, OJP has prohibited the use of OJP funding to purchase food and/or beverages for any meeting, conference, training, or other event. Exceptions, such as for events held in extremely remote areas where sustenance is not otherwise available, require prior approval from OJP. In addition, OJP, COPS, and OVW are developing additional stringent conference cost policies.

Travel expenses are another area that the Department is reviewing in its efforts to produce cost savings. The OIG stated under this management challenge that "…the Department's travel policies *enabled* U.S. Attorneys to authorize their own travel, including authorizing themselves to exceed the government rate." The Department submits that it has had travel guidance and orders in place for many years. However, as the OIG report disclosed, there were a number of instances where some components failed to follow these guidelines. The Department will continue to work with its components to ensure that they fully implement the policies and curtail non-essential spending. The Department will not tolerate non-compliance with its policies.

3. Southwest Border Security Issues

The southwest border remains the most active area for drugs entering the United States, and the Department continues its efforts to control that area through multiple resources. As of September 30, 2011, the Department's lead agency in the fight against illegal drugs, DEA, had 1,224 Special Agent positions – 30 percent of all its domestic agent positions – allocated to its southwest border field divisions. Since the inception of the PTO program in FY 2001, DEA has disrupted 1,661 and dismantled 1,218 PTOs in its southwest border field divisions. In FY 2011, DEA continued to exhibit its leadership on the southwest border through the Organized Crime Drug Enforcement Task Forces (OCDETF) program where DEA participated as the lead agency or co-lead of all OCDETF investigations in the Southwest Region (91 percent and 88 percent, respectively).

Based on estimates made in March 2011, approximately 97 percent of the detected cocaine destined for the United States transited the Mexico/Central America corridor. DEA is combating this with the largest U.S. law enforcement presence in Mexico with 60 Special Agent positions located throughout Mexico. DEA participates in a number of interagency efforts to address Southwest Border security issues. This includes the Southwest Border Initiative, a multi-agency, federal law enforcement operation that attacks Mexico-based drug trafficking organizations operating along the southwest border by targeting the communications systems of their command and control centers. Twenty-six of the 65 criminal targets on the FY 2011 CPOT list (40 percent) are based in Mexico. As of September 30, 2011, there were 547 DEA PTO investigations, of which 59 were foreign Priority Target investigations with a link to a Mexican based CPOT.

DEA focuses much of its southwest border efforts on providing Mexican law enforcement partners with information, training, and equipment that will allow them to apprehend, prosecute, and convict high level drug traffickers. DEA's El Paso Intelligence Center (EPIC) continues to be a key element in bilateral relations with the Government of Mexico. Additionally, DEA has completed the restructuring of the Mexican Sensitive Investigative Unit (SIU) Program – a program that seeks to create focused and well-trained drug investigative and intelligence units of trustworthy character and integrity

In addition to targeting the flow of drugs across the southwest border, DEA is working hard to intercept the flow of drug proceeds from the United States into Mexico. On the U.S. side of the border, the desire for illicit drugs prompts the movement of billions of U.S. dollars annually. Through its Global Financial Strategy, DEA is implementing innovative investigative techniques to understand how drug traffickers are transporting bulk currency and how to shut down these shipments. One effective tool is the License Plate Reader Initiative, which combines existing DEA and other law enforcement database capabilities with new technology to identify and interdict conveyances being used to transport bulk cash, drugs, weapons, and other contraband.

The process for fighting drug traffickers does not end with the investigation. The five southwest border USAOs continue to concentrate a large percentage of their prosecution resources on prosecuting border-related offenses. Also, the Criminal Division's Office of Overseas Prosecutorial Development, Assistance and Training sponsored two bi-national U.S. – Mexico Conferences in FY 2011 in which the five southwest border U.S. Attorneys met with their Mexican federal prosecutor counterparts to open dialogue and coordinate sharing law enforcement intelligence and prosecution strategies in order to work together and effectively dismantle the transnational criminal organizations operating along the border.

Partnered with drug trafficking is the challenge of returning illegal aliens to their home countries. Many of these cases are adjudicated by the Department's Executive Office for Immigration

Review (EOIR). EOIR's mission is the timely adjudication of all cases; therefore, the agency maintains goals for completing the various types of cases it receives. However, EOIR's workload depends on the number of matters filed before it. DHS determines EOIR's initial caseload by filing charging documents alleging aliens' illegal presence in the United States. The nature and number of the proceedings and the number of appeals from immigration court decisions are determined by the parties themselves.

In June 2010, DHS announced its civil immigration enforcement priorities as they pertain to the apprehension, detention, and removal of aliens. Those priorities focus on national security, public safety, and border security. In response to DHS's announced priorities, EOIR shifted resources to meet the anticipated corresponding increase in the agency's detained caseload. Placing a high priority on the adjudication of detained cases has impacted EOIR's non-detained docket.

The Department continues to coordinate with agencies to address issues confronting law enforcement agencies along the southwest border. DOJ and DHS meet frequently to discuss enforcement initiatives as well as ways to handle immigration court dockets that meet the needs of all federal agencies involved.

4. Protecting Civil Rights and Civil Liberties

The Department never loses sight of its responsibility to protect individuals' civil rights and liberties. We believe that, no matter who or what we are investigating, we cannot infringe on those rights. In fact, it is our belief that, by protecting peoples' civil rights and liberties, we are better able to protect all from those who would do us harm. We are pleased that the OIG recognizes our success in this area, and we intend to continue this good work.

With regard to the Domestic Advocacy Report, as the OIG noted, the FBI's Office of General Counsel has issued instructions to its personnel not to retain information regarding an individual's exercise of First Amendment rights without the requisite law enforcement nexus, statutory authorization, or the individual's consent, and is developing a corporate policy to the same effect. The FBI also has promised to ensure that its agents are required to specify the potential violation of a specific federal criminal statute as part of documenting the basis for opening a preliminary or full investigation in cases involving investigation of members of advocacy groups for activities connected to the exercise of their First Amendment rights. Lastly, it bears noting that it is the policy and practice of the FBI's Domestic Terrorism Operations Unit to require FBI agents to specify the potential violations of federal law when initiating a preliminary investigation or full enterprise investigation in domestic terrorism cases on domestic advocacy groups. The Department believes that this action demonstrates that the FBI has adequately addressed investigations of domestic advocacy groups.

5. Information Technology Systems Planning, Implementation, and Security

The Department consists of 43 component organizations, many of which are responsible for their own information technology (IT) plans, budgets, development, and implementation. Accordingly, the Department's Investment Review Board (DIRB) has been in place for many years and regularly monitors components' IT projects. In an attempt to further strengthen its management practices, the Department is looking at a variety of changes in the way that it procures, manages, and implements IT aimed at improving planning and maximizing the results of project implementation.

Currently the DIRB regularly monitors each of the programs identified by the OIG, and it has directed a variety of actions to correct project management deficiencies and reduce program risk. In the case of the Litigation Case Management System project, the DIRB determined that it was in the best interest of the Department to terminate it because continuing the project was not as affordable as pursuing other alternatives.

With respect to the FBI's Sentinel project, the FBI recognizes that it must develop a modern electronic case management system to effectively manage its investigation caseload. After difficulties with the previous development approach, the Department made a conscious decision to complete the development of the Sentinel Program using an Agile Development process performed by a small development team managed in-house by the FBI. The Department continues to meet monthly with the FBI Chief Information Officer (CIO) and his Sentinel team to monitor the program's progress. The DIRB is working closely with the FBI to further develop the plans for the coming deployment of Sentinel in order to alleviate any concerns it may have with the details of the FBI's current plans.

Meanwhile, the FBI Next Generation Identification (NGI) program underwent an extensive TechStat review by the Office of Management and Budget (OMB) in November 2010. During that review, OMB and the Department found the program to be well planned and managed. Due to the program's high development cost, however, OMB requested quarterly reviews to insure there was sufficient oversight. The program has continued to develop NGI in an incremental process and released significant improvements to fingerprint matching functionality in FY 2011 for use by the law enforcement community.

Regarding the Department's Unified Financial Management System (UFMS), the OIG states, "…different and sometimes outdated versions of UFMS are in use. Using different and outdated versions increases the risk and complexity of making any necessary changes…"**.** We agree with the risks identified by the OIG for this large and complex project. We note the Department currently is using only two versions of UFMS. UFMS 1 continues to be used for those components that were the Department's first to be converted to UFMS, and those components eventually will migrate to UFMS 2. Due to the complexity of this conversion, and the continuous improvements in software, those components with later conversion dates will get to use a more advanced version of software. However, once all components that the Department intends to convert to UFMS have been converted, the Department will upgrade all users to the latest version of UFMS. Then, every software modification or update will be pushed down to all users simultaneously.

Under this challenge the OIG also discusses the Department's integrated wireless network (IWN). The Department has continued to partner with DHS in the operation and maintenance of the metropolitan San Diego system, and the Department has enabled DHS components to use the Pacific Northwest system even as the Department has expanded that system to cover all of the

State of Washington and most of the State of Oregon. The Department also has partnered with Treasury – and the Department of the Interior's U.S. Park Police – on the development of the shared system currently being deployed in the National Capital Region. Additionally, the Department has worked regularly and collaboratively with DHS and other federal law enforcement agencies on interoperable communications initiatives, such as the Emergency Communications Preparedness Center, the Public Safety Working Group established by the National Telecommunication and Information Administration as part of the President's Spectrum management Initiative, and technical working groups such as the Federal Partnership for Interoperable Communications, which was recently hosted at the WMO.

The Department also notes that, at the time the IWN system was conceived, the financial climate and horizon were vastly different than they are today. The Department has received funding in uncertain and changing increments without the benefit of funding stream predictability. Such a climate makes planning difficult and requires continual technical readjustments and refinements. The Department has made significant progress given the constraints under which it was operating.

The Department is pleased that the Inspector General's office acknowledged the significant progress the Department has made in the area of IT security, including the development of the Justice Security Operations Center (JSOC) in 2007. The JSOC has worked continually to improve and mature the capabilities at the enterprise level across all components, and this year it expanded to 24x7 operations. It will strive to continue to enhance communications to components regarding all threats, services, and responsibilities. The JSOC participates in the quarterly IT Security Governance Council and CIO Council meetings to discuss service offerings to the component CIOs.

6. Criminal Law Enforcement

Law enforcement has always been the primary mission of the Department. Regardless of the types of threats facing the citizens of the United States, the Department has a responsibility to protect them – whether it is directly or via grants and partnerships with state, local, and tribal governments. Despite reports of a decline in violent crime, challenges still exist, especially with violence associated with drug markets (primarily along the Southwest Border), the increasing number of crimes committed with firearms, and the presence of organized gangs. Additionally, the vast majority of violent crime in the United States falls within the jurisdiction of state and local agencies that lack adequate resources to successfully combat violent crime issues that often have a multijurisdictional dimension. Therefore, a federal solution is often required, and one of the Department's approaches to violent crime has been to partner with state and local agencies through existing violent crime-related task forces.

The Department is pleased that the OIG highlighted the FBI's elimination of its DNA processing backlog for convicted offenders, arrestees, and detainees. Since the OIG issued its August 2010 interim Technical Assistance Report on the FBI Laboratory's DNA Case Backlog, the FBI has effectively implemented measures to close three of the five issued recommendations. Specifically, the FBI has successfully: 1) implemented time tracking procedures and definitions to capture time spent conducting forensic DNA casework; 2) coordinated with the District of

Columbia Metropolitan Police Department to eliminate 200 instances of missing evidence; and 3) implemented measures to monitor the effect of outsourcing agreements on the overall DNA forensic casework backlog.

Fighting drugs requires constant review and evaluation. As the OIG mentions, the Department responded to the 2011 National Drug Threat Assessment by creating the Organized Crime and Gang Section (OCGS) in the Criminal Division. Since then, OCGS has repeatedly demonstrated a commitment to fighting violent crime on the southwest border, an area where much of the drug and firearms trafficking – and associated violence – is taking place. Already, OCGS is involved in significant prosecutions of cross-border violent enterprises. In addition, OCGS attorneys have led prosecutions for gun trafficking and illegal exportation of weapons in Nashville, Philadelphia, Tucson, and elsewhere. The Department believes the formation of OCGS will enhance the efforts to more effectively battle organized crime related to illegal drug and firearms trafficking.

The Department recognizes the role transnational criminal organizations play in smuggling illicit drugs into the United States. These current emerging drug trafficking trends necessitate a focused approach, and DEA is striving to ensure that existing resources are deployed to the highest priority overseas locations to maximize the impact on the global narcotics trade. A key element in combating international drug trafficking is the concerted and coordinated efforts of the inter-agency community to jointly identify chokepoints vulnerable to enforcement efforts and then to simultaneously direct assets to vigorously target those chokepoints on a coordinated and sustained basis. To this end, in 2005, DEA developed the Drug Flow Attack Strategy (DFAS), which has the primary objective of causing major disruption to the flow of drugs, money, and chemicals between the source zones and the United States. Under this strategy, DEA works with the Department of Defense/Joint Interagency Task Force-South, the U.S. Coast Guard, the DHS/Customs and Border Protection, the State Department (including Country Teams led by U.S. Ambassadors), and other federal departments and agencies.

While DEA continues to coordinate large scale, multi-agency enforcement operations, it also plays a significant role in providing investigative equipment and training to other countries. One of DEA's international priorities is to work with its host nation counterparts, including the Government of Mexico, to expand the capabilities of vetted units, including SIUs. As mentioned under Challenge #3, SIUs are groups of host nation investigators that are polygraphed, trained, equipped, and guided by DEA. The SIU program seeks to create focused and well-trained drug investigative and intelligence units of trustworthy character and integrity in selected nations. Investigations are ongoing, and cases, particularly those involving sensitive and high-level targets, are being developed by these units. Currently, DEA has SIUs in 10 countries: Mexico, the Dominican Republic, Guatemala, Panama, Colombia, Ecuador, Peru, Paraguay, Afghanistan, and Thailand.

To fulfill the critical mission of reducing drug use domestically, DEA devotes resources to the disruption and dismantlement of drug trafficking organizations, and the seizure of illicitly obtained profits by attacking the command and control, smuggling and transportation networks, financial infrastructure, and all supporting elements of organizations networked throughout the United States. DEA's Priority Targets represent the most significant drug trafficking organizations responsible for the production, transportation, and distribution of illegal drugs destined for consumption in the United States. Through the fourth quarter of FY 2011, DEA had disrupted or dismantled 3,030 domestic and foreign priority targets.

Through OCDETF, DEA also targets organizations on the Attorney General's CPOT list – the "Most Wanted" drug trafficking and money laundering organizations believed to be primarily responsible for the nation's illicit drug supply. The objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible and the source of the drug is eliminated. The disruption or dismantlement of CPOT organizations is accomplished primarily by multi-agency cooperation and the use of intelligence-driven operations to identify and target international drug trafficking organizations that play significant roles in the production, transportation, distribution, financing, or other support of large scale drug trafficking.

Finally, DEA places a high priority on targeting the financial infrastructure of major drug trafficking organizations and members of the financial community who facilitate the laundering of their proceeds. From FY 2005 through FY 2011, DEA denied drug traffickers a cumulative total of $21.4 billion in revenue through the seizure of both assets and drugs.

The Department's primary platform for attacking the major international drug cartels and their distribution networks and facilitators in the United States is through prosecutor-led, intelligence-driven, multi-agency task forces, with the OCDETF Program serving the primary coordinating function. OCDETF task forces operate in each of the 94 judicial districts in the United States, and OCDETF has established co-located strike forces in 11 key locations for the pursuit of the highest level traffickers of drugs, guns, and money. The OCDETF Program and its component investigative and prosecutorial entities – DEA, FBI, ATF, USMS, Homeland Security Investigations, Internal Revenue Service-Criminal Investigations, the U.S. Coast Guard, the USAOs, and the Criminal Division – have achieved significant success in disrupting and dismantling the highest level criminal organizations that contribute to the supply of illegal drugs in the United States. However, the Department faces an increasing challenge in maintaining and building on that success in the current constrained budget environment, as each of the individual OCDETF components and the OCDETF Program itself continue to sustain reductions in resources.

The proposed elimination of the Mobile Enforcement Team (MET) program will reduce the DEA resources that focus on gangs and violent organizations, including those trafficking methamphetamine. However, DEA will continue to support the Department's efforts to reduce violent crime through its participation in task forces led by DEA and other DOJ agencies. DEA currently has over 150 regional task forces and participates on over 60 High Intensity Drug Trafficking Area task forces across the United States. These task forces include targeting gangs and other violent organizations. In addition, DEA participates in a number of anti-gang initiatives with other law enforcement components, including ATF's Violent Crime Impact Teams and Project Safe Neighborhoods, FBI's Safe Streets and Safe Trails Task Forces, and DOJ's Weed and Seed Program.

DEA will realign the resources associated with the 16 METs to support its Diversion Control Program to combat the diversion of licit pharmaceuticals into illicit commerce, the fastest growing drug problem in the United States.

7. Restoring Confidence in the Department

The Department is making constant progress in this area and is ever-vigilant in maintaining the highest ethical standards among its employees. In response to the 2008 and 2009 reports cited by the OIG, the Department's Human Resources organization developed and deployed online training for hiring managers via the *LearnDOJ* Learning Management System on the topics of Merit Systems Principles and Prohibited Personnel Practices. The Department is pleased that the OIG's narrative acknowledges this action as part of the Department's success in meeting the recommendations contained in those previous reports.

Regarding the OIG's report on the FBI's Office of Integrity and Compliance, the Department concurs with the OIG's statement, "the FBI must also continually ensure that its personnel are fully trained and are able to demonstrate that they take seriously the responsibility to act in accordance with the Constitution, laws, rules, policies, and procedures governing the FBI's investigative activities." To that effect, the FBI recently completed revisions and effectively published a Revised Domestic Investigations and Operations Guide (DIOG). Mandatory training currently is underway to ensure all Special Agents, Intelligence Analysts, and Task Force Personnel understand the Revised DIOG. Everyone required to go through this training must do so by January 3, 2012.

The OIG cites several measures the Department has taken to address prosecutorial misconduct. However, the OIG expressed concern that its Office of Professional Responsibility's (OPR) annual report provides only limited details. The Department believes, on the other hand, that the changes OPR adopted to address concerns relating to attorney discipline and noted by the OIG have ensured that the Department has in place an adequate disciplinary process for attorneys. As indicated by the OIG, OPR will continue to strive to make its work more transparent, consistent with the statutory obligations of the Privacy Act.

8. Financial Enforcement

The Department is deeply committed to protecting Americans from financial fraud. The financial crisis has exposed shameless schemes that have decimated pocketbooks and retirement accounts alike, stripping Americans of their confidence and fiscal security. In response to the crisis, the USAOs have been aggressively prosecuting those who commit financial fraud. In FY 2011, the USAOs filed 3,717 financial fraud cases against 5,555 defendants.

The Department is engaged in a variety of efforts – many beyond the Financial Fraud Enforcement Task Force (FFETF) – to deal with financial fraud of all kinds. Around the country, local offices have created their own task forces and working groups tailored to the needs of their communities. A number of offices at Department headquarters and in USAOs are re-focusing on all types of financial fraud. These offices are making creative use of a number of civil enforcement tools, such as the Financial Institution Reform, Recovery, and Enforcement Act of 1989 and the Anti-Fraud Injunction Act.

In the context of mortgage fraud, the USAOs have joined forces with the FFETF, which has held several mortgage fraud summits across the country in areas that have been hardest hit by this crime. With respect to enforcement efforts, the USAOs have been instrumental in combating mortgage fraud. In FY 2011, the offices filed 486 cases against 904 defendants. These are impressive figures given that, in FY 2010, the offices filed a record number of mortgage fraud cases– 656 cases against 1,235 defendants–many of whom are still active cases.

The Department recognizes the importance of protecting the funds it administers and is committed to using all of the tools at its disposal, including suspension and debarment, to ensure that it conducts business only with responsible parties. To that end, the Department will continue to emphasize the suspension and debarment case referral process throughout its components and leadership offices, including issuing guidance to litigating, investigating, contracting, and grant-making components. Additionally, the Department has implemented a suspension and debarment case tracking system to improve the effectiveness of its suspension and debarment program.

On the law enforcement side, the USMS Asset Forfeiture Financial Investigator Program has recovered large sums of money owed to victims of financial crimes, the Federal Government, and state and local governments through equitable sharing agreements. The Chief Inspector who manages this Program is a member of the President's FFETF. He also sits on the Securities and Commodities Fraud Working Group, and the Victim's Rights Committee. He has undertaken a financial enforcement initiative to enter outstanding *Forfeiture Money Judgments* into the Treasury Offset Program, something that has never been done before. This effort will ensure greater enforcement by the Government to offset federal payments to defendants/debtors for improved collection purposes.

In late September 2011, the USMS completed its 3-year plan to hire 57 Deputy U.S. Marshals and strategically co-locate them in USAOs in 50 districts to add value to asset forfeiture financial investigations as described above. Through an MOU, deputies work closely with prosecutors and investigating agents in DOJ-led criminal investigations to conduct financial analysis to identify assets that were used to facilitate crime, or were derived from the proceeds thereof.

An important component of the USMS Program is that deputies, using authority found at 28 U.S.C. § 566, have begun to enforce and collect on the more than $220 billion in outstanding *Forfeiture Money Judgments* across judicial districts. At the request of a federal prosecutor, the Court may impose a *Forfeiture Money Judgment* on a defendant when the Government can demonstrate that the proceeds were derived from the underlying criminal activity for which an individual is being prosecuted, and assets may not be otherwise located, seized, or readily available to the Government to pursue for forfeiture. Before the formulation of the USMS Program, this debt went largely uncollected, a by-product of limited resources and agents whose caseloads diverted attention to investigating the pressing crime of the moment. Since FY 2007, Deputy U.S. Marshals have collected nearly $10 million in debt.

9. Detention and Incarceration

The Department is responsible for ensuring the safety of, and humane conditions for, its inmates and detainees. As the primary provider of housing for federal inmates, the BOP oversees the conduct of both the prisoners and BOP staff. To this end, BOP agrees that any prohibited conduct is unacceptable, and it will continue to screen out unsuitable applicants during the hiring process.

To address the increasing federal inmate population, the Department continues to review its policies on International Prisoner Treaty Transfer in an effort to increase suitable candidates for transfer. The challenge for the Department is to continue its efforts to transfer suitable candidates to serve their sentences in their home country, consistent with its treaty obligations and responsibility to ensure public safety.

With regard to housing detainees, DOJ and the Department of Homeland Security (DHS), collectively, have approximately 31 competitively-awarded contracts for privately-provided detention and/or correctional services. In contrast, DOJ and DHS have nearly 2,000 Intergovernmental Agreements with state and local authorities for the housing of federal prisoners and inmates. To continue their efforts to obtain detention and/or correctional services at fair and reasonable prices, both the Office of the Federal Detention Trustee (OFDT) and USMS have implemented all of the recommendations the OIG set forth in its March 2011 report, "Audit of the Intergovernmental Agreement Detention Space Negotiation Process."

Further, in 2011, to assist the USMS and other agencies in analyzing prices when determining the reasonableness of prices sought for detention and correctional services, OFDT released the FY 2011 Price Analysis Guide for detention and correctional services contracts and agreements. The guide provides the Average National Price and the U.S. Bureau of the Census Geographical Area Average Price for agreements and contracts awarded by the USMS, the Bureau of Prisons (BOP), and DHS's Immigration and Customs Enforcement, and takes into account differences in economic conditions within the United States.

10. Grants and Contract Management

The Department takes its responsibilities for grant and contract management very seriously. It recognizes that, because of the large amount of resources that flow to state, local, and tribal governments through the Department, grant management will always be a challenge. No matter how competently the Department manages its grants, it must be ever-vigilant to ensure that taxpayers' funds are being used properly.

OJP has tackled this challenge aggressively, establishing policies, procedures, and internal controls to ensure sound stewardship, strong programmatic and financial management, and effective monitoring and oversight of OJP's grant programs. This policy and internal control framework positions OJP to carry out statutory mandates and requirements and to detect and prevent potential waste, fraud, and abuse of the billions of taxpayer dollars OJP awards in grants each fiscal year.

In its efforts to constantly improve its processes, OVW has Peer Review Guidelines to support the initiation of better internal controls that will check for scoring errors and verify the accuracy of future final peer review scores. The standards were implemented in a handful of programs in FY 2010 and across all grant programs in FY 2011.

Regarding the OIG's review of the award process for the Bureau of Justice Assistance (BJA) Recovery Act Correctional Facilities on Tribal Lands Grant Program, OJP is confident that there was not a conflict of interest, or an appearance thereof, in the peer review process related to the award of a training and technical assistance grant. In this case, the internal peer reviewer, who was a grant manager with responsibility for providing oversight during such grantee meetings, did not have a direct personal or financial relationship with the applicant, and was intentionally not engaged in the consideration of final peer review scores or the recommendation and selection process for these awards. OJP's position is that this (or any) reviewer's professional relationship – in an OJP capacity – is not one that needs to be disclosed as a potential conflict of interest. OJP notes that the FY 2011 Conflict of Interest form makes this distinction. OJP's position is that its policy and senior policy advisors, who have professional relationships with applicants to carry out the work of BJA, are capable of providing an impartial, objective, and independent peer review of such applications and have unique expertise and insights that make them appropriate choices for certain peer reviews. OJP emphasizes that it is committed to administering fair and open competitive award processes, and, during the last year, OJP has implemented additional measures.

In response to the OIG's March 2011 audit on OJP's oversight and monitoring of grants, OJP's Office of Audit, Assessment, and Management (OAAM) revised its on-site monitoring procedures. These procedures ensure that program office site visit reviews are consistent with common procedures and that proper documentation to support on-site findings is collected and maintained. In addition, OAAM finalized its Site Visit Quality Review Process, which was designed to assess the completeness and quality of on-site monitoring visits through the review of sampled monitoring reports and associated documentation. To address the OIG's recommendation that the Office of the Associate Attorney General pursue efforts to standardize oversight services provided by OJP to the OVW and COPS Office, the Associate's Office continues to convene regular meetings with the Department Grants Management Challenges Workgroup. The Department's discussion of this Workgroup can be found under Challenge #2.

OJP is dedicated to continuously improving its oversight and monitoring of grantees and grant programs. To ensure that OJP is targeting potential at-risk grantees, it systematically assesses grants and grantees against a set of risk factors to prioritize monitoring activities. In FY 2012, with the benefit of increased automation of the grants assessment tool, grants will be assessed quarterly to identify potential at-risk grantees in real time. Additionally, in FY 2011, OJP's BJA began using an internal process called "GrantStat" to methodically analyze qualitative and quantitative grantee performance data to determine program effectiveness and goal attainment. The process works as an indicator system to identify issues and allow for early intervention with training and technical assistance if needed. The COPS Office also has a comprehensive monitoring strategy that entails programmatic and financial oversight of all COPS grantees, which is described in detail under Challenge #2.

In its March 2011 report, the OIG also highlighted many of the significant improvements in OJP's monitoring, stating, "Since the establishment of OAAM, OJP has made a significant commitment to improving the monitoring and oversight of grants." OJP's improvements in grants management have been highlighted recently in a NASA OIG audit on NASA's grants administration and management. The report mentions OJP's grant monitoring and oversight as a best practice and highlights OJP's improvements as cited in the DOJ OIG audit report. In addition, in an oversight hearing on Housing and Urban Development, the House Committee on Financial Services pointed to OJP as a model for accountability, transparency, and project management on the Correctional Facilities in Tribal Lands program.

The OIG cites outstanding recommendations from a 2006 report. OJP replies that all recommendations and questioned costs directed to OJP as part of the 2006 OIG audit report of the Departments' grant closeout process were closed by the OIG in January 2009. Furthermore, to maintain current on its grant closeouts, OJP leadership tracks this activity on a monthly basis. As an additional measure, the Grants Management System automatically triggers a hold on grant funds after the end date of the grant.

The current closeout process has been streamlined for efficiency and is extremely effective in ensuring that grants are closed in a timely manner. Grantees are informed in an Initial Notification Letter prior to the onset of the closeout process that they have 90 days from the grant end date to complete their final drawdown of reimbursable costs. Additionally, careful tracking of the grant end date and timely outreach to grantees has provided grant managers with timely submissions for extensions. All grantees are advised that a) extension requests should be submitted prior to the award end date, b) they have only 90 days after the award end date to draw eligible funds for reimbursement, and c) funds not drawn after that time will be forfeited.

The other aspect of this challenge addresses contract management. Regarding the OIG's concerns with the USMS' oversight of its Judicial Facilities Security Program, the USMS has enhanced its procurement process by implementing stricter oversight of the Program. The contract has since been re-awarded, and the USMS, working with the Administrative Office of the U.S. Courts, established special standards of responsibility for the recent award. These special standards required the contractor to demonstrate financial responsibility. The evaluation also included background investigations on the principals of the offerors and due diligence for establishing and verifying special standards of responsibility.

As is the case across all federal agencies, the Department uses multiple IT contracts to support its operations and administrative functions. Similar to other DOJ components, the COPS Office faced challenges in FY 2011 with the management and oversight of IT contracts. However, the COPS Office has taken significant steps to address these shortcomings. To improve contract staff efficiencies, the COPS Office initiated the JCON/COPS migration project that will substantially reduce the number of IT personnel necessary to maintain COPS' office automation and server management functions. The COPS Office also has addressed contract management consolidation. Consistent with the M11-29 OMB memo on CIO authorities, the COPS Office has consolidated all IT contract-related functions under the office of the Chief Technology Officer.

The Department is proud of its constantly improving processes for grant and contract management and anticipates even further improvements in the future.

FMFIA

Corrective Action Plan

FMFIA SECTION 2 – PROGRAMMATIC MATERIAL WEAKNESS – PRISON CROWDING

U.S. DEPARTMENT OF JUSTICE **Corrective Action Plan** **Issue and Milestone Schedule**	**Report Date** September 30, 2011; 2011 Fiscal Year (FY) End	
Issue Title Prison Crowding	**Issue ID** 06BOP001	**Component Name** Bureau of Prisons

Issue Category

FMFIA, Section 2	☐	**Reportable Condition**	☒	**Material Weakness**
FMFIA, Section 4	☐	**Non-conformance**		
OMB A-123, Appendix A	☐	**Reportable Condition**	☐	**Material Weakness**

Issue Category – SAT Concurrence or Recategorization

Concur

Issue Description

The growth of the federal inmate population continues to exceed available capacity. At the end of FY 2011, the inmate population housed in BOP operated institutions reached 177,934. Inmates were housed in a rated capacity of 127,795, resulting in an over-crowding rate of 39 percent above rated capacity. The BOP's Long Range Capacity Plan relies on multiple approaches to house the increasing federal inmate population, such as contracting with the private sector and state and local facilities for certain groups of low-security inmates; expanding existing institutions where infrastructure permits, programmatically appropriate, and cost effective to do so; and acquiring, constructing, and activating new facilities as funding permits.

To address this material weakness, the BOP will continue implementing its Long Range Capacity Plan, making enhancements and modifications to the plan, as needed, commensurate with funding received through enacted budgets. For example, in FY 2011, the BOP modified its Plan because the enacted budget did not include the funding needed to activate two newly constructed prisons, acquire a new facility, or contract for the increased use of private sector and state and local facilities for low-security inmates, all three of which would have increased housing capacity and decreased the prison over-crowding rate. The BOP's formal Corrective Action Plan includes utilizing contract facilities; expanding existing institutions; and acquiring, constructing, and activating new institutions as funding permits. The BOP will continue to validate progress on construction projects at new and existing facilities through on-site inspections or by reviewing monthly construction progress reports.

This material weakness was first reported in 2006. Remediation of the weakness through increasing prison capacity is primarily dependent on funding. Other correctional reforms and alternatives will require policy and/or statutory changes. Other initiatives notwithstanding, if the acquisition, expansion, construction, and activation plans detailed in the BOP's Long Range Capacity Plan are funded as proposed, the over-crowding rate for FY 2014 is projected to be 43 percent. Without the funding and the BOP's other mitigating actions, the projected over-crowding rate would be 50 percent.

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

Business Process Area (N/A for Section 2 and Section 4 issues)			
Not Applicable			
Date First Identified 2006	**Original Target Completion Date** 09/30/2012	**Current Target Completion Date** Dependent on funding	**Actual Completion Date**

Issue Identified By	**Source Document Title**
Bureau of Prisons	BOP Population Projections

Description of Remediation

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

Milestones	**Original Target Date**	**Current Target Date**	**Actual Completion Date**
1. As of September 30, 2006, the inmate population in BOP owned and operated institutions reached 162,514 and was housed in a capacity of 119,510, resulting in an over-crowding rate of 36 percent.	09/30/2006		09/30/2006
2. As of September 30, 2007, the inmate population in BOP owned and operated institutions reached 167,323 and was housed in a capacity of 122,189, resulting in an over-crowding rate of 37 percent, an increase of 1 percent for the year.	09/30/2007		09/30/2007
3. As of September 30, 2008, the inmate population in BOP owned and operated institutions reached 165,964 and was housed in a capacity of 122,366, resulting in an over-crowding rate of 36 percent, a decrease of 1 percent for the year.	09/30/2008		09/30/2008
4. As of September 30, 2009, the inmate population in BOP owned and operated institutions reached 172,423 and was housed in a capacity of 125,778, resulting in an over-crowding rate of 37 percent, an increase of 1 percent for the year.	09/30/2009		09/30/2009
5. As of September 30, 2010, the inmate population in BOP owned and operated institutions reached 173,289 and was housed in a capacity of 126,713, resulting in an over-crowding rate of 37 percent, the same rate as at the end of the previous year.	09/30/2010		09/30/2010
6. As of September 30, 2011, the inmate population in BOP owned and operated institutions reached 177,934 and was housed in a capacity of 127,795, resulting in an over-crowding rate of 39 percent, an increase of 2 percent for the year.	09/30/2011		09/30/2011
7. Planning estimates call for a rated capacity of 128,581 to be reached by the end of FY 2012. The over-crowding rate is projected to be 43 percent at that time, an increase of 4 percent for the year.	09/30/2012		
8. Planning estimates call for a rated capacity of 132,075 to be reached by the end of FY 2013. The over-crowding rate is projected to be 44 percent at that time, an increase of 1 percent for the year.	09/30/2013		
9. Planning estimates call for a rated capacity of 134,515 to be reached by the end of FY 2014. The over-crowding rate is projected to be 43 percent at that time, a decrease of 1 percent for the year.	09/30/2014		

Reason for Not Meeting Original Target Completion Date

Funding received through enacted budgets for additional capacity has not kept pace with the increases in the federal inmate population.

Status of Funding Available to Achieve Corrective Action
The FY 2011 enacted budget for the BOP did not include the funding needed to activate two newly constructed prisons, acquire a new facility, or contract for the increased use of private sector and state and local facilities for low-security inmates, all three of which would have increased housing capacity and decreased the prison over-crowding rate. FY 2012 funding is unknown at this point because the budget has not been enacted. The Department of Justice's proposed FY 2013 budget for BOP is under review at the Office of Management and Budget. As of year-end FY 2011, the BOP's Long-term Capacity Plan was partially funded through FY 2017.
Planned Measures to Prevent Recurrence
The BOP will continue to structure budget requests to address capacity needs in the most cost effective manner possible.
Validation Indicator
Results are measured as a new institution or expansion project is activated and resulting increases in rated capacity are established. A corresponding decrease in the over-crowding rate will also be a tangible measurement of the results. Progress on construction projects at new and existing facilities will be validated via on-site inspections of each facility or by review of monthly construction progress reports.
Organizations Responsible for Corrective Action
BOP Administration Division and Program Review Division

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Undisbursed Balances in Expired Grant Accounts

Section 537 of the Commerce, Justice, Science, and Related Agencies Appropriations Act, 2010 (Act) of the Consolidated Appropriations Act, 2010 (Pub. Law 111-117) requires certain departments, agencies, and instrumentalities of the United States Government receiving appropriations under the Act to track undisbursed balances in expired grant accounts for FY 2011.

Undisbursed balances in expired grant accounts include budget authority that is no longer available for new obligations but is still available for disbursement. According to Section 20.4(c) of OMB Circular No. A-11, *Preparation, Submission, and Execution of the Budget,* the expired phase "lasts for five years after the last unexpired year unless the expiration period has been lengthened by legislation. Specifically, you may not incur new obligations against expired budget authority, but you may liquidate existing obligations by making disbursements." For FY 2011, the below information is required to be reported in the Performance and Accountability Reports and annual performance plans/budgets with regard to undisbursed balances in expired grant accounts: 1) details on future action the department, agency, or instrumentality will take to resolve undisbursed balances in expired grant accounts; 2) the method that the department, agency, or instrumentality uses to track undisbursed balances in expired grant accounts; 3) identification of undisbursed balances in expired grant accounts that may be returned to the Treasury of the United States; 4) in the preceding three fiscal years, details on the total number of expired grant accounts with undisbursed balances (on the first day of each fiscal year) for the department, agency, or instrumentality and the total finances that have not been obligated to a specific project remaining in the accounts.

Three Department of Justice grant-making agencies are required to report under this guidance: Community Oriented Policing Services (COPS), Office of Justice Programs (OJP), and the Office on Violence Against Women (OVW). Their responses are noted below:

Details on future actions that will be taken to resolve undisbursed balances in expired grant accounts:

COPS closely monitors the financial activity of all grantees. This includes requiring all grant recipients to report the financial expenditures for all COPS awards on a quarterly basis. COPS also maintains a group of dedicated Grant Program Specialists and Staff Accountants that offer grantees real-time technical assistance with implementing any aspect of their grant. Due to the additional reporting requirements and transparency associated with American Recovery and Reinvestment Act of 2009 (ARRA) grant recipients, COPS has implemented additional efforts to monitor COPS Hiring Recovery Program (CHRP) grantees. First, all CHRP grantees are required to complete an online grants management training, which includes a training track specifically addressing financial reporting and disbursement of funds. Second, CHRP grantees were notified earlier this year that the undisbursed balance on their grant awards will lapse on September 30, 2015 (5 years after the last unexpired year for ARRA), thus all grant program requirements should be completed by that time and all expensed funds disbursed. Third, beginning in November 2010, COPS conducts quarterly outreach efforts to a select group of CHRP grantees who appear to have either discrepancies in the financial or programmatic reporting on their awards. Finally, the COPS Director receives monthly and quarterly reports of CHRP activity, including disbursement data, and COPS management works with the Justice Management Division (JMD), OMB, and the Office of the Vice President (OVP) to ensure that ARRA funds are being disbursed and outlayed timely.

All OJP discretionary/categorical and block/formula grantees are required to submit a financial report quarterly. Grantees have 90 days after the end date of the award to drawdown funds and close out the award. If the payments to the grantee are less than the amount of the grant expenditures, then the grantee is given the opportunity to draw down these funds. OJP Customer Service Outreach staff calls the grantee to ask them to draw down their funds. The first notice will commence on the same day as the phone call to the grantee. If the grantee has not drawn down their available funds after 14 calendar days, a second contact is made by the Customer Service Outreach staff and a second notice is sent. If there is no action by the grantee, a third notice is sent to the grantee informing them that OJP will de-obligate the funds from their grant. If the grantee has not retrieved their funds after 14 additional calendar days, the funds are de-obligated. After deobligation, the grantee will receive a Grant Adjustment Notice (GAN) in the mail informing them that the funds have been de-obligated and are no longer available and the grant is closed.

OVW closely monitors the financial activity of all grantees. All grant recipients are required to report their financial expenditures for OVW awards on a quarterly basis and their project performance activities on a semi-annual or annual basis. ARRA grantees are also required to submit special Section 1512 reports on a quarterly basis that include project and financial information. OVW reviews 100 percent of these reports for each reporting period and contacts the grantees regarding any concerns or questions. OVW has Grant Program Specialists and Financial Analysts that offer ARRA grantees technical assistance with implementing any aspect of their grant, including trainings, outreach, site visits and monitoring. The OVW management receives and reviews frequent reports on ARRA grant activity, including obligation and outlay data, and OVW management works with JMD, OMB, OVP, and the OIG to ensure that ARRA funds are being disbursed and outlayed timely.

Method used to track undisbursed balances in expired grant accounts:

COPS utilizes both the Financial Management Information System 2 (FMIS2) data as well as data from OJP's Grant Payment Request System (GPRS) to track CHRP undisbursed balances. OJP currently uses its Grants Management System (financial reports), FMIS2 and GPRS to track undisbursed balances. OVW utilizes both FMIS2 data as well as data from OJP's GPRS to track undisbursed balances.

Identification of undisbursed balances in expired grant accounts that may be returned to the Treasury:

The Department has the authority to transfer unobligated balances of expired appropriations to the Working Capital Fund. Specifically, Public Law 102-140 provides that at no later than the end the fifth fiscal year after the fiscal year for which funds are appropriated or otherwise made available, unobligated balances of appropriations available to the Department of Justice during such fiscal year may be transferred into the capital account of the Working Capital Fund to be available for the Department-wide acquisition of capital equipment, development and implementation of law enforcement or litigation related automated data processing systems, and for the improvement and implementation of the Department's financial management and payroll/personnel systems. Therefore, in general unobligated and undisbursed balances in the Department's expired grant accounts will be transferred to the Working Capital Fund, and will not be returned to the Treasury. An exception to this will be American Recovery and Reinvestment Act grant funds; pursuant to Public Law 111-203, such grant funds that have not been obligated as of December 31, 2012, will be rescinded and returned to the Treasury.

The total number of expired grant accounts with undisbursed balances (on the first day of each fiscal year) and the total finances that have not been obligated to a specific project remaining in the accounts, are as follows:

OJP:
FY 2009: 10 accounts; total of $65,961,000 in undisbursed and unobligated balances
FY 2010: 8 accounts; total of $1,638,582,000 in undisbursed and unobligated balances
FY 2011: 6 accounts; total of $859,662,000 in undisbursed and unobligated balances

COPS:
FY 2008: No undisbursed and unobligated balances
FY 2009: No undisbursed and unobligated balances
FY 2010: 1 account; $1,001,950,000 in undisbursed and unobligated balances
FY 2011: 1 account; $861,776,000 in undisbursed and unobligated balances

OVW:
FY 2008: No undisbursed and unobligated balances
FY 2009: No undisbursed and unobligated balances
FY 2010: 1 account; $223,012,000 in undisbursed and unobligated balances
FY 2011: 1 account; $154,366,000 in undisbursed and unobligated balances

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APPENDICES

Appendix A

Improper Payments Information Act (as amended by the IPERA) Reporting Details

The Improper Payments Information Act of 2002 (IPIA), as amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA), requires agencies to annually report information on improper payments to the President and Congress through their annual Performance and Accountability Report. In accordance with that requirement and the implementing guidance in OMB Circular A-123, Appendix C, *Requirements for Effective Measurement and Remediation of Improper Payments*, and OMB Circular A-136, *Financial Reporting Requirements*, the Department provides the following improper payments reporting details.

Item I. Risk Assessment. Briefly describe the risk assessment performed (including the risk factors examined, if appropriate) subsequent to completing a full program inventory. List the risk-susceptible programs (i.e., programs that have a significant risk of improper payments based on OMB guidance thresholds) identified by the agency risk assessment. Highlight any changes to the risk assessment methodology or results that occurred since the FY 2010 IPIA report.

In accordance with the IPIA, as amended by the IPERA, and the April 2011 OMB implementing guidance, OMB Circular A-123, Appendix C, the Department assessed its programs and activities for susceptibility to significant improper payments. In FY 2011, the Department updated its top-down approach for assessing the risk of significant improper payments Department-wide to allow for the analysis and reporting of results by the Department's five mission-aligned programs – Law Enforcement; Litigation; Prison and Detention; State, Local, Tribal, and Other Assistance; and Administrative, Technology, and Other. The updated approach promoted consistency across the Department in implementing the expanded requirements of the IPERA. In conjunction with implementing the updated approach, the Department developed and disseminated guidance for conducting the required risk assessment, along with a risk assessment survey instrument for Departmental component use in examining disbursement activities against nine risk factors, such as payment volume and process complexity.[1] The instrument covered commercial payments, grants and cooperative agreements, benefit and assistance payments, payments to State and local governments, and custodial payments.

The Department's risk assessment methodology for FY 2011 did not change significantly from FY 2010; i.e., for FY 2011, the methodology again included assessing risk against various risk factors and for various payment types. The primary differences for FY 2011 were that the Department's updated risk assessment methodology included the additional types of payments required by the IPERA and OMB implementing guidance, as well as the reporting of information by the Department's five mission-aligned programs.

The results of the FY 2011 risk assessment did not differ from FY 2010; i.e., the Department concluded based on the results of the Department-wide risk assessment for the period ending September 30, 2011, that there were no programs susceptible to significant improper payments, i.e., improper payments exceeding the OMB thresholds of both 2.5 percent of program outlays and $10 million, or $100 million.

Item II. Statistical Sampling. Any agency that has programs or activities that are susceptible to significant improper payments shall briefly describe the statistical sampling process conducted to estimate the improper payment rate for each program identified with a significant risk of improper

[1] The nine risk factors examined during the risk assessment were Policies and Procedures; Results of OMB Circular A-123 Assessment, OIG Audits/Reviews, and other External Audits/Reviews; Corrective Actions; Results of Monitoring Activities; Results of Recapture Audit Activities; Process Complexities; Volume and Dollar Amount of Payments; Control Risk; and Capability of Personnel.

payments. Highlight any changes to the statistical sampling process that have occurred since the FY 2010 IPIA report.

Not applicable. Based on the results of the FY 2011 Department-wide risk assessment, there were no programs susceptible to significant improper payments. This remains unchanged from FY 2010.

Item III. Corrective Actions. Any agency that has programs or activities that are susceptible to significant improper payments shall describe the corrective action plans for:

A. Reducing the estimated improper payment rate and amount for each type of root cause identified. Agencies shall report root cause information (including error rate and error amount) based on the following three categories: Administrative and Documentation errors, Authentication and Medical Necessity errors, and Verification errors. This discussion must include the corrective actions, planned or taken, most likely to significantly reduce future improper payments due to each type of error an agency identifies, the planned or actual completion date of these actions, and the results of the actions taken to address these root causes. If efforts are ongoing, it is appropriate to include that information in this section and to highlight current efforts, including key milestones. Agencies may also report root cause information based on additional categories, or sub-categories, of the three categories listed above, if available.

Not applicable. Based on the results of the FY 2011 Department-wide risk assessment, there were no programs susceptible to significant improper payments.

B. Grant-making agencies with risk-susceptible grant programs shall briefly discuss what the agency has accomplished in the area of funds stewardship past the primary recipient. Discussion shall include the status of projects and results of any reviews.

Not applicable. Based on the results of the FY 2011 Department-wide risk assessment, there were no programs susceptible to significant improper payments, to include grant programs.

Item IV. Improper Payments Reporting.

A. Any agency that has programs or activities that are susceptible to significant improper payments must provide the following information in a table:

- **all risk-susceptible programs must be listed whether or not an error measurement is being reported;**
- **where no measurement is provided, the agency should indicate the date by which a measurement is expected;**
- **if the Current Year (CY) is the baseline measurement year, and there is no Previous Year (PY) information to report, indicate by either "Note" or "N/A" in the PY column;**
- **if any of the dollar amounts included in the estimate correspond to newly established measurement components in addition to previously established measurement components, separate the two amounts to the extent possible;**
- **agencies are expected to report on CY activity or, if not feasible, PY activity is acceptable if approved by OMB. Agencies should include future year outlay and improper payment estimates for CY+1, +2, and +3 (future year outlay estimates should match the outlay estimates for those years as reported in the most recent President's Budget).**

Not applicable. Based on the results of the FY 2011 Department-wide risk assessment, there were no programs susceptible to significant improper payments.

B. Agencies should include the gross estimate of the annual amount of improper payments (i.e., overpayments plus underpayments) and should list the total overpayments and underpayments that make up the current year amount. In addition, agencies are also allowed to calculate and report a second estimate that is a net total of both overpayments and

underpayments (i.e., overpayments minus underpayments). The net estimate is an additional option only and cannot be used as a substitute for the gross estimate.

Not applicable. Based on the results of the FY 2011 Department-wide risk assessment, there were no programs susceptible to significant improper payments.

Item V. Recapture of Improper Payments Reporting.

A. An agency shall discuss payment recapture audit (or recovery auditing) efforts, if applicable. The discussion should describe the agency's payment recapture audit program, the actions and methods used by the agency to recoup overpayments, a justification of any overpayments that have been determined not to be collectable, and any conditions giving rise to improper payments and how those conditions are being resolved (e.g., the business process changes and internal controls instituted and/or strengthened to prevent further occurrences). If the agency has excluded any programs or activities from review under its payment recapture audit program (including any programs or activities where the agency has determined a payment recapture audit program is not cost-effective), the agency should list those programs and activities excluded from the review, as well as the justification for doing so. Include in the discussion the dollar amount of cumulative recoveries collected beginning with FY 2004.

The Department's payment recapture audit program is part of its overall program of internal control over disbursements. The program includes establishing and assessing internal controls to prevent improper payments, reviewing disbursements to identify improper payments, assessing root causes of improper payments, developing corrective action plans, and tracking the recovery of improper payments and disposition of recovered funds. In FY 2011, the Department updated its top-down approach for tracking and reporting the results of recovery auditing activities to promote consistency across the Department in implementing the expanded requirements of the IPERA. In conjunction with implementing the updated approach, the Department developed and disseminated a template to assist components in analyzing root causes of improper payments and tracking the recovery of such payments and disposition of recovered funds.

The root causes for overpayments other than for grants largely fell within the OMB-defined error category of Documentation and Administrative, as most errors were overpayments resulting from duplicate payments or data entry errors. Departmental components have implemented corrective actions to address specific areas where improvements could be made. For example, to reduce duplicate payments, components within the Offices, Boards, and Divisions have increased the use of analytics by instituting searches of vendor invoice records prior to processing disbursements. To reduce data entry errors, the Federal Bureau of Investigation (FBI) increased its use of electronic billing and consolidation of invoices.

The root causes for grant overpayments also largely fell within the Documentation and Administrative category, as most involved questioned costs, e.g., expenditures that did not have sufficient documentation to support the cost. To reduce the risk of these types of overpayments, the Department's granting components expanded training and communications informing grantees of their responsibilities related to receiving Federal awards.

Departmental components have also taken actions to facilitate the recovery of improper payments. For example, the FBI produces an accounts receivable report to track the age and collection efforts for all uncollected improper payments. The Office of Justice Programs' (OJP) actions include generating a report at least quarterly that identifies potential duplicate disbursements, researching the questionable disbursements, resolving issues to identify payments that were proper, and initiating recovery actions for payments deemed to be improper. The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) issues demand letters to debtors notifying them of the status of the debt, the date payment is due, where to send payment, and the collection actions the ATF can pursue to recover the debt.

The Department excluded employee disbursements and intra-governmental payments from the scope of its payment recapture audit program in accordance with the IPERA and OMB implementing guidance. The Department also excluded payments to confidential informants because of its responsibility to protect sensitive law enforcement information. Lastly, the Department excluded payments at Drug Enforcement Administration (DEA) foreign offices, because the DEA obtains the services of the Department of State for certifying and disbursing payments on behalf of the DEA at foreign offices.

In accordance with the IPERA and OMB implementing guidance, the Department measured payment recapture performance under the expanded scope of its payment recapture audit program. Based on performance for the period ending September 30, 2011, the Department achieved an overall improper payment recovery rate of 86 percent – 1 percent better than the OMB target rate of 85 percent that agencies are to strive to achieve by FY 2013. There were no FY 2011 overpayments that were determined not to be collectable. Table 1B provided later in this section provides additional detail on the approximate $33.0 million in improper payments identified in FYs 2004 through 2011 and the approximate $28.4 million of recovered funds.

B. Complete the tables below (if any of this information is not available, indicate by either "Note" or "N/A" in the relevant column or cell):

Note: To allow information to be easily viewable, the Department reformatted the table in OMB Circular A-136 into three separate tables. Table 1A provides information on the total amount of disbursements subject to review in FY 2011, as well as the total amount reviewed under the Department's payment recapture audit program. As shown in the table, the Department reviewed 100 percent of its FY 2011 disbursements, except for the payments excluded from review as discussed in Item V.A.

Table 1A
Payment Recapture Audit Reporting Scope

DOJ Mission-Aligned Program	Type of Payment (includes only the types made per program)	Amount Subject to Review for FY 2011 Reporting	Actual Amount Reviewed and Reported in FY 2011	Percent Reviewed
Administrative, Technology, and Other	Commercial	$757,647,071	$757,647,071	100%
	Custodial	$516,597,093	$516,597,093	100%
Litigation	Commercial	$689,725,587	$689,725,587	100%
Law Enforcement	Commercial	$4,422,205,055	$4,422,205,055	100%
	State and Local Governments	$1,116,361,158	$1,116,361,158	100%
State, Local, Tribal, and Other Assistance	Benefits and Assistance	$130,341,406	$130,341,406	100%
	Commercial	$106,937,122	$106,937,122	100%
	Grants and Cooperative Agreements	$3,808,605,661	$3,808,605,661	100%
Prisons and Detention	Commercial	$ 3,312,945,299	$ 3,312,945,299	100%
	State and Local Governments	$ 754,136,121	$ 754,136,121	100%
Total		$15,615,501,573	$15,615,501,573	100%

Table 1B provides the cumulative results of payment recapture audit activities for the eight-year period of FYs 2004 through 2011. As shown in the table, as of the end of FY 2011, the Department had recovered 86 percent of the improper payments identified for recovery. The Department reported a cumulative recovery rate of 94 percent in its FY 2010 PAR. The decreased rate for FY 2011 is attributed to the increased scope of payment recapture audit reporting required under the IPERA; i.e., in FY 2010, agencies were required to report recovery rates for commercial payments only; whereas, in FY 2011, agencies are required to report on additional types of payments, such as payments to State and local governments, benefit payments, and grants. As shown in the table, the recovery rate for grants was approximately 58 percent, while the recovery rate for all other types of payments ranged from 91 percent to 100 percent. The lower recovery rate for grants is attributed in part to factors that extend the time frame for receiving recovered grant funds. For example, the OJP has referred approximately $1.2 million to the Treasury for collection and is, thus, dependent on the Treasury's collection processing schedule. In addition, some grantees have been placed on multi-year repayment programs based on ability to pay and other factors, which also extends the time frame for receiving recovered grant funds.

Table 1B
Cumulative Payment Recapture Audit Reporting

DOJ Mission-Aligned Program	Type of Payment (includes only the types made per program)	FYs 2004 through 2011					
		Cumulative Improper Payments Identified for Recovery	Cumulative Improper Payments Recovered	Recovery Rate (Percent of Cumulative Improper Payments Recovered out of Cumulative Improper Payments Identified for Recovery)	Cumulative Improper Payments Outstanding	Percent Outstanding (Percent of Cumulative Improper Payments Outstanding out of Cumulative Improper Payments Identified for Recovery)	Cumulative Overpayments Determined Not to be Collectable
Administrative, Technology, and Other	Commercial	$667,081	$665,134	99.7%	$1,947	0.3%	$0
	Custodial	$0	$0	N/A	$0	N/A	N/A
Litigation	Commercial	$2,681,015	$2,591,316	96.7%	$89,699	3.3%	$0
Law Enforcement	Commercial	$15,939,236	$14,782,295	92.7%	$1,156,941	7.3%	$0
	State and Local Governments	$0	$0	N/A	$0	N/A	N/A
State, Local, Tribal, and Other Assistance	Benefits and Assistance	$10,000	$10,000	100.0%	$0	0%	$0
	Commercial	$356,861	$356,861	100.0%	$0	0%	$0
	Grants and Cooperative Agreements	$6,435,379	$3,712,556	57.7%	$2,722,823	42.3%	$0
Prisons and Detention	Commercial	$6,740,090	$6,137,312	91.1%	$602,778	8.9%	$0
	State and Local Governments	$153,878	$153,878	100.0%	$0	0%	$0
Total		$32,983,540	$28,409,352	86.1%	$4,574,188	13.9%	$0

Table 1C provides the results of payment recapture audit activities separately by current year (FY 2011) and previous years (FYs 2004 through 2010 combined). As shown in the table, for the first two Departmental programs, the amount of commercial improper payments recovered in FY 2011 exceeded the amount identified for recovery due to the recovery during FY 2011 of improper payments identified in previous years.

Table 1C
Payment Recapture Audit Reporting by Current Year and Previous Years

DOJ Mission-Aligned Program	Type of Payment (includes only the types made per program)	Current Year (FY 2011) Improper Payments Identified for Recovery	Current Year (FY 2011) Improper Payments Recovered	Current Year (FY 2011) Overpayments Determined Not to be Collectable	Current Year (FY 2011) Percent of Overpayments Determined Not to be Collectable out of Improper Payments Identified for Recovery	Previous Years (FYs 2004 through 2010) Improper Payments Identified for Recovery	Previous Years (FYs 2004 through 2010) Improper Payments Recovered
Administrative, Technology, and Other	Commercial	$155,512	$261,351	$0	N/A	$511,569	$403,783
	Custodial	$0	$0	$0	N/A	$0	$0
Litigation	Commercial	$455,062	$943,442	$0	N/A	$2,225,953	$1,647,874
Law Enforcement	Commercial	$3,556,735	$2,668,526	$0	N/A	$12,382,501	$12,113,769
	State and Local Governments	$0	$0	$0	N/A	$0	$0
State, Local, Tribal, and Other Assistance	Benefits and Assistance	$10,000	$10,000	$0	N/A	$0	$0
	Commercial	$326,377	$326,377	$0	N/A	$30,484	$30,484
	Grants and Cooperative Agreements	$6,435,379	$3,712,556	$0	N/A	$0	$0
Prisons and Detention	Commercial	$1,541,380	$1,192,287	$0	N/A	$5,198,710	$4,945,025
	State and Local Governments	$153,878	$153,878	$0	N/A	$0	$0
Total		$12,634,323	$9,268,417	$0	N/A	$20,349,217	$19,140,935

If an agency has a payment recapture audit program in place, then the agency is required to establish annual targets to drive their annual performance. The targets shall be based on the rate of recovery. Agencies are expected to report current year amounts and rates, as well as recovery rate targets for three years.

Table 2 provides current year (FY 2011) payment recapture audit activities information, cumulative information (FYs 2004 through 2011), and recovery rate targets for three years. As shown in the current year section of the table, for the first two Departmental programs, the amount of commercial improper payments recovered exceeded the amount identified for recovery due to the recovery during FY 2011 of improper payments identified in previous years. As also shown in the table, the Department achieved an overall improper payment recovery rate of 86 percent as of the end of FY 2011 – 1 percent better than the OMB target rate of 85 percent that agencies are to strive to achieve by FY 2013. In FY 2012, the Department will focus on improving the recovery rate for grants and sustaining the high recovery rates for all other types of payments.

Table 2
Improper Payments Recovery Rates and Targets

DOJ Mission-Aligned Program	Type of Payment (includes only the types made per program)	Current Year (FY 2011)			Cumulative (FYs 2004 through 2011)			Recovery Rate Targets		
		Improper Payments Identified for Recovery	Improper Payments Recovered	Recovery Rate	Improper Payments Identified for Recovery	Improper Payments Recovered	Recovery Rate	FY 2012	FY 2013	FY 2014
Administrative, Technology, and Other	Commercial	$155,512	$261,351	168.1%	$667,081	$665,134	99.7%	99%	99%	99%
	Custodial	$0	$0	N/A	$0	$0	N/A	85%	85%	85%
Litigation	Commercial	$455,062	$943,442	207.3%	$2,681,015	$2,591,316	96.7%	96%	96%	96%
Law Enforcement	Commercial	$3,556,735	$2,668,526	75.0%	$15,939,236	$14,782,295	92.7%	92%	92%	92%
	State and Local Governments	$0	$0	N/A	$0	$0	N/A	85%	85%	85%
State, Local, Tribal, and Other Assistance	Benefits and Assistance	$10,000	$10,000	100.0%	$10,000	$10,000	100.0%	99%	99%	99%
	Commercial	$326,377	$326,377	100.0%	$356,861	$356,861	100.0%	99%	99%	99%
	Grants and Cooperative Agreements	$6,435,379	$3,712,556	57.7%	$6,435,379	$3,712,556	57.7%	65%	85%	85%
Prisons and Detention	Commercial	$1,541,380	$1,192,287	77.4%	$6,740,090	$6,137,312	91.1%	91%	91%	91%
	State and Local Governments	$153,878	$153,878	100.0%	$153,878	$153,878	100.0%	99%	99%	99%
Total		$12,634,323	$9,268,417	73.4%	$32,983,540	$28,409,352	86.1%			

C. In addition, agencies shall report the following information on their payment recapture audit programs, if applicable:

i. An aging schedule of the amount of overpayments identified through the payment recapture audit program that are outstanding (i.e., overpayments that have been identified but not recovered). Typically, the aging of an overpayment begins at the time the overpayment is detected. Indicate with a note whenever that is not the case.

Table 3 provides the aging schedule for the Department's overpayments that were outstanding (not recovered) as of the end of FY 2011. As shown in the table, of the approximate $1 million of overpayments that was outstanding more than a year, more than $900,000 (or 88 percent) was grants. As mentioned, in FY 2012, the Department will focus on improving the recovery rate for grants.

Table 3
Aging of Cumulative Outstanding Overpayments

DOJ Mission-Aligned Program	Type of Payment (includes only the types made per program)	Amount Outstanding (0 to 6 months)	Amount Outstanding (6 months to 1 year)	Amount Outstanding (over 1 year)
Administrative, Technology, and Other	Commercial	$1,355	$114	$478
	Custodial	$0	$0	$0
Litigation	Commercial	$69,035	$6,961	$13,703
Law Enforcement	Commercial	$15,746	$1,034,736	$106,459
	State and Local Governments	$0	$0	$0
State, Local, Tribal, and Other Assistance	Benefits and Assistance	$0	$0	$0
	Commercial	$0	$0	$0
	Grants and Cooperative Agreements	$644,379	$1,158,132	$920,312
Prisons and Detention	Commercial	$11,793	$587,750	$3,235
	State and Local Governments	$0	$0	$0
Total		$742,308	$2,787,693	$1,044,187

ii. A summary of how recovered amounts have been disposed of (if any of this information is not available, indicate by either "Note" or "N/A" in the relevant column or cell).

Table 4 provides the disposition information for the improper payments the Department recovered in FY 2011. As shown in the table, almost $7.8 million of the approximate $9.3 million recovered (or 84 percent) was returned to the original funds from which the payments were made; another $1.1 million (or 12 percent) was returned to the Treasury.

Table 4
Disposition of FY 2011 Recovered Funds

DOJ Mission-Aligned Program	Type of Payment (includes only the types made per program)	Improper Payments Recovered in FY 2011	Disposition						
			Returned to Original Fund	Agency Expenses to Administer the Program	Payment Recapture Auditor Fees	Financial Management Improvement Activities	Used for Original Purpose	Office of the Inspector General	Returned to the Treasury
Administrative, Technology, and Other	Commercial	$261,351	$249,991						$11,360
	Custodial	$0							
Litigation	Commercial	$943,442	$943,442						
Law Enforcement	Commercial	$2,668,526	$2,325,015				$343,511		
	State and Local Governments	$0							
State, Local, Tribal, and Other Assistance	Benefits and Assistance	$10,000	$10,000						
	Commercial	$326,377	$326,377						
	Grants and Cooperative Agreements	$3,712,556	$2,605,592						$1,106,964
Prisons and Detention	Commercial	$1,192,287	$1,179,731						$12,556
	State and Local Governments	$153,878	$153,878						
Total		$9,268,417	$7,794,026	$0	$0	$0	$343,511	$0	$1,130,880

D. As applicable, agencies should also report on improper payments identified and recovered through sources other than payment recapture audits. For example, agencies could report on improper payments identified through statistical samples conducted under the IPIA, agency post-payment reviews or audits, Office of the Inspector General reviews, Single Audit reports, self-reported overpayments, or reports from the public. Specific information on additional required reporting for contracts is included in Section 7 of OMB memorandum M-11-04, issued in November 2010. Reporting this information is required for FY 2011 reporting and beyond. If previous year information is not available, indicate by a "Note."

The Department's payment recapture audit program leverages both internal and external efforts to identify improper payments. The reporting in Tables 1B through 5 is inclusive of all overpayments, regardless of whether they were identified through internal or external sources. Table 5 provides information on the overpayments that were identified in FY 2011 by source, i.e., through internal efforts or by auditors, vendors, or payment recapture audit contractors. The table also provides FY 2011 recovery information associated with overpayments identified by those sources. The table provides information for FY 2011 only, as the Department did not track this level of detail in previous years.

Table 5
Sources of Identifying Overpayments

Source	Improper Payments Identified in FY 2011	Improper Payments Recovered in FY 2011
Internal Efforts	$5,249,056	$4,308,320
Auditors (e.g., by the OIG or audits for OMB Circular A-133)	$5,909,309	$3,290,056
Vendors	$1,475,958	$1,658,681
Payment Recapture Audit Contractors	$0	$11,360
Total	$12,634,323	$9,268,417

Item VI. Accountability. Any agency that has programs or activities that are susceptible to significant improper payments shall describe the steps the agency has taken and plans to take (including timeline) to ensure that agency managers, accountable officers (including the agency head), programs, and States and localities (where appropriate) are held accountable for reducing and recovering improper payments. Specifically, they should be held accountable for meeting applicable improper payments reduction targets and establishing and maintaining sufficient internal controls (including an appropriate control environment) that effectively prevents improper payments from being made and promptly detects and recovers any improper payments that are made.

Not applicable. Based on the results of the FY 2011 Department-wide risk assessment, there were no programs susceptible to significant improper payments.

Item VII. Agency Information Systems and Other Infrastructure.

A. Describe whether the agency has the internal controls, human capital, and information systems and other infrastructure it needs to reduce improper payments to the levels the agency has targeted.

The results of the FY 2011 Department-wide risk assessment demonstrated that, overall, the Department has sufficient internal controls over disbursement activities to prevent improper payments. The assessment identified no programs susceptible to significant improper payments.

Department-wide actions to reduce improper payments are accomplished through an aggressive strategy of re-engineering and standardizing business processes, concurrent with the Department's implementation of an integrated financial management system, which is underway. As of the end of FY 2011, all Departmental components reported that they had sufficient internal controls, human capital, and the information systems and other infrastructure needed to reduce improper payments to targeted levels.

In addition to the Department's actions to improve agency information systems and infrastructure, individual components have taken actions to incorporate additional controls into their financial systems to reduce improper payments. For example, in FY 2011, the Federal Prison Industries (FPI) purchased a Document Management Service for processing accounts payable vendor invoices, which the FPI plans to implement the first quarter of FY 2012. The increased capability will provide end-to-end automation that integrates document automation, reconciliation, voucher processing, workflow for approvals, and detailed reporting information.

B. If the agency does not have such internal controls, human capital, and information systems and other infrastructure, describe the resources the agency requested in its most recent budget submission to Congress to establish and maintain the necessary internal controls, human capital, and information systems and other infrastructure.

Not applicable. The continued implementation of the Department's integrated financial management system will complement the Department's current infrastructure and capabilities to reduce improper payments.

Item VIII. Barriers. Describe any statutory or regulatory barriers that may limit the agency's corrective actions in reducing improper payments and actions taken by the agency to mitigate the barriers' effects.

The Department has not identified any statutory or regulatory barriers that limit its corrective actions in reducing improper payments.

Item IX. Additional Comments. Discuss any additional comments, if any, on overall agency efforts, specific programs, best practices, or common challenges identified as a result of IPERA implementation.

The Department recognizes the importance of maintaining adequate internal controls to ensure proper payments and is committed to the continuous improvement of the overall disbursement management process. The Department's use in FY 2011 of a top-down approach for implementing the expanded requirements of the IPERA promoted consistency across the Department, both with regard to conducting the required risk assessment and for tracking and reporting payment recapture audit activities. In FY 2012, the Department will continue its efforts to further reduce improper payments, as well as improve the recovery rate for grants – the only type of payment for which the Department's recovery rate as of the end of FY 2011 was below 90 percent.

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APPENDIX B

FY 2011 Financial Management Status Report

This financial management status report describes the Department's three most significant and overarching financial management initiatives – achieving a clean audit opinion, implementing a new Department-wide financial management system, and continually improving internal controls. The President's emphasis on transparency emphasizes the significance of federal government performance and accountability to achieve successful results. The ultimate goal is accurate and timely financial information on a recurring basis. These initiatives support the Department's overall goal to improve management and administration of the Department's programs while also supporting mandates such as the CFO Act, the Government Management Reform Act (GMRA), the Federal Financial Management Improvement Act (FFMIA), the Government Performance and Results Act (GPRA), Federal Managers' Financial Integrity Act (FMFIA), and the Debt Collection Improvement Act (DCIA) of 1996.

Reliable Financial Statements and Meeting Due Dates for Financial Statements.
KPMG LLP, an independent public accounting firm under contract with the Department's Office of the Inspector General, performed the FY 2011 consolidated Department audit. The Department earned an unqualified opinion on its audited consolidated financial statements for FY 2011. All nine of the Department's components that produce financial statements received unqualified opinions, as well. The Department and components continued to demonstrate progress in remediating weaknesses identified by the independent auditors. The Department has consistently met the OMB due date for submission of the consolidated financial statements. Ensuring these deadlines are met required planning and coordination which included issuance of the annual Financial Statement Requirements and Preparation Guide (Guide). The Guide includes a detailed timeline of major events and interim milestones. This, along with components' corrective actions quarterly status updates, adds to the foundation necessary to eliminate auditor-reported internal control material weaknesses. For FY 2011 and beyond, the Department expects to maintain its consistent status on its audited consolidated financial statements.

Integrated Financial Management System.
The Unified Financial Management System (UFMS) initiative is the keystone to the Department's strategy for financial systems improvement. UFMS is replacing multiple core financial management and procurement systems with an integrated Commercial Off-The-Shelf (COTS) solution, Momentum, provided by CGI Federal Inc. Implementation of UFMS is streamlining and standardizing business processes and procedures across DOJ Components.

As of September 2011, UFMS supports more than 2,500 users worldwide from the DEA (fully implemented), ATF (fully implemented), Asset Forfeiture Program/AFP (Phase 1), BOP (UFMS Acquisitions), FBI (Phase 1), and USMS (UFMS Acquisitions). By FY 2014 UFMS will serve as the financial system of record for 4 DOJ components (DEA, ATF, USMS and FBI), and AFP.

Major accomplishments in FY 2011 include the following:

- In October 2010, ATF deployed UFMS 2.0 as their financial system of record making it the second major DOJ law enforcement component to successfully implement UFMS. ATF is the first organization to use UFMS 2.0, which is configured to securely support multiple DOJ organizations and includes over 100 enhancements to the base product.

- FY 2011 is the third year DEA relied on the UFMS as the system of record. DEA has received a clean audit opinion for the thirteenth consecutive year.
- The USMS has a base-lined schedule for deployment of the UFMS 2.0 across the organization in October 2012. Requirements are final, design and configuration are underway; conversion and testing efforts are on target to begin in October 2011.
- Deployment of the UFMS 2.0 for the JMD/AFP Phase 2 is planned for October 2012, concurrent with the deployment to the USMS.
- The FBI kicked off Phase 2 of their UFMS implementation in November 2010. FBI and JMD reached an agreement in May 2011 that FBI will host the UFMS-SECRET domain, which includes a technical refresh of UFMS.
- In January 2011, the oversight of production services was transitioned to the JMD, Finance Staff, Unified Financial Systems Group. Centralized services include batch processing, system administration, critical incident response and coordination with Tier 1 help desk staff at the component.

Federal Financial Management Improvement Act (FFMIA) Remediation Plan and A-123 Compliance.

During FY 2011, the Department continued efforts to resolve internal control weaknesses in critical areas by providing oversight and resources to individual components. Through ongoing review programs, components aggressively demonstrated their commitment to identify areas of concern and implement corrective actions promptly. The Department also continued to demonstrate progress on its multiyear project to implement an integrated financial management system. This system will eventually provide a single source for timely and reliable financial data, and strengthen the Department's overall control environment. The system will also facilitate the collection of information, increase transparency, and enhance decision-making by program managers.

The Department continued its commitment to improving and strengthening controls through the annual OMB Circular A-123, Appendix A assessment. Using a top-down risk-based approach, efforts were focused on significant areas where the risk of material errors in financial reporting could occur. Efforts are continuing to coordinate and leverage existing reviews and assessments of the controls over significant financial information systems. These actions, coupled with the Department's corrective action plan process, have enabled the Department to monitor the components' progress against corrective action plans more timely and, when necessary, provide additional resources to correct control weaknesses.

APPENDIX C

Major Program Evaluations Completed During FY 2011

Government Accountability Office (GAO) Assessment of DOJ's Law Enforcement Coordination between the FBI, ATF, DEA, and USMS

The Department of Justice law enforcement components—ATF, DEA, FBI, and USMS—have overlapping jurisdiction over violent crime investigations, specifically when they involve illegal drugs, gang violence, firearms, explosives, arson, and fugitive apprehension. The GAO assessed the extent to which selected agents are clear on their agencies' roles and responsibilities, and how components determine and coordinate roles and responsibilities to avoid unnecessary use of resources. The GAO reviewed documents such as Department directives and interviewed DOJ component officials in headquarters and nine cities, which were selected based on population and the presence of all DOJ components. The GAO also surveyed a randomly selected, non-generalized sample of 315 field agents. The results provided information about the range of perspectives of surveyed agents.

GAO recommends that DOJ assess options to better identify and diagnose disagreements in the field and take action to limit the negative impacts from disagreements over jurisdictional overlap for some criminal investigations.

GAO Review of DOJ's Compliance with the National Child Search Assistance Act

The National Child Search Assistance Act, as amended, requires that within two hours of receiving a missing child report, law enforcement agencies (LEAs) enter the report into the Department's National Crime Information Center (NCIC), a clearinghouse of information instantly available to LEAs nationwide. DOJ's Criminal Justice Information Services (CJIS), the CJIS Advisory Policy Board, and state criminal justice agencies share responsibility for overseeing this requirement. GAO examined 1) CJIS's and the Board's efforts to implement and monitor compliance with the requirement; and 2) selected LEA-reported challenges with timely entry and DOJ's actions to assist LEAs in addressing them.

GAO recommends that CJIS and the Board consider establishing minimum standards for states to use to monitor compliance with the 2-hour rule and CJIS and Office of Juvenile Justice and Delinquency Prevention (OJJDP) use existing mechanisms to obtain and share information on LEAs challenges and successful efforts to mitigate them. In their meeting with the Board in June 2011, the FBI suggested to the Board to consider revising the current sanctions policy which provides that no agency will be referred within the 3-year initial policy audit rollout period. The FBI also proposed that the Board consider agencies found to be non-compliant be referred immediately for sanctions.

Audit by the Office of the Inspector General on FBI's Convicted Offender Backlog

The FBI Laboratory's Federal DNA Database Unit had effectively eliminated its backlog of convicted offender, arrestee, and detainee DNA samples. The OIG determined that the FBI reduced this backlog from over 312,000 samples in December 2009 to a workload of approximately 14,000 samples in May 2011.

While the FBI was successful in reducing its backlog, the OIG identified some concerns with reporting backlog statistics, estimating future workload, and storage space for DNA samples. Analyzing DNA samples has several stages through which each sample must sequentially pass. The OIG found that from April 2005 through May 2011, the FBI Laboratory reported to management its backlog of convicted offender, arrestee, and detainee samples by only reporting the stage with the most backlogged samples, rather than capturing all samples being processed across all stages. Based on these findings the OIG made three recommendations designed to assist the FBI in more accurately identifying, reporting, projecting, and storing its convicted offender, arrestee, and detainee DNA sample workload. The FBI concurs with the three recommendations and will implement the recommendations proposed by the OIG.

Office of the Inspector General (OIG) Audit of DOJ's Processing of Clemency Petitions

On September 26, 2011, the OIG issued its final report of the "Audit of the Department of Justice Processing of Clemency Petitions." The evaluation focused on the processes of the core mission of the Office of the Pardon Attorney (OPA), which is to receive and review all petitions addressed to the President for executive clemency for federal criminal convictions, conduct the necessary investigations, and prepare recommendations for the President as to the disposition of each case, which are reviewed and signed on behalf of the Department of Justice by the Deputy Attorney General.

The objectives of the audit, whose scope included clemency petitions pending at the beginning of FY 2005 and petitions opened between FY 2005 and FY 2010, were to determine 1) whether OPA has established effective procedures for processing and reducing the backlog of clemency petitions (defined as "all clemency petitions that have been received by the OPA, but have not received a final decision by the President or been administratively closed by the OPA"), and 2) whether DOJ components have established effective procedures to respond in a timely manner to OPA's referrals to them of clemency applications for information and comment.

The audit report found that OPA "utilize[s] a reasonable approach to investigate the merits of clemency petitions and develop its recommendations." It further found that although the backlog of petitions increased by 92 percent over the six years from the beginning of FY 2005 to the end of FY 2010, the increase "was due in part to the fact that the number of clemency petitions received by the OPA more than doubled from FY 2005 to FY 2010, and the President did not make any decisions on clemency petitions from the time he took office in January 2009 through FY 2010." Moreover, the report found that during the time period addressed by the audit, "the number of petitions processed by the OPA increased by 61 percent," and that at the end of the audit period, "more than half of the backlog was outside of DOJ's control." The audit determined that a "significant cause of the delay in processing clemency petitions was that the entities receiving referrals did not always respond to the OPA's referrals within the period of time required by the entities' internal guidelines or the period of time requested by the OPA," and that "the OPA often did not follow up on outstanding referrals within the 60 days required by its internal policy."

OPA concurred with all four recommendations in the OIG audit report, and the second recommendation has been closed based upon the detailed explanation OPA provided to the OIG of the procedure it has implemented to process referrals electronically. The remaining three recommendations are deemed resolved by the OIG and will be closed when OPA provides evidence to the OIG that it has implemented the procedures for addressing the recommendations that OPA outlined in its response to the audit.

APPENDIX D

Intellectual Property Report – FY 2011

The information in this section is provided pursuant to the statutory mandate in Title 18, United States Code, Section 2320(g), which requires a report of Department of Justice prosecutions of intellectual property (IP) crimes brought under sections 2318, 2319, 2319A and 2320 of Title 18 of the United States Code. Prosecutions under other IP statutes are not included. This information has been provided by the Executive Office for United States Attorneys (EOUSA), which maintains criminal caseload information as reported by the 94 U.S. Attorneys' Offices.

The pages that follow contain summary case information, segregated by statutory provision, and preceded by a brief description of each offense. Also included is a list of cases referred for prosecution by the Bureau of Immigration and Customs Enforcement or the Bureau of Customs and Border Protection. Following the summary data is a district by district break out of the same data.

The automated case management system used to collect data for the U.S. Attorneys' Offices does not break out copyright infringement cases according to the following categories: audiovisual (videos and films); audio (sound recordings); literary works (books and musical compositions); computer programs or video games. Also, the case management system does not separately identify copyright infringement cases where the infringer advertises the infringing work online or makes the infringing work available on the Internet for download, reproduction, performance or distribution by others. Thus, that information is not included. Similarly, data on fines, penalties, settlements or restitution are not included because that information cannot be extracted from the database according to particular statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318* - Trafficking in Counterfeit Labels for Phono Records and Copies of Motion Pictures or Other Audiovisual Works.

Offense: knowingly trafficking in a counterfeit label affixed or designated to be affixed to a phono record or a copy of a motion picture or other audiovisual work.

	FY 2011 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	28
Number of Defendants:	49
Number of Cases Filed:	9
Number of Defendants:	25
Number of Cases Resolved/Terminated:	5
Number of Defendants:	9
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	3
Number of Defendants Who Were Tried and Found Guilty:	2
Number of Defendants Against Whom Charge Was Dismissed:	3
Number of Defendants Acquitted:	1
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	2
1 to 12 Months Imprisonment:	0
13 to 24 Months:	0
25 to 36 Months:	0
37 to 60 Months:	1
61 + Months:	2

Total Dollar Value of All Criminal Fines Imposed: Not Available
(fines can be assessed in lieu of or in addition to prison sentences)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318.

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506* - Criminal Infringement of a Copyright.

Offense: willful infringement of a copyright for purposes of commercial advantage or private financial gain, or through large-scale, unlawful reproduction or distribution of a copyrighted work, regardless of whether there was a profit motive.

	FY 2011 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	82
Number of Defendants:	118
Number of Cases Filed:	46
Number of Defendants:	70
Number of Cases Resolved/Terminated:	48
Number of Defendants:	64
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	42
Number of Defendants Who Were Tried and Found Guilty:	2
Number of Defendants Against Whom Charge Was Dismissed:	18
Number of Defendants Acquitted:	1
Other Terminated Defendants:	1
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	25
1 to 12 Months Imprisonment:	2
13 to 24 Months:	10
25 to 36 Months:	3
37 to 60 Months:	4
61 + Months:	0

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES CODE, SECTION 2319A* - Unauthorized Fixation of and Trafficking in Sound Recordings and Music Videos of Live Musical Performances.

Offense: without the consent of the performer, knowingly and for the purposes of commercial advantage or private financial gain, fixing the sounds or sound and images of a live musical performance, reproducing copies of such a performance from an authorized fixation; transmitting the sounds or sounds and images to the public, or distributing, renting, selling, or trafficking (or attempting the preceding) in any copy of an authorized fixation.

	FY 2011 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	2
Number of Defendants:	2
Number of Cases Filed:	0
Number of Defendants:	0
Number of Cases Resolved/Terminated:	1
Number of Defendants:	1
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	1
Number of Defendants Who Were Tried and Found Guilty:	0
Number of Defendants Against Whom Charge Was Dismissed:	0
Number of Defendants Acquitted:	0
Other Terminated Defendants:	0
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	0
1 to 12 Months Imprisonment:	1
13 to 24 Months:	0
25 to 36 Months:	0
37 to 60 Months:	0
61 + Months:	0

Total Dollar Value of All Criminal Fines Imposed: Not Available (fines can be assessed in lieu of or in addition to prison sentences.)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES CODE, SECTION 2320* - Trafficking in Counterfeit Goods or Services.

Offense: intentionally trafficking or attempting to traffic in goods or services and knowingly using a counterfeit mark on or in connection with such goods or services.

	FY 2011 - TOTALS (All Districts)
Referrals and Cases:	
Number of Investigative Matters Received by U.S. Attorneys:	229
Number of Defendants:	340
Number of Cases Filed:	113
Number of Defendants:	134
Number of Cases Resolved/Terminated:	89
Number of Defendants:	139
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	88
Number of Defendants Who Were Tried and Found Guilty:	9
Number of Defendants Against Whom Charge Was Dismissed:	37
Number of Defendants Acquitted:	0
Other Terminated Defendants:	5
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	43
1 to 12 Months Imprisonment:	18
13 to 24 Months:	16
25 to 36 Months:	8
37 to 60 Months:	8
61 + Months:	4

Total Dollar Value of All Criminal Fines Imposed: Not Available
(fines can be assessed in lieu of or in addition to prison sentences)

*This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information is based upon the defendant's outcome on the individual charge. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTIONS 2318, 2319, 2319A, 2320 OR TITLE 17, UNITED STATES CODE, SECTION 506*

All Districts - All Statutes

Referrals and Cases:	FY 07	FY 08	FY 09	FY 10	FY 11
Number of Investigative Matters Received:	368	303	243	343	330
Number of Defendants:	561	467	404	543	481
Number of Cases Filed:	200	179	150	158	158
Number of Defendants:	268	239	203	239	203
Number of Cases Resolved/Terminated:	177	174	175	152	135
Number of Defendants:	278	270	230	212	206
Disposition of Defendants in Concluded Cases:					
Number of Defendants Who Pleaded Guilty:	240	220	198	185	178
Number of Defendants Who Were Tried and Found Guilty:	10	8	5	7	13
Number of Defendants Against Whom Charges Were Dismissed:	15	26	21	14	11
Number of Defendants Acquitted:	1	8	2	2	1
Other Terminated Defendants:	12	8	4	4	3
Prison Sentencing for Convicted Defendants (# represents defendants):					
No Imprisonment:	129	101	114	114	92
1 to 12 Months Imprisonment:	44	46	31	33	26
13 to 24 Months:	33	39	27	25	31
25 to 36 Months:	18	20	6	9	15
37 to 60 Months:	11	19	17	7	21
61 + Months:	15	3	8	4	6

Statistics on Matters/Cases Originating with the United States Bureau of Customs & Border Protection and Bureau of Immigrations & Customs Enforcement*

Referrals and Cases:	FY 11
Number of Investigative Matters Received:	169
Number of Defendants:	239
Number of Cases Filed:	90
Number of Defendants:	105
Number of Cases Resolved/Terminated:	59
Number of Defendants:	81
Disposition of Defendants in Concluded Cases:	
Number of Defendants Who Pleaded Guilty:	63
Number of Defendants Who Were Tried and Found Guilty:	9
Number of Defendants Against Whom Charges Were Dismissed:	7
Number of Defendants Acquitted:	0
Other Terminated Defendants:	2
Prison Sentencing for Convicted Defendants (# represents defendants):	
No Imprisonment:	33
1 to 12 Months Imprisonment:	14
13 to 24 Months:	7
25 to 36 Months:	6
37 to 60 Months:	12
61+ Months:	0

*These charts include data on any and all criminal cases/defendants where 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information is based upon the overall outcome of the defendant. These charts may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes. These charts do not include data on the investigation and prosecution of other intellectual property crimes, such as economic espionage, 18 U.S.C. 1831; theft of trade secrets, 18 U.S.C. 1832; signal piracy, 47 U.S.C. 553 and 605; and circumvention of copyright protection systems, 17 U.S.C. 1201 to 1205.

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	1	1	0	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	3	3	0	0	1	3	2	0	1	0	0
CALIFORNIA EASTERN	2	15	2	15	1	2	0	2	0	0	0
CALIFORNIA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
COLORADO	1	1	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	1	2	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	1	0	0	0	1	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	1	1	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	1	1	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0	0	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	1	1	1	1	0	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	1	3	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI WESTERN	1	1	1	1	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	1	1	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS
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PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	1	1	0	0	1	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	1	2	5	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	3	3	0	0	0	0	0	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	1	1	1	1	0	0	1	0	0
VIRGINIA EASTERN	5	9	0	0	0	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	1	1	1	1	1	1	1	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	28	49	9	25	5	9	3	2	3	1	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2318 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	2	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	2
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318 - TRAFFICKING IN COUNTERFEIT LABELS FOR PHONO RECORDS AND COPIES OF MOTION PICTURES OR OTHER AUDIOVISUAL WORKS
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	1	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
Grand Total	2	0	0	0	1	2

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2318 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2318 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2318

CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	1	1	1	1	1	0	0	0	0
ALABAMA NORTHERN	2	2	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	1	1	1	1	2	2	1	0	1	0	0
ALASKA	0	0	0	0	1	1	1	0	0	0	0
ARIZONA	1	1	1	1	2	2	1	0	1	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	6	6	2	2	3	3	3	0	0	0	0
CALIFORNIA EASTERN	2	15	3	16	4	5	4	0	0	0	1
CALIFORNIA NORTHERN	6	7	3	3	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	1	1	0	0	0	0	0	0	0	0	0
DELAWARE	1	4	2	4	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	3	3	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	1	2	4	5	1	1	1	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	2	4	1	1	1	4	1	2	1	0	0
GEORGIA SOUTHERN	0	0	0	0	1	1	1	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	1	1	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	3	3	0	0	0	10	0	0	10	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	1	1	1	1	1	0	0	0	0
IOWA NORTHERN	1	1	1	1	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	1	1	1	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	1	1	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	1	1	1	1	0	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	1	1	0	0	1	1	1	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	1	1	3	3	1	1	1	0	0	0	0
MASSACHUSETTS	0	1	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	3	3	1	1	1	1	1	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	1	1	1	0	0	0	0
MISSOURI EASTERN	1	1	1	1	2	2	2	0	0	0	0
MISSOURI WESTERN	1	1	0	0	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0	0	0	0	0	0
NEVADA	1	1	1	1	1	1	1	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	1	1	0	0	0	0	0	0	0	0	0
NEW MEXICO	2	2	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK NORTHERN	1	1	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	10	13	0	0	0	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	2	2	0	0	1	1	1	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	3	3	0	0	1	1	1	0	0	0	0
OHIO SOUTHERN	1	2	1	1	1	1	1	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	1	1	0	0	1	1	1	0	0	0	0
OREGON	0	0	2	2	3	3	3	0	0	0	0
PENNSYLVANIA EASTERN	1	1	1	1	1	1	1	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	2	3	0	0	4	4	3	0	1	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	2	2	4	4	3	3	3	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	1	2	5	0	0	0	0	0	0	0
TENNESSEE MIDDLE	1	1	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	1	1	0	0	1	0	0
TEXAS NORTHERN	4	5	2	2	0	0	0	0	0	0	0
TEXAS SOUTHERN	2	2	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	1	1	1	1	0	0	0	0	0	0	0
UTAH	0	0	0	0	1	1	0	0	1	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	2	2	3	3	1	1	0	0	1	0	0
VIRGINIA EASTERN	2	10	1	5	3	4	2	0	1	1	0
VIRGINIA WESTERN	0	0	1	2	1	2	2	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	1	1	0	0	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	1	1	1	1	1	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	82	118	46	70	48	64	42	2	18	1	1

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant.
However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant.
Displayed defendant outcome information based upon the outcome of the charge only, and does not necessarily represent the overall outcome of a defendant.
Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving
18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	1	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	1	0	0
ALASKA	1	0	0	0	0	0
ARIZONA	1	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	3	0	0	0	0	0
CALIFORNIA EASTERN	2	0	2	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	1	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	1	0	0	0	2	0
GEORGIA SOUTHERN	0	0	0	1	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	1	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	1	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	1	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	1	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	1	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	1	0	0	0	0	0
MISSOURI EASTERN	1	0	1	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	1	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	1	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	1	0
OHIO SOUTHERN	0	0	0	1	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	1	0	0	0	0	0
OREGON	1	1	1	0	0	0
PENNSYLVANIA EASTERN	1	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2319, TITLE 17, UNITED STATES CODE, SECTION 506 - CRIMINAL INFRINGEMENT OF A COPYRIGHT
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	3	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	1	0	2	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	1	0	1	0
VIRGINIA WESTERN	0	0	2	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	1	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	25	2	10	3	4	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the outcome of the charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319.

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	1	1	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0	0	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	0	0	0	0	1	1	1	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0	0	0	0	0	0

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASES FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	1	1	0	0	0	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	2	2	0	0	1	1	1	0	0	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2319A charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	0	0	0	0	0	0
CALIFORNIA EASTERN	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	0	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	0	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	0	0	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	0	0	0	0	0	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	0	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	0	0	0	0	0	0
MASSACHUSETTS	0	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	0	0	0
MISSOURI WESTERN	0	0	0	0	0	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	0	0
NEW JERSEY	0	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	0	1	0	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	0	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	0	0	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	0	0	0	0

TITLE 18, UNITED STATES, SECTION 2319A - UNAUTHORIZED FIXATION OF AND TRAFFICKING IN SOUND RECORDINGS AND MUSIC VIDEOS OF LIVE MUSICAL PERFORMANCES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	0	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	0	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	0	0	0	0	0
TEXAS WESTERN	0	0	0	0	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	0	0
VIRGINIA EASTERN	0	0	0	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	0	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	0	1	0	0	0	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2319A was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2319A charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2319A where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2319A.

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	2	3	3	0	0	0	0
ALABAMA SOUTHERN	1	1	0	0	2	3	1	0	2	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	1	4	2	2	1	1	0	1	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	23	26	12	13	6	11	4	1	6	0	0
CALIFORNIA EASTERN	5	9	3	3	3	3	3	0	0	0	0
CALIFORNIA NORTHERN	16	25	4	4	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	1	1	0	0	2	3	0	0	3	0	0
COLORADO	1	1	0	0	1	2	1	0	1	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	3	12	2	8	0	1	0	0	0	0	1
DISTRICT OF COLUMBIA	8	8	1	1	0	0	0	0	0	0	0
FLORIDA MIDDLE	12	17	9	9	3	3	3	0	0	0	0
FLORIDA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	6	10	4	8	1	1	1	0	0	0	0
GEORGIA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	4	12	0	0	2	3	2	0	1	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	5	7	3	4	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	4	7	2	3	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	1	1	1	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA SOUTHERN	2	2	1	1	2	2	2	0	0	0	0
KANSAS	2	2	0	0	0	1	0	0	1	0	0
KENTUCKY EASTERN	1	1	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	4	4	3	3	3	3	3	0	0	0	0
LOUISIANA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	1	1	1	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	6	9	5	5	3	7	4	0	0	0	3
MASSACHUSETTS	2	3	2	2	2	2	2	0	0	0	0
MICHIGAN EASTERN	3	6	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	1	5	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	1	1	1	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	5	6	1	1	2	2	2	0	0	0	0
MISSOURI WESTERN	5	6	0	0	1	2	2	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	1	1	0	0	1	2	0	0	2	0	0
NEVADA	1	1	2	2	1	1	0	0	0	0	1
NEW HAMPSHIRE	0	0	0	0	4	4	3	1	0	0	0
NEW JERSEY	2	3	1	1	3	4	2	0	2	0	0
NEW MEXICO	1	1	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	4	9	3	6	4	16	10	1	5	0	0
NEW YORK NORTHERN	2	2	1	1	0	0	0	0	0	0	0
NEW YORK SOUTHERN	11	14	11	12	11	16	16	0	0	0	0
NEW YORK WESTERN	5	8	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	1	6	0	0	0	1	1	0	0	0	0
NORTH CAROLINA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	3	3	1	1	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	2	3	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	12	14	5	5	0	0	0	0	0	0	0
OHIO SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0	0	0	0	0	0
OREGON	1	2	0	0	2	2	1	0	1	0	0
PENNSYLVANIA EASTERN	12	14	9	9	2	7	2	0	5	0	0
PENNSYLVANIA MIDDLE	1	1	1	1	1	1	1	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						DISPOSITION OF CHARGE				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	4	4	0	0	2	2	1	0	1	0	0
PUERTO RICO	0	0	0	0	0	0	0	0	0	0	0
RHODE ISLAND	1	1	1	1	1	1	1	0	0	0	0
SOUTH CAROLINA	2	2	0	0	1	3	3	0	0	0	0
SOUTH DAKOTA	2	4	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	1	1	1	1	0	0	0	0	0	0	0
TENNESSEE MIDDLE	1	1	1	1	0	0	0	0	0	0	0
TENNESSEE WESTERN	5	5	4	4	0	0	0	0	0	0	0
TEXAS EASTERN	3	11	1	2	0	0	0	0	0	0	0
TEXAS NORTHERN	1	2	1	1	0	0	0	0	0	0	0
TEXAS SOUTHERN	3	7	6	9	4	5	2	2	1	0	0
TEXAS WESTERN	3	4	0	0	3	3	3	0	0	0	0
UTAH	1	1	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	1	1	1	0	0	0	0
VIRGINIA EASTERN	5	5	3	3	6	10	3	3	4	0	0
VIRGINIA WESTERN	2	9	1	1	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	1	1	0	0	0	0	0	0	0
WASHINGTON WESTERN	6	7	3	3	3	4	2	0	2	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	2	2	1	1	1	1	1	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	229	340	113	134	89	139	88	9	37	0	5

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2320 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	1	2	0	0	0
ALABAMA SOUTHERN	1	0	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	1	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	1	0	2	1	1	0
CALIFORNIA EASTERN	0	1	1	1	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	0	0	0	0	0
COLORADO	0	0	0	0	0	1
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	3	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	1	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	1	1	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	1	0	0	0	1	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	2	1	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	1	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	3	0	0	1	0	0
MASSACHUSETTS	2	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	1	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	1	1	0
MISSOURI WESTERN	0	1	0	0	1	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	4	0	0	0	0	0
NEW JERSEY	2	0	0	0	0	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	5	3	2	1	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	10	2	2	0	0	2
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	1
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	1	0	0	0	0	0
PENNSYLVANIA EASTERN	1	1	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	1	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2320 - TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	1	0	0	0
PUERTO RICO	0	0	0	0	0	0
RHODE ISLAND	0	0	1	0	0	0
SOUTH CAROLINA	1	1	1	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	1	0	2	1	0
TEXAS WESTERN	1	1	0	1	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	1	0	0	0	0	0
VIRGINIA EASTERN	1	2	2	0	1	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	1	0	0	1	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	1	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	43	18	16	8	8	4

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2320 was brought as any charge against a defendant. Displayed defendant outcome information based upon the outcome of the 18 U.S.C. 2320 charge only, and does not necessarily represent the overall outcome of a defendant. Defendants against whom charges were dismissed may have been convicted of other, related offenses. This chart may not include criminal cases or matters involving 18 U.S.C. 2320 where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate 18 U.S.C. 2320.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	0	0	0	0	0	0	0	0	0	0	0
ALABAMA NORTHERN	0	0	0	0	1	2	2	0	0	0	0
ALABAMA SOUTHERN	0	0	0	0	1	2	2	0	0	0	0
ALASKA	0	0	0	0	0	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0	0	0	0	0	0
ARKANSAS EASTERN	1	1	2	2	1	1	0	1	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	17	20	10	11	3	5	4	1	0	0	0
CALIFORNIA EASTERN	2	4	1	1	0	0	0	0	0	0	0
CALIFORNIA NORTHERN	13	19	4	4	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	1	1	0	0	2	3	3	0	0	0	0
COLORADO	2	2	0	0	0	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0	0	0	0	0	0
DELAWARE	0	2	1	2	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	2	2	0	0	0	0	0	0	0	0	0
FLORIDA MIDDLE	10	14	11	13	3	3	3	0	0	0	0
FLORIDA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	4	8	4	8	1	1	1	0	0	0	0
GEORGIA MIDDLE	2	2	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	2	3	1	1	2	3	2	0	1	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	4	6	3	4	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	5	8	2	3	0	0	0	0	0	0	0
ILLINOIS SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	1	1	1	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
IOWA NORTHERN	1	1	1	1	0	0	0	0	0	0	0
IOWA SOUTHERN	2	2	1	1	3	3	3	0	0	0	0
KANSAS	1	1	0	0	0	0	0	0	0	0	0
KENTUCKY EASTERN	1	1	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	3	3	3	3	2	2	2	0	0	0	0
LOUISIANA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	0	0	0	0	2	2	2	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	5	8	3	3	2	6	4	0	0	0	2
MASSACHUSETTS	1	2	1	1	1	1	1	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	1	5	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
MISSOURI EASTERN	4	5	2	2	2	2	2	0	0	0	0
MISSOURI WESTERN	5	6	1	1	1	2	2	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	0	0	0	0	1	2	0	0	2	0	0
NEVADA	0	0	1	1	0	0	0	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	4	4	3	1	0	0	0
NEW JERSEY	0	1	1	1	1	1	1	0	0	0	0
NEW MEXICO	0	0	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	0	0	1	1	3	8	7	1	0	0	0
NEW YORK NORTHERN	2	2	1	1	0	0	0	0	0	0	0
NEW YORK SOUTHERN	10	12	1	1	1	1	1	0	0	0	0
NEW YORK WESTERN	4	7	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	5	0	0	0	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	3	3	1	1	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	12	12	5	5	0	0	0	0	0	0	0
OHIO SOUTHERN	2	3	0	0	0	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	1	1	0	0	0	0	0	0	0	0	0
OREGON	1	2	0	0	1	1	0	0	1	0	0
PENNSYLVANIA EASTERN	11	12	7	7	2	2	2	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	1	1	1	1	1	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	2	2	0	0	1	1	0	0	1	0	0
PUERTO RICO	1	1	0	0	4	4	3	0	1	0	0
RHODE ISLAND	0	0	0	0	0	0	0	0	0	0	0
SOUTH CAROLINA	1	1	2	2	0	1	1	0	0	0	0
SOUTH DAKOTA	1	3	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	1	1	1	1	0	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0	0	0	0	0	0
TENNESSEE WESTERN	5	5	4	4	0	0	0	0	0	0	0
TEXAS EASTERN	1	5	0	0	0	0	0	0	0	0	0
TEXAS NORTHERN	1	2	2	2	0	0	0	0	0	0	0
TEXAS SOUTHERN	2	4	5	6	4	5	2	2	1	0	0
TEXAS WESTERN	4	5	0	0	3	3	3	0	0	0	0
UTAH	0	0	0	0	0	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	0	0	0	0	1	1	1	0	0	0	0
VIRGINIA EASTERN	3	11	2	6	4	7	4	3	0	0	0
VIRGINIA WESTERN	0	0	0	0	0	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	1	1	0	0	0	0	0	0	0
WASHINGTON WESTERN	5	5	1	1	1	1	1	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	2	2	1	1	0	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	169	239	90	105	59	81	63	9	7	0	2

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	0	0	0	0	0	0
ALABAMA NORTHERN	0	1	1	0	0	0
ALABAMA SOUTHERN	1	1	0	0	0	0
ALASKA	0	0	0	0	0	0
ARIZONA	0	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	1	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	1	0	0	0	4	0
CALIFORNIA EASTERN	0	0	0	0	0	0
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	2	1	0	0	0
COLORADO	0	0	0	0	0	0
CONNECTICUT	0	0	0	0	0	0
DELAWARE	0	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	3	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	1	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	1	1	0	0	0	0
GEORGIA SOUTHERN	0	0	0	0	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	0	0	0	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	2	0	0	0	1	0
KANSAS	0	0	0	0	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	2	0	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	1	0	1	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	3	0	0	1	0	0
MASSACHUSETTS	1	0	0	0	0	0
MICHIGAN EASTERN	0	0	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	0	0
MISSISSIPPI SOUTHERN	0	0	0	0	0	0
MISSOURI EASTERN	0	0	0	1	1	0
MISSOURI WESTERN	0	1	0	0	1	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	0	0	0	0	0	0
NEW HAMPSHIRE	4	0	0	0	0	0
NEW JERSEY	0	0	0	0	1	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	4	3	1	0	0	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	1	0	0	0	0	0
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	0	0	0	0	0
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	0	0
OHIO SOUTHERN	0	0	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	0	0	0	0	0	0
OREGON	0	0	0	0	0	0
PENNSYLVANIA EASTERN	1	1	0	0	0	0
PENNSYLVANIA MIDDLE	0	0	1	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
FOR THE UNITED STATES BUREAU OF CUSTOMS & BORDER PROTECTION AND BUREAU OF IMMIGRATION & CUSTOMS ENFORCEMENT ONLY
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	0	0	0	0
PUERTO RICO	3	0	0	0	0	0
RHODE ISLAND	0	0	0	0	0	0
SOUTH CAROLINA	1	0	0	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	0	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	1	0	2	1	0
TEXAS WESTERN	1	1	0	1	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	1	0	0	0	0	0
VIRGINIA EASTERN	1	1	2	1	2	0
VIRGINIA WESTERN	0	0	0	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	0	1	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	0	0	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	33	14	7	6	12	0

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
ALABAMA MIDDLE	1	1	1	1	1	1	1	0	0	0	0
ALABAMA NORTHERN	2	2	1	1	2	3	3	0	0	0	0
ALABAMA SOUTHERN	1	1	1	1	3	4	4	0	0	0	0
ALASKA	0	0	0	0	1	1	1	0	0	0	0
ARIZONA	1	1	1	1	2	2	2	0	0	0	0
ARKANSAS EASTERN	1	4	2	2	1	1	0	1	0	0	0
ARKANSAS WESTERN	0	0	0	0	0	0	0	0	0	0	0
CALIFORNIA CENTRAL	32	35	14	15	9	16	13	1	2	0	0
CALIFORNIA EASTERN	7	24	6	19	7	10	7	2	0	0	1
CALIFORNIA NORTHERN	22	32	7	7	0	0	0	0	0	0	0
CALIFORNIA SOUTHERN	2	2	0	0	2	3	3	0	0	0	0
COLORADO	2	2	0	0	1	2	2	0	0	0	0
CONNECTICUT	1	1	0	0	0	0	0	0	0	0	0
DELAWARE	3	14	3	10	0	1	1	0	0	0	0
DISTRICT OF COLUMBIA	11	11	1	1	0	0	0	0	0	0	0
FLORIDA MIDDLE	12	17	12	14	4	4	4	0	0	0	0
FLORIDA NORTHERN	1	1	0	0	0	0	0	0	0	0	0
FLORIDA SOUTHERN	7	11	4	8	1	1	1	0	0	0	0
GEORGIA MIDDLE	2	2	0	0	0	0	0	0	0	0	0
GEORGIA NORTHERN	6	16	1	1	3	8	4	2	1	1	0
GEORGIA SOUTHERN	0	0	0	0	1	1	1	0	0	0	0
GUAM	0	0	0	0	0	0	0	0	0	0	0
HAWAII	5	7	3	4	0	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0	0	0	0	0	0
ILLINOIS CENTRAL	2	2	0	0	0	0	0	0	0	0	0
ILLINOIS NORTHERN	8	11	2	3	0	10	10	0	0	0	0
ILLINOIS SOUTHERN	1	1	0	0	0	0	0	0	0	0	0
INDIANA NORTHERN	0	1	1	1	0	0	0	0	0	0	0
INDIANA SOUTHERN	0	0	1	1	1	1	1	0	0	0	0
IOWA NORTHERN	1	1	1	1	0	0	0	0	0	0	0
IOWA SOUTHERN	2	2	1	1	3	3	3	0	0	0	0
KANSAS	2	2	0	0	0	1	1	0	0	0	0
KENTUCKY EASTERN	2	2	0	0	0	0	0	0	0	0	0
KENTUCKY WESTERN	2	2	0	0	0	0	0	0	0	0	0
LOUISIANA EASTERN	5	5	4	4	3	3	3	0	0	0	0
LOUISIANA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
LOUISIANA WESTERN	1	1	0	0	2	2	2	0	0	0	0
MAINE	0	0	0	0	0	0	0	0	0	0	0
MARYLAND	8	11	7	7	4	8	6	0	0	0	2
MASSACHUSETTS	2	4	2	2	2	2	2	0	0	0	0
MICHIGAN EASTERN	6	9	1	1	1	1	1	0	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0	0	0	0	0	0
MINNESOTA	1	5	0	0	0	0	0	0	0	0	0
MISSISSIPPI NORTHERN	0	0	0	0	1	1	1	0	0	0	0
MISSISSIPPI SOUTHERN	1	3	0	0	1	1	1	0	0	0	0
MISSOURI EASTERN	6	7	2	2	4	4	4	0	0	0	0
MISSOURI WESTERN	7	8	1	1	1	2	2	0	0	0	0
MONTANA	0	0	0	0	0	0	0	0	0	0	0
NEBRASKA	1	1	0	0	1	2	0	0	2	0	0
NEVADA	1	1	2	2	1	1	1	0	0	0	0
NEW HAMPSHIRE	0	0	0	0	4	4	3	1	0	0	0
NEW JERSEY	3	4	1	1	3	4	3	0	1	0	0
NEW MEXICO	3	3	0	0	0	0	0	0	0	0	0
NEW YORK EASTERN	4	9	3	6	5	17	16	1	0	0	0
NEW YORK NORTHERN	3	3	1	1	0	0	0	0	0	0	0
NEW YORK SOUTHERN	22	28	11	12	11	16	16	0	0	0	0
NEW YORK WESTERN	5	8	0	0	0	0	0	0	0	0	0
NORTH CAROLINA EASTERN	3	8	0	0	1	2	2	0	0	0	0
NORTH CAROLINA MIDDLE	1	1	0	0	0	0	0	0	0	0	0
NORTH CAROLINA WESTERN	3	3	1	1	0	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0	0	0	0	0	0
NORTHERN MARIANAS	2	3	0	0	0	0	0	0	0	0	0
OHIO NORTHERN	15	17	5	5	1	1	1	0	0	0	0
OHIO SOUTHERN	2	3	1	1	1	1	1	0	0	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
OKLAHOMA WESTERN	1	1	0	0	1	1	1	0	0	0	0
OREGON	1	2	2	2	5	5	4	0	1	0	0
PENNSYLVANIA EASTERN	14	16	10	10	3	8	8	0	0	0	0
PENNSYLVANIA MIDDLE	1	1	1	1	1	1	1	0	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

	REFERRALS AND CASES						OVERALL DISPOSITION OF THE DEFENDANT				
DISTRICT	MATTER RECEIVE COUNT	MATTER RECEIVE DEFEND	CASE FILED COUNT	CASES FILED DEFEND	CASES TERM COUNT	CASES TERM DEFEND	GUILTY PLEAS DEFEND	GUILTY VERDICT DEFEND	DISMISS DEFEND COUNT	ACQUIT DEFEND COUNT	OTHER TERM DEFEND
PENNSYLVANIA WESTERN	4	4	0	0	2	2	1	0	1	0	0
PUERTO RICO	2	3	0	0	4	4	3	0	1	0	0
RHODE ISLAND	1	1	1	1	1	1	1	0	0	0	0
SOUTH CAROLINA	3	3	4	4	4	6	6	0	0	0	0
SOUTH DAKOTA	2	4	0	0	0	0	0	0	0	0	0
TENNESSEE EASTERN	1	2	3	6	0	0	0	0	0	0	0
TENNESSEE MIDDLE	2	2	1	1	0	0	0	0	0	0	0
TENNESSEE WESTERN	5	5	4	4	0	0	0	0	0	0	0
TEXAS EASTERN	3	11	1	2	1	1	1	0	0	0	0
TEXAS NORTHERN	6	8	3	3	0	0	0	0	0	0	0
TEXAS SOUTHERN	5	9	6	9	4	5	2	2	1	0	0
TEXAS WESTERN	7	8	1	1	3	3	3	0	0	0	0
UTAH	1	1	0	0	1	1	0	0	1	0	0
VERMONT	0	0	0	0	0	0	0	0	0	0	0
VIRGIN ISLANDS	2	2	3	3	1	1	1	0	0	0	0
VIRGINIA EASTERN	12	24	4	8	9	14	11	3	0	0	0
VIRGINIA WESTERN	2	9	2	3	1	2	2	0	0	0	0
WASHINGTON EASTERN	0	0	1	1	0	0	0	0	0	0	0
WASHINGTON WESTERN	8	9	4	4	3	4	4	0	0	0	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0	0	0	0	0	0
WISCONSIN EASTERN	2	2	2	2	2	2	2	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTALS	330	481	158	203	135	206	178	13	11	1	3

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
ALABAMA MIDDLE	1	0	0	0	0	0
ALABAMA NORTHERN	0	1	2	0	0	0
ALABAMA SOUTHERN	2	1	0	1	0	0
ALASKA	1	0	0	0	0	0
ARIZONA	2	0	0	0	0	0
ARKANSAS EASTERN	0	0	0	0	1	0
ARKANSAS WESTERN	0	0	0	0	0	0
CALIFORNIA CENTRAL	7	0	2	1	4	0
CALIFORNIA EASTERN	2	1	3	1	0	2
CALIFORNIA NORTHERN	0	0	0	0	0	0
CALIFORNIA SOUTHERN	0	2	1	0	0	0
COLORADO	0	0	0	1	0	1
CONNECTICUT	0	0	0	0	0	0
DELAWARE	1	0	0	0	0	0
DISTRICT OF COLUMBIA	0	0	0	0	0	0
FLORIDA MIDDLE	4	0	0	0	0	0
FLORIDA NORTHERN	0	0	0	0	0	0
FLORIDA SOUTHERN	1	0	0	0	0	0
GEORGIA MIDDLE	0	0	0	0	0	0
GEORGIA NORTHERN	2	1	0	0	3	0
GEORGIA SOUTHERN	0	0	0	1	0	0
GUAM	0	0	0	0	0	0
HAWAII	0	0	0	0	0	0
IDAHO	0	0	0	0	0	0
ILLINOIS CENTRAL	0	0	0	0	0	0
ILLINOIS NORTHERN	8	1	1	0	0	0
ILLINOIS SOUTHERN	0	0	0	0	0	0
INDIANA NORTHERN	0	0	0	0	0	0
INDIANA SOUTHERN	1	0	0	0	0	0
IOWA NORTHERN	0	0	0	0	0	0
IOWA SOUTHERN	2	0	0	0	1	0
KANSAS	0	0	0	1	0	0
KENTUCKY EASTERN	0	0	0	0	0	0
KENTUCKY WESTERN	0	0	0	0	0	0
LOUISIANA EASTERN	2	1	0	0	0	0
LOUISIANA MIDDLE	0	0	0	0	0	0
LOUISIANA WESTERN	1	0	1	0	0	0
MAINE	0	0	0	0	0	0
MARYLAND	5	0	0	1	0	0
MASSACHUSETTS	2	0	0	0	0	0
MICHIGAN EASTERN	0	0	1	0	0	0
MICHIGAN WESTERN	0	0	0	0	0	0
MINNESOTA	0	0	0	0	0	0
MISSISSIPPI NORTHERN	1	0	0	0	0	0
MISSISSIPPI SOUTHERN	1	0	0	0	0	0
MISSOURI EASTERN	1	0	1	1	1	0
MISSOURI WESTERN	0	1	0	0	1	0
MONTANA	0	0	0	0	0	0
NEBRASKA	0	0	0	0	0	0
NEVADA	1	0	0	0	0	0
NEW HAMPSHIRE	4	0	0	0	0	0
NEW JERSEY	2	0	0	0	1	0
NEW MEXICO	0	0	0	0	0	0
NEW YORK EASTERN	8	4	3	1	1	0
NEW YORK NORTHERN	0	0	0	0	0	0
NEW YORK SOUTHERN	10	2	2	0	0	2
NEW YORK WESTERN	0	0	0	0	0	0
NORTH CAROLINA EASTERN	0	1	0	0	0	1
NORTH CAROLINA MIDDLE	0	0	0	0	0	0
NORTH CAROLINA WESTERN	0	0	0	0	0	0
NORTH DAKOTA	0	0	0	0	0	0
NORTHERN MARIANAS	0	0	0	0	0	0
OHIO NORTHERN	0	0	0	0	1	0
OHIO SOUTHERN	0	0	0	1	0	0
OKLAHOMA EASTERN	0	0	0	0	0	0
OKLAHOMA NORTHERN	0	0	0	0	0	0
OKLAHOMA WESTERN	1	0	0	0	0	0
OREGON	2	1	1	0	0	0
PENNSYLVANIA EASTERN	4	1	1	1	1	0
PENNSYLVANIA MIDDLE	0	0	1	0	0	0

TITLE 18, UNITED STATES CODE, SECTION 2318, 2319, 2319A, 2320, and TITLE 17, UNITED STATES CODE, SECTION 506 COMBINED
CRIMINAL CASELOAD STATISTICS*
FISCAL YEAR 2011 REPORTED as of SEPTEMBER 30, 2011**

PRISON SENTENCING

DISTRICT	NOT IMPRIS	1-12 MONTHS	13-24 MONTHS	25-36 MONTHS	37-60 MONTHS	60+ MONTHS
PENNSYLVANIA WESTERN	0	0	1	0	0	0
PUERTO RICO	3	0	0	0	0	0
RHODE ISLAND	0	0	1	0	0	0
SOUTH CAROLINA	2	1	3	0	0	0
SOUTH DAKOTA	0	0	0	0	0	0
TENNESSEE EASTERN	0	0	0	0	0	0
TENNESSEE MIDDLE	0	0	0	0	0	0
TENNESSEE WESTERN	0	0	0	0	0	0
TEXAS EASTERN	0	0	1	0	0	0
TEXAS NORTHERN	0	0	0	0	0	0
TEXAS SOUTHERN	0	1	0	2	1	0
TEXAS WESTERN	1	1	0	1	0	0
UTAH	0	0	0	0	0	0
VERMONT	0	0	0	0	0	0
VIRGIN ISLANDS	1	0	0	0	0	0
VIRGINIA EASTERN	4	2	3	1	4	0
VIRGINIA WESTERN	0	0	2	0	0	0
WASHINGTON EASTERN	0	0	0	0	0	0
WASHINGTON WESTERN	1	2	0	0	1	0
WEST VIRGINIA NORTHERN	0	0	0	0	0	0
WEST VIRGINIA SOUTHERN	0	0	0	0	0	0
WISCONSIN EASTERN	1	1	0	0	0	0
WISCONSIN WESTERN	0	0	0	0	0	0
WYOMING	0	0	0	0	0	0
GRAND TOTALS	92	26	31	15	21	6

*Caseload data extracted from the United States Attorneys' Case Management System.

**FY 2011 numbers are actual data through the end of September 2011.

***This chart includes data on any and all criminal cases/defendants where 18 U.S.C. 2318, 2319, 2319A, 2320 or 17 U.S.C. 506 was brought as any charge against a defendant. However, the statutes were run together to eliminate any double counting of cases/defendants where more than one of the statutes was charged against the same defendant. Displayed defendant outcome information based upon the overall outcome of a defendant. This chart may not include criminal cases/defendants involving 18 U.S.C. 2318, 18 U.S.C. 2319, 18 U.S.C. 2319A, 18 U.S.C. 2320, or 17 U.S.C. 506, where the lead charge, charges filed, or charges of conviction include only a conspiracy to violate any of the identified statutes.

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APPENDIX E

Acronyms

A

ACA	American Correctional Association
ACM	Asbestos Containing Materials
ACS	Automated Case Support
AFF	Assets Forfeiture Fund
AFF/SADF	Assets Forfeiture Fund and Seized Asset Deposit Fund
AFR	Agency Financial Report or Performance and Accountability Report
AMBER	America's Missing: Broadcasting Emergency Response
AOUSC	Administrative Office of U.S. Courts
ARRA	American Recovery and Reinvestment Act
ATF	Bureau of Alcohol, Tobacco, Firearms and Explosives
ATR	Antitrust Division
AOUSC	Administrative Office of U.S. Courts

B

BIA	Board of Immigration Appeals
BJA	Bureau of Justice Assistance
BJS	Bureau of Justice Statistics
BOP	Bureau of Prisons
BP Alaska	BP Exploration Alaska, Inc
Budget	Budget of the United States

C

CASE	Case Access System for EOIR
CCDO	Community Capacity Development Office
CDR	Chronological Disciplinary Record
CFO	Chief Financial Officer
CHRP	COPS Hiring Recovery Program (under Recovery Act)
CIO	Chief Information Officer
CIV	Civil Division
CJIS	Criminal Justice Information Services
CODIS	Combined DNA Index System
COLA	Cost of Living Adjustments
COPS	Office of Community Oriented Policing Services
COTS	Commercial-Off-The-Shelf
CPC	Capacity Planning Committee
CPOT	Consolidated Priority Organization Target
CRM	Criminal Division
CRS	Community Relations Service
CRT	Civil Rights Division

CSRS	Civil Service Retirement System
CT	Counterterrorism
CTD	Counterterrorism Division
CVF	Crime Victims Fund
CVIP	Child Victim Identification Program
CY	Calendar Year/Current Year

D

DCIA	Debt Collection Improvement Act of 1996
DCM	Debt Collection Management
DEA	Drug Enforcement Administration
DFAS	Drug Flow Attack Strategy
Department, The	Department of Justice
DHS	Department of Homeland Security
DIOG	Domestic Investigations and Operations Guide
DIRB	Department Investment Review Board
DNA	Deoxyribonucleic Acid
DOJ	Department of Justice
DOL	Department of Labor

E

ECs	Electronic Communications
EEO	Equal Employment Opportunity
ENRD	Environment and Natural Resources Division
EOIR	Executive Office for Immigration Review
EOUSA	Executive Office for U.S. Attorneys
EPIC	El Paso Intelligence Center
ESF	Emergency Support Function

F

FAA	FISA Amendments Act
FASAB	Federal Accounting Standards Advisory Board
FBI	Federal Bureau of Investigation
FBWT	Fund Balance with U.S. Treasury
FCI	Federal Correctional Institution
FCSC	Foreign Claims Settlement Commission
FECA	Federal Employees Compensation Act
FEGLI	Federal Employees Group Life Insurance Program
FEHB	Federal Employees Health Benefits Program
FERS	Federal Employees Retirement System
FFETF	Financial Fraud Enforcement Task Force
FFMIA	Federal Financial Management Improvement Act
FISA	Foreign Intelligence Surveillance Act
FISMA	Federal Information Security Management Act

FMFIA	Federal Managers' Financial Integrity Act
FMIS	Financial Management Information System
FPI	Federal Prison Industries, Inc.
FTE	Full-Time Equivalent
FTTTF	Foreign Terrorist Tracking Task Force
FY	Fiscal Year

G

GangTECC	National Gang Targeting, Enforcement, and Coordination Center
GAO	Government Accountability Office
GAN	Grant Adjustment Notice
GMRA	Government Management Reform Act
GPRA	Government Performance and Results Act
GPRS	Grant Payment Request System
GSK	GlaxoSmithKline

H

HHS	Department of Health and Human Services

I

IC3	Internet Crimes Complaint Center
IG	Inspector General
IGA	Intergovernmental Agreement
IHP	Institutional Hearing Program
IINI	Innocent Images National Initiative
Integrity Act	Federal Managers' Financial Integrity Act
INTERPOL	International Criminal Police Organization
IP	Intellectual Property
IPERA	Improper Payments Elimination and Recovery Act
IPIA	Improper Payments Information Act
IRS	Internal Revenue Service
ISRAA	Integrated Statistical Reporting and Analysis Application
IT	Information Technology
IVRS	Integrated Violence Reduction Strategy
IWN	Integrated Wireless Network

J

JDIS	Justice Detainee Information System
JMD	Justice Management Division
JRSA	Justice Research and Statistics Association
JSOC	Justice Security Operations Center

K

KG	Weight in Kilograms

L

LCM	Lower of average cost or market value
LCMS	Litigation Case Management System
LEA	Law Enforcement Agency
LLC	Limited Liability Company
LLP	Limited Liability Partnership

M

MCO	Mission Critical Occupation
MDMA	3,4-Methylenedioxymethamphetamine
MET	Mobile Enforcement Team
MOU	Memorandum of Understanding
MS	Mara Salvatrucha

N

N/A	Not Applicable
NCIC	National Crime Information Center
NCIJTF	National Cyber Investigative Joint Task Force
NCMEC	National Center for Missing and Exploited Children
NDIC	National Drug Intelligence Center
NETF	National Explosives Task Force
NGI	Next Generation Identification
NGIC	National Gang Intelligence Center
NIJ	National Institute of Justice
NSD	National Security Division
NSL	National Security Letter
NW3C	National White Collar Crime Center

O

OAAM	Office of Audit, Assessment, and Management
OBDs	Offices, Boards and Divisions
OCDETF	Organized Crime Drug Enforcement Task Forces
OCGS	Organized Crime and Gang Section
ODR	Office of Dispute Resolution
OFDT	Office of the Federal Detention Trustee
OIG	Office of the Inspector General
OIP	Office of Information Policy

OJP	Office of Justice Programs
OJJDP	Office of Juvenile Justice and Delinquency Prevention
OLA	Office of Legislative Affairs
OLC	Office of Legal Counsel
OLP	Office of Legal Policy
OMB	Office of Management and Budget
OPA	Office of Pardon Attorney
OPM	Office of Personnel Management
OPR	Office of Professional Responsibility
OSG	Office of Solicitor General
OTJ	Office of Tribal Justice
OVP	Office of the Vice President
OVW	Office on Violence Against Women

P

PAR	Performance and Accountability Report
Patriot Act	USA PATRIOT Act
PHS	Public Health Services
PL	Public Law
PMT	Performance Measurement Tool
PMRU	Professional Misconduct Review Unit
PRAO	Professional Responsibility Advisory Office
PSOB Act	Public Safety Officers' Benefits Act of 1976
PTS	Prisoner Tracking System
PY	Prior Year/Previous Year

R

RCA	Reports Consolidation Act of 2000
RECA	Radiation Exposure Compensation Act
Recovery Act	American Recovery and Reinvestment Act of 2009
RFTF	Regional Fugitive Task Force
RICO	Racketeering Influenced Corrupt Organization
RSAT	Residential Substance Abuse Treatment

S

SAVE Council	Advisory Council for Savings and Efficiencies
SBF	Special Benefits Fund
SBR	Statement of Budgetary Resources
SENTRY	Bureau of Prisons' primary mission-support database
SFFAS	Statement of Federal Financial Accounting Standards
SG	Strategic Goal
SIU	Sensitive Investigation Unit
SOD	Special Operations Division

T

TAX	Tax Division
TBD	To Be Determined
TBW	Taylor, Bean & Whitaker
TIL	Thief-In-Law
Treasury, the	Department of Treasury
Trust Fund	Federal Prison Commissary Fund
TSP	Federal Thrift Savings Plan

U

UDO	Undelivered Orders
UFMS	Unified Financial Management System
UNICOR	Federal Prison Industries, Inc.
US-CERT	United States Computer Emergency Readiness Center
USAs	United States Attorneys
USAO	United States Attorneys' Offices
USC	United States Code
USMS	United States Marshals Service
USNCB	United States National Central Bureau
USPC	United States Parole Commission
USSGL	U.S. Standard General Ledger
UST	United States Trustee
USTP	United States Trustees Program

V

VOI/TIS	Violent Offender Incarceration and Truth-In Sentencing

W

WCC	White-Collar Crime
WIN	Warrant Information Network System

APPENDIX F

Department Component Websites

Component	Website
American Indian and Alaska Native Affairs Desk (OJP)	www.ojp.usdoj.gov/programs/aiana.htm
Antitrust Division	www.justice.gov/atr/index.html
Bureau of Alcohol, Tobacco, Firearms and Explosives	www.atf.gov/
Bureau of Justice Assistance (OJP)	www.ojp.usdoj.gov/bja/
Bureau of Justice Statistics (OJP)	bjs.ojp.usdoj.gov/
Civil Division	www.justice.gov/civil/index.html
Civil Rights Division	www.justice.gov/crt/
Community Oriented Policing Services - COPS	www.cops.usdoj.gov/
Community Capacity Development Office (OJP)	www.ojp.usdoj.gov/ccdo/welcome_flash.html
Community Relations Service	www.justice.gov/crs/index.html
Criminal Division	www.justice.gov/criminal/
Diversion Control Program	www.deadiversion.usdoj.gov/
Drug Enforcement Administration	www.justice.gov/dea/index.htm
Environment and Natural Resources Division	www.justice.gov/enrd/
Executive Office for Immigration Review	www.justice.gov/eoir/
Executive Office for U.S. Attorneys	www.justice.gov/usao/eousa/
Executive Office for U.S. Trustees	www.justice.gov/ust/
Federal Bureau of Investigation	www.fbi.gov/
Federal Bureau of Prisons	www.bop.gov/
Foreign Claims Settlement Commission of the United States	www.justice.gov/fcsc/
INTERPOL - U.S. National Central Bureau	www.justice.gov/usncb/
Justice Management Division	www.justice.gov/jmd/
National Criminal Justice Reference Service (OJP)	www.ncjrs.gov/
National Drug Intelligence Center	www.justice.gov/ndic/
National Institute of Corrections	www.nicic.gov/
National Institute of Justice (OJP)	www.ojp.usdoj.gov/nij/
National Security Division	www.justice.gov/nsd/
Office of the Associate Attorney General	www.justice.gov/asg/index.html
Office of the Attorney General	www.justice.gov/ag/
Office of the Deputy Attorney General	www.justice.gov/dag/
Office of Dispute Resolution	www.justice.gov/odr/
Office of the Federal Detention Trustee	www.justice.gov/ofdt/index.html
Office of Information Policy	www.justice.gov/oip/oip.html
Office of the Inspector General	www.justice.gov/oig/
Office of Intelligence Policy and Review	www.justice.gov/nsd/oipr-redirect.htm
Office of Intergovernmental and Public Liaison	www.justice.gov/oipl/index.html
Office of Justice Programs	www.ojp.usdoj.gov/
Office of Juvenile Justice and Delinquency Prevention (OJP)	www.ojjdp.gov/
Office of Legal Counsel	www.justice.gov/olc/index.html
Office of Legal Policy	www.justice.gov/olp/
Office of Legislative Affairs	www.justice.gov/ola/
Office of the Pardon Attorney	www.justice.gov/pardon/
Office of Professional Responsibility	www.justice.gov/opr/index.html
Office of Public Affairs	www.justice.gov/opa/index.html
Office of the Solicitor General	www.justice.gov/osg/
Office of Tribal Justice	www.justice.gov/otj/index.html
Office for Victims of Crime (OJP)	www.ojp.usdoj.gov/ovc/
Office on Violence Against Women	www.ovw.usdoj.gov/
Tax Division	www.justice.gov/tax/
U.S. Attorneys	www.justice.gov/usao/
U.S. Marshals Service	www.justice.gov/marshals/
U.S. Parole Commission	www.justice.gov/uspc/

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This document is available on the Internet at:
http://www.justice.gov/ag/annualreports/pr2011/TableofContents.htm

Please view our Strategic Plan at:
http://www.justice.gov/jmd/mps/strategic2007-2012/index.html

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