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SCIENCE, AND RELATED AGENCIES APPROPRIATIONS FOR 2016



HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

SUBCOMMITTEE ON COMMERCE, JUSTICE, SCIENCE, AND RELATED AGENCIES

JOHN ABNEY CULBERSON, Texas, Chairman

ROBERT B. ADERHOLT, Alabama JOHN R. CARTER, Texas JAIME HERRERA BEUTLER, Washington MARTHA ROBY, Alabama DAVID W. JOLLY, Florida STEVEN M. PALAZZO, Mississippi CHAKA FATTAH, Pennsylvania MICHAEL M. HONDA, California JOSÉ E. SERRANO, New York DEREK KILMER, Washington

NOTE: Under Committee Rules, Mr. Rogers, as Chairman of the Full Committee, and Mrs. Lowey, as Ranking Minority Member of the Full Committee, are authorized to sit as Members of all Subcommittees.

> JOHN MARTENS, JEFF ASHFORD, LESLIE ALBRIGHT, COLIN SAMPLES, and TAYLOR KELLY Subcommittee Staff

PART 2A

DEPARTMENT OF JUSTICE

Justification of the Budget Estimates



Printed for the use of the Committee on Appropriations

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Department
of
Justice
FY 2016
Budget
Submission
Part 2A

U.S. Department of Justice FY 2016 PERFORMANCE BUDGET Congressional Submission

General Administration



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I. Overview of General Administration

For the General Administration (GA), the Department of Justice (DOJ) requests a total of 586 permanent positions (154 attorneys), 565 FTE (68 reimbursable), and \$119.4 million for FY 2016. This request represents an increase of \$7.9 million from the FY 2015 Enactment. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm.

For GA, the primary mission is to support the Attorney General and DOJ senior policy level officials in managing Department resources and developing policies for legal, law enforcement, and criminal justice activities. GA also provides administrative support services to the legal divisions and policy guidance to all Department organizations. GA's mission supports every aspect of the DOJ strategic plan. Most GA offices have significant oversight responsibilities that shape DOJ policy and influence the way the Department works toward meeting each of its strategic goals.

GA consists of four decision units:

- Department Leadership
 - o Attorney General, Deputy Attorney General, Associate Attorney General
 - o Privacy and Civil Liberties
 - o Rule of Law
 - Access to Justice
- · Intergovernmental Relations and External Affairs
 - o Public Affairs
 - o Legislative Affairs
 - Tribal Justice
- Executive Support and Professional Responsibility, and
 - Legal Policy
 - o Professional Responsibility
 - o Information Policy
 - o Professional Responsibility Advisory Office
- Justice Management Division

Department Leadership

These offices develop policies regarding the administration of justice in the United States, and direct and oversee the administration and operation of the Department's bureaus, offices, and divisions to ensure DOJ's success in meeting its strategic goals. These offices also provide advice and opinions on legal issues to the President, members of Congress, and the heads of Executive Departments and Agencies.

Intergovernmental Relations and External Affairs

These offices conduct legal and policy analysis of the initiatives necessary for DOJ to meet its strategic goals, and in the many areas in which the Department has jurisdiction or responsibilities. They also act as liaison with federal, state, local and tribal governments, law enforcement officials, the media and Congress on Department activities.

Executive Support and Professional Responsibility

These offices plan, develop, and coordinate the implementation of major policy initiatives of high priority to the Department and to the administration and represent the Department in the administration's judicial process for Article III judges. These offices also oversee the investigation of allegations of criminal and ethical misconduct by DOJ's attorneys, criminal investigators, or other law enforcement personnel and encourage compliance with the Freedom of Information Act.

Justice Management Division (JMD)

JMD provides advice to senior DOJ officials and develops departmental policies in the areas of management and administration, ensures compliance by DOJ components with departmental and other federal policies and regulations, and provides a full range of management and administration support services.

For performance reporting purposes, the vast majority of resources for GA offices are included under:

- Goal Two, Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law
 - o Objective 2.6, Protect the federal fisc and defend the interests of the United States

Only the Office of Tribal Justice and Access to Justice are included in:

- Goal Three, Ensure and Support the Fair, Impartial, Efficient and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels
 - Objective 3.1, Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors, and defenders through innovative leadership and programs

Environmental and Sustainability Services (ESS) is a program responsibility that falls under the Justice Management Division. The duties of this program are:

- To provide guidance for Department compliance on legislation, executive orders, and other regulations
- To provide leadership and support to DOJ components
- To develop and implement DOJ environmental and energy policies and management plans
- To ensure the Department complies with the DOJ occupational safety and health order
- To represent DOJ at interagency workgroups to meet the various regulatory mandates and
- To ensure DOJ participation in the climate resilience and adaptation planning effort

There are four primary Executive Orders (EOs) that govern the activities under ESS areas:

- EO 13423 "Strengthening Federal Environmental, Energy, and Transportation Management"
- EO 13514 "Federal Leadership in Environmental, Energy, and Economic Performance"
- EO 12196 "Occupational Safety and Health Programs for Federal Employees," and
- EO 13653 "Preparing the United States for the Impacts of Climate Change"

There are also five key pieces of legislation that guide ESS activities:

- Energy Independence and Security Act, 2007
- Energy Policy Act (EPAct) of 2005
- Environmental Regulations, Title 40 Code of Federal Regulations (C.F.R.), Protection of Environment, July 1, 2002
- The Occupational Safety and Health Act of 1970, and
- 29 C.F.R. Part 1960, Basic Program Elements for Federal Employee Occupational Safety and Health Programs

EOs 13514 and 13423 both include sustainable practices which federal agencies are encouraged to implement. EO 13514 requires federal agencies to annually submit the Strategic Sustainability Performance Plan (SSPP) to the Council on Environmental Quality (CEQ) Chair and the Director of the Office of Management and Budget (OMB). The SSPP integrates previous EOs, statutes, and requirements into a single framework that details the agency strategy for achieving goals and targets required. The SSPP explains how the agency will progress from today toward achieving each goal. The Department is going to submit the SSPP on June 30, 2015, and will submit the update in June 2016. There are ten goals and two additional plans under the Department's SSPP.

- GOAL 1: Greenhouse Gas (GHG) Reduction
- GOAL 2: Sustainable Buildings
- GOAL 3: Fleet Management
- GOAL 4: Water Use Efficiency and Management
- GOAL 5: Pollution Prevention and Waste Reduction
- GOAL 6: Sustainable Acquisition
- GOAL 7: Electronic Stewardship and Data Centers
- GOAL 8: Renewable Energy
- GOAL 9: Climate Change Resilience
- GOAL 10: Energy Performance Contracts

Additional plans: Fleet Management Plan and Climate Change Adaptation Plan

In addition to having the lead on coordinating efforts to meet the SSPP goals for the Department, ESS also has responsibility for the following:

• Implementing a department-level higher-tier Environmental Management System (EMS) as the primary management approach for addressing environmental aspects of internal

- agency operations and activities, including environmental aspects of energy and transportation functions to achieve the sustainability goals.
- Coordinating and submitting the SSPP to CEQ/OMB annually in June submit June 30, 2015, and will submit an update in June 2016.
- Submitting an updated Climate Adaptation Plan to CEQ/OMB -- submit June 30, 2015;
 strategies for climate change resilience were submitted in the 2014 SSPP.
- Implementing an Electronic Stewardship Program to include acquisition, operation & maintenance and disposal of electronic products.
- Submitting Department GHG inventory to CEQ and OMB annually in January submit January 31, 2015.
- Submitting the Department OMB scorecard semiannually to OMB (January and July) and following through with bureaus and components for improvement. Submit the OMB scorecard on January 31, 2015.
- Implementing and updating the status of the Energy Savings Performance Contracts (ESPC) to OMB monthly through the end of 2016. Submit the ESPC contracts' status in the OMB scorecard on January 31, 2015, and update status monthly into OMB Max.
- Responding to internal and external customer concerns regarding environmental, health and safety program areas.
- Working closely with the Procurement Policy and Review Group in the sustainable
 acquisitions program area. Monitor Procurement Guidance Document: Requirement to
 Incorporate Biobased Terms and Conditions in Solicitations, Electronic Product
 Environmental Assessment Tool registered product and Green Acquisition Plan.
- Implementing Sustainable Buildings Implementation Plan, Metering Plan and Recycling & Solid Waste Management Plan.
- Leading the safety program for the Offices, Boards, and Divisions.
- Composing the annual Department Occupational Safety and Health Administration report which is submitted to the Department of Labor submit May 2015.
- Conducting safety evaluations for the Bureaus, Offices, Boards, and Divisions.
- Providing oversight and acting as a safety resource for all DOJ employees, including safety training and ergonomic evaluation support.

II. Summary of Program Changes

| Item Name | Description | | | | Page |
|---|--|------|-----|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Department Coordination, Analysis and Compliance | Funding and staffing is requested to support the Department's responsibilities for coordination and analysis of priority activities, and to ensure sufficient resources are available to address compliance responsibilities. | 14 | 12 | 3,045 | 21 |

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

For expenses necessary for the administration of the Department of Justice, [\$111,500,000] \$119,437,000, of which not to exceed \$4,000,000 for security and construction of Department of Justice facilities shall remain available until expended.

Analysis of Appropriations Language

No substantive changes.

IV. Decision Unit Justification

A. Department Leadership

| Department Leadership | Direct Pos. | Estimate FTE | Amount |
|---|----------------|-----------------|--------|
| 2014 Enacted | 71 | 54 | 17,313 |
| 2015 Enacted | 72 | 55 | 18,066 |
| Adjustments to Base and Technical Adjustments | | | 485 |
| 2016 Current Services | 72 | 55 | 18,551 |
| 2016 Program Increases | 4 | 3 | 439 |
| 2016 Request | 76 | 58 | 18,990 |
| Total Change 2015-2016 | 4 | 3 | 924 |

1. Program Description

The Department Leadership decision unit includes:

- · Office of the Attorney General
- · Office of the Deputy Attorney General
- Office of the Associate Attorney General
- · Office of Privacy and Civil Liberties
- · Rule of Law Office and
- · Access to Justice

The general goals and objectives of the Department Leadership decision unit are:

 Advise the President on Constitutional matters and legal issues involving the execution of the laws of the United States.

Formulate and implement policies and programs that advise the administration of justice in the United States.

Provide executive-level leadership in:

- preventing terrorism
 - the war on drugs combating violent crimes
 - investigating and prosecuting fraud and other white collar crimes
- diminishing prison overcrowding, and
- · enforcing environmental and civil rights laws

Provide executive-level oversight and management of:

 international law enforcement training and assistance financial institutions reform, recovery, and enforcement programs, and investigative policy

Coordinate criminal justice matters with federal, state, and local law enforcement and criminal justice agencies.

Prepare and disseminate an Annual Report to the Congress and the public regarding the
programs and accomplishments of the Department of Justice.

Develop, review, and oversee the Department's privacy policies and operations to ensure privacy compliance.

The Attorney General (AG), as head of the DOJ, is the nation's chief law enforcement officer and is appointed by the President and confirmed by the Senate. The AG furnishes advice and opinions on legal matters to the President, the Cabinet and to the heads of the executive departments and agencies of the government, as provided by law, and makes recommendations to the President concerning appointments within the Department, including U.S. Attorneys and U.S. Marshals. The AG appears in person to represent the Federal Government before the U.S. Supreme Court in cases of exceptional gravity or importance, and supervises the representation of the government in the Supreme Court and all other courts, foreign and domestic, in which the United States is a party or has an interest as may be deemed appropriate. The AG supervises and directs the administration and operation of the DOJ, including the Federal Bureau of Investigation; Drug Enforcement Administration; Bureau of Alcohol, Tobacco, Firearms and Explosives; Bureau of Prisons; Office of Justice Programs; U.S. Attorneys; and U.S. Marshals Service.

The Deputy Attorney General (DAG) advises and assists the AG in formulating and implementing Department policies and programs and in providing overall supervision and direction to all organizational units of the Department. The DAG is appointed by the President and confirmed by the Senate and is second in command of the Department. The DAG exercises all the power and authority of the AG unless any such power of authority is required by law to be exercised by the AG personally or has been specifically delegated exclusively to another Department official. The DAG exercises the power and authority vested in the AG to take final action in matters specifically pertaining to:

- the employment, separation, and general administration of personnel in the Senior Executive Service (SES) and of attorneys and law students regardless of grade or pay
- · the appointment of special attorneys and special assistants to the AG
- the appointment of Assistant U.S. Trustees and fixing of their compensation, and
- the approval of the appointment by U.S. Trustees of standing trustees and fixing of their maximum annual compensation and percentage fees as provided in 28 U.S.C. 586 (e)

The DAG also coordinates departmental liaison with White House staff and the Executive Office of the President, and coordinates and controls the Department's reaction to terrorism and civil disturbances.

The Associate Attorney General (AAG) is appointed by the President and is subject to confirmation by the Senate. As the third-ranking official of the Department, the AAG is a principal member of the AG's senior management team and advises and assists the AG and DAG on the formulation and implementation of DOJ policies and programs. In addition to these duties, the AAG oversees the work of the following divisions:

- Antitrust
- Civil
- Civil Rights
- · Environment and Natural Resources, and
- Tax Division

This office also has oversight responsibility for:

- the Office of Justice Programs
- the Office of Community Oriented Policing Services
- the Community Relations Service
- the Office on Violence Against Women
- the Office of Information Policy
- the Executive Office for U.S. Trustees, and
- the Foreign Claims Settlement Commission

The Office of Privacy and Civil Liberties (OPCL) supports the Department's Chief Privacy and Civil Liberties Officer (CPCLO), who serves in the Office of the Deputy Attorney General and is the principal advisor to Department leadership and components on privacy and civil liberties matters affecting the Department's missions and operations. The CPCLO determines the Department's privacy policy and standards, consistent with applicable law, regulation, and Administration policy. OPCL works with the CPCLO and supports the fulfillment of the CPCLO's statutory duties set forth in Section 1174 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 and Section 803 of the Implementing Recommendations of the 9/11 Commission Act of 2007. OPCL's primary mission is to implement the Department's privacy policies relating to the protection of individual privacy and civil liberties, including in the context of the Department's counterterrorism, cybersecurity, and law enforcement efforts, and to ensure Department compliance with federal information privacy laws and requirements. OPCL works with the Administration, Congress, the Privacy and Civil Liberties Oversight Board, and other executive branch agencies on high priority privacy and civil liberties issues affecting the Federal Government. OPCL is responsible for:

- providing legal and policy guidance on privacy and civil liberties issues
- reviewing proposed legislation and initiatives that impact privacy issues
- providing privacy training
- · reviewing privacy redress and complaint issues, and
- fulfilling the Department's various privacy reporting requirements

In March 2007, pursuant to his responsibilities under 22 U.S.C 3927 and 2656, the U.S. Ambassador in Iraq reorganized all civilian and law enforcement efforts supporting Rule of Law in Iraq under a single authority, and named a senior Justice Department official as the Rule of Law (ROL) Coordinator at the Embassy. The ROL Coordinator provided oversight for more than 80 personnel under Chief of Mission authority, coordinated these efforts with United States Forces-Iraq to ensure a unified effort, and served as an advisor to the Ambassador on justice-related issues. In December 2011, with the final withdrawal of all U.S. forces from Iraq and the normalization of the U.S. Embassy in Baghdad, DOJ made the transition from the leadership role for ROL development in Iraq under the DOJ-led Office of the ROL Coordinator to a smaller, more-focused mission supervised by the Office of the Justice Attaché. The Justice Attaché position is the senior DOJ official in Iraq (deployed from the Office of the Deputy Attorney General (ODAG)) and is responsible for the Embassy's liaison relationship with the Iraqi court system and the Ministry of Justice, Iraq-related operational matters within Iraqi or U.S. courts, and the coordination of DOJ-implemented capacity building programs.

The primary focus of the Access to Justice Initiative is to help the justice system efficiently deliver outcomes that are fair and accessible to all, irrespective of wealth and status. The Initiative's staff works within DOJ, across federal agencies, and with state, local, and tribal justice system stakeholders to increase access to counsel and legal assistance and to improve the justice delivery systems that serve people who are unable to afford lawyers.

B. Intergovernmental Relations/External Affairs

| Intergovernmental Relations/External Affairs | Direct Pos. | Estimate FTE | Amount |
|---|----------------|-----------------|--------|
| 2014 Enacted | 50 | 38 | 9,393 |
| 2015 Enacted | 52 | 44 | 9,393 |
| Adjustments to Base and Technical Adjustments | 1 | 1 | 1,499 |
| 2016 Current Services | 53 | 45 | 10,892 |
| 2016 Program Increases | 1 | 1 | 374 |
| 2016 Request | 54 | 46 | 11,266 |
| Total Change 2015-2016 | 2 | 2 | 1,873 |

1. Program Description

The Intergovernmental Relations/External Affairs decision unit includes:

- · Office of Public Affairs
- Office of Legislative Affairs and
- · Office of Tribal Justice

The general goals and objectives of the Intergovernmental Relations/External Affairs decision unit are to:

- Improve the process of reviewing and clearing through the Department legislative proposals initiated by other agencies within the Administration.
- Maintain an efficient and responsive legislative liaison service operation.
- Provide support in advancing the Administration's overall legislative agenda.
- Assure policy consistency and coordination of Departmental initiatives, briefing materials, and policy statements.
- Disseminate timely, accurate information about the Department, the AG and the Administration's law enforcement priorities, policies and activities to the media and the general public.
- Enhance and promote the enforcement goals of the Department by distributing news releases, coordinating press conferences, telephone and video conferences to announce indictments, settlements, and statements on civil rights, environmental, criminal, antitrust, and other Department enforcement activities.
- Ensure that all applicable laws, regulations and policies involving the release of information
 to the public are followed so that material is not made public that might jeopardize
 investigations and prosecutions, violate rights of defendants or potential defendants or
 compromise national security interests.
- Promote internal uniformity of Department policies and litigating positions relating to Indian country.

Advise Department components litigating, protecting or otherwise addressing Native American rights and/or related issues.

The Office of Public Affairs (PAO) is the principal point of contact for DOJ with the media. PAO is responsible for ensuring the public is informed about the Department's activities and the priorities and policies of the AG with regard to law enforcement and legal affairs. Its staff advises the AG and other Department officials on all aspects of media relations and general communications. PAO also:

- coordinates with the public affairs units of Departmental components and U.S. Attorneys'
 Offices
- prepares and issues Department news releases and frequently reviews and approves those issued by components
- serves reporters assigned to the Department by responding to queries, issuing news releases and statements, arranging interviews and conducting news conferences
- ensures that information provided to the media by the Department is current, complete and accurate, and
- ensures that all applicable laws, regulations and policies involving the release of
 information to the public are followed so that the maximum disclosure is made without
 jeopardizing investigations and prosecutions, violating rights of individuals or
 compromising national security interests

The Office of Legislative Affairs (OLA) has responsibility for devising and implementing legislative strategies to carry out Department initiatives that require congressional action. OLA also articulates the views of the Department and its components on proposed legislation and handles the interagency clearance process for the Department with respect to views letters, congressional testimony, and other expressions of Administration policy. OLA responds on behalf of the Department to requests and inquiries from congressional committees, individual Members of Congress, and their staffs. It coordinates congressional oversight activities involving the Department and the appearance of Department witnesses before congressional committees. OLA also participates in the Senate confirmation process for Federal judges and Department nominees, including Assistant Attorneys General and United States Attorneys.

There are over 54 million acres of Indian country, the majority of which is under federal jurisdiction. Hundreds of federal cases, in addition to other conflicts needing resolution are generated in this area each year. The Office of Tribal Justice (OTJ) is responsible for serving as the primary point of contact between the 566 federally recognized tribes and the Department in these matters. OTJ coordinates these complex matters, the underlying policy, and emerging legislation between more than a dozen DOJ components active in Indian country. External coordination with numerous federal agencies, including the Departments of Interior, Health and Human Services, and Homeland Security, as well as the Congress is another of OTJ's duties. OTJ also provides legal expertise in Indian law to the Department in those matters that progress to the Appellate level, or issues being considered for legislation.

C. Executive Support/Professional Responsibility

| Executive Support/Professional Responsibility | Direct Pos. | Estimate FTE | Amount |
|---|----------------|-----------------|--------|
| 2014 Enacted | 64 | 52 | 12,513 |
| 2015 Enacted | 65 | 57 | 13,260 |
| Adjustments to Base and Technical Adjustments | | | . 410 |
| 2016 Current Services | 65 | 57 | 13,670 |
| 2016 Program Increases | 9 | 8 | 1,735 |
| 2016 Request | 74 | 65 | 15,405 |
| Total Change 2015-2016 | 9 | 8 | 2,145 |

1. Program Description

The Executive Support/Professional Responsibility decision unit consists of:

- Office of Legal Policy
- · Office of Professional Responsibility
- · Office of Information Policy, and
- the Professional Responsibility Advisory Office

The general goals and objectives of this decision unit are to:

- Improve the Department's efficacy in providing substantive and timely input on the Administration's law enforcement initiatives as well as other legislative proposals affecting Department responsibilities.
- Handle the processing of judicial and other nominations efficiently and responsively.
- Oversee the investigation of allegations of criminal and ethical misconduct by the Department's attorneys, criminal investigators, or other law enforcement personnel.
- Assist Department components in processing Freedom of Information Act (FOIA) requests from the public, as well as promote effective FOIA operations across the Executive Branch.

The Office of Legal Policy (OLP) develops and coordinates the implementation of policy initiatives of high priority to the Department and the Administration; represents the Department in the Administration's judicial process for Article III judges; and reviews and coordinates all regulations promulgated by the Department and its components. OLP is headed by an Assistant Attorney General who is appointed by the President and confirmed by the Senate. OLP also absorbed the functions of the Office of Dispute Resolution (ODR) in FY 2012 from the General Legal Activities appropriation. The mission of ODR is to promote and facilitate the broad and effective use of alternative dispute resolution processes in settling litigation handled by DOJ and in resolving administrative disputes throughout the Executive Branch.

The Office of Professional Responsibility (OPR), which reports directly to the AG, is responsible for investigating allegations of misconduct by DOJ attorneys in their duties to investigate, represent the government in litigation, or provide legal advice. In addition, OPR has jurisdiction to investigate allegations of misconduct by law enforcement personnel when they are related to allegations of attorney misconduct within the jurisdiction of OPR. OPR's primary objective is to

ensure that DOJ attorneys continue to perform their duties in accordance with the high professional standards expected of the nation's principal law enforcement agency. OPR is headed by the Counsel for Professional Responsibility, who is a career government official. Under the Counsel's direction, OPR reviews allegations of attorney misconduct involving violation of any standard imposed by law, applicable rules of professional conduct, or departmental policy. When warranted, OPR conducts full investigations of such allegations and reports its findings and conclusions to the Attorney General and other appropriate Department officials. OPR also serves as the Department's contact with state bar disciplinary organizations. The objectives of OPR are different from the Office of the Inspector General (OIG) in that OPR focuses on allegations of misconduct which affect the ability of the Department to investigate, litigate, or prosecute, while the OIG focuses on allegations of waste and abuse and other matters which do not implicate the ability of the Department to investigate, litigate or prosecute.

The Office of Information Policy (OIP) was established to provide guidance and assistance to all government agencies in administering the Freedom of Information Act (FOIA). Originally part of the Office of Legal Counsel and later the Office of Legal Policy, OIP became an independent office in 1993. OIP is responsible for encouraging agency compliance with the FOIA and for overseeing agency implementation of that law. To carry out those responsibilities OIP develops legal and policy guidance for agencies, publishes the *Department of Justice Guide to the FOIA*, conducts multiple training sessions, and provides counseling services to help agencies properly implement the law. OIP also establishes reporting requirements for all agencies and conducts assessments of their progress in implementing the FOIA. In addition to these government-wide responsibilities, OIP adjudicates, on behalf of the Department, administrative appeals from denials of access to information made by the Department's components, processes initial requests made for the records of the Senior Leadership Offices, and handles the defense of certain FOIA litigation cases.

The Professional Responsibility Advisory Office (PRAO) is responsible for providing professional responsibility advice and training to all Department attorneys, including United States Attorneys and Assistant United States Attorneys, on how they may carry out their duties in compliance with the applicable rules of professional conduct. PRAO serves as a liaison with state and federal bar associations relating to the implementation and interpretation of the rules of professional conduct. PRAO coordinates with the litigating components of the Department to defend all Department attorneys in any disciplinary or other hearings concerning allegations of professional misconduct. PRAO assembles and maintains the professional responsibility rules, interpretative decisions and bar opinions of every state, territory and the District of Columbia. PRAO's Director is a career government senior executive.

D. Justice Management Division

| Justice Management Division | Direct Pos. | Estimate FTE | Amount |
|---|----------------|-----------------|--------|
| 2014 Enacted | 382 | 309 | 70,781 |
| 2015 Enacted | 382 | 328 | 70,781 |
| Adjustments to Base and Technical Adjustments | | | 2,498 |
| 2016 Current Services | 382 | 328 | 73,279 |
| 2016 Program Increases | | | 497 |
| 2016 Request | 382 | 328 | 73,776 |
| Total Change 2015-2016 | 0 | 0 | 2,995 |

1. Program Description

The Justice Management Division (JMD), under the direction of the Assistant Attorney General for Administration, provides advice and assistance to senior management officials relating to basic Department policy for budget and financial management, personnel management and training, facilities, procurement, equal employment opportunity, information processing, records management, security, and all other matters pertaining to organization, management and administration. JMD provides direct administrative support services such as personnel, accounting, procurement, library, budget, facilities and property management to offices, boards and divisions of the Department and operates several central services, such as automated data processing and payroll, on a reimbursable basis through the Working Capital Fund. The Division collects, organizes, and disseminates records information that is necessary for the Department to carry out its statutory mandate and provides general research and reference assistance regarding information to Department staff, other government attorneys, and members of the public.

The major functions of JMD are to:

- Review and oversee management functions, programs, operating procedures, supporting systems and management practices.
- Supervise, direct, and review the preparation, justification, and execution of the Department's budget, including the coordination and control of the programming and reprogramming of funds.
 - Review, analyze, and coordinate the Department's programs and activities to ensure that the Department's use of resources and estimates of future requirements are consistent with the policies, plans, and mission priorities of the Attorney General.
- Plan, direct, and coordinate department-wide personnel management programs and develop
 and issue department-wide policy in all personnel program areas.
 Direct department-wide financial management policies, internal controls, programs,
 procedures, and systems including financial accounting, planning, analysis, and reporting.
 Formulate and administer the GA appropriation of the Department's budget.
- Plan, direct, administer, and monitor compliance with department-wide policies, procedures, and regulations concerning:
 - · records

- reports
- procurement
- printing graphics audiovisual activities
- · forms management
- supply management motor vehicles
- real and personal property space assignment and utilization
- · employee health and safety programs, and
- · other administrative services functions
- Direct all Department security programs including: personnel
 - · physical
 - document
 - · information processing
 - telecommunications, and special intelligence
- Formulate and implement Department defense mobilization and contingency planning.
- Review legislation for potential impact on the Department's resources.
- Establish policy and procedures related to debt collection and asset forfeiture.
- Develop, direct, coordinate, and monitor compliance with department wide policies and programs for implementing an effective and viable equal employment opportunity program that includes affirmative employment initiatives and procedures for the timely and equitable processing of discrimination complaints.
- Direct the Department's ethics program by administering the ethics laws and regulations and coordinating the work of the deputy ethics officials throughout the Department, including issuing advice, providing ethics briefings, and reviewing financial disclosure reports.

IV. Decision Unit Performance Information

| Target | Actual F FYE \$5000 FTE Gefend the interests FIE \$5000 FTE | FY 2015 FY 2015 FY 2015 Softhe Unite \$ 000 A7 16,635 | Ser Ser Prog | | Requested (Total) FY 2016 Request | 4 (Total) |
|---|---|---|--|-----------|-----------------------------------|-----------|
| Total General Administration Costs and FTE FTE \$000 FTE \$ | ### ################################## | FY 2015 E \$000, 1552 111,500 of the Unite \$600 47 16,635 | Current Services Adjustments and Adjustments and Changes FTE 13 7 7 13 7 7 7 FTE 15 FTE 5 | | ry 2016 R | (Total) |
| Total General Administration Costs and FTE FTE \$000 FTE \$ | FY 2004 FTE \$000 FT \$25 106,942 5 defend the interests FTE \$000 FT | FY 2015 E \$000 ; 52 111,500 of the Unite E \$000 47 16,635 | Current Service districts as Adjustments as Adjustments as Changes FTE \$ 7 13 7 7 FTE \$ FT | | -Y 2016 R | |
| Total General Administration Costs and FTE from StE 5000 FTE 5000 | ### \$5000 FTE \$5 | of the Unite 52 111,500 of the Unite 500 51 16,635 | | | FTE | Request |
| Perimetrial of the control of the co | defend the interests FIE \$5000 FT | of the Unite \$000 47 16.635 | | 937 | | \$000 |
| Strategic Goal/Objective: Goal 2/Objective 2.6 Protect the federal fisc and defend the interests Goal/Objective: Goal 2/Objective 2.6 Protect the federal fisc and defend the interests Goal/Objective: Goal 2/Objective 2.6 Protect the federal fisc and defend the interests Goal/Objective: Goal 2/Objective 2.6 Protect the federal fisc and defend the interests FTE | GETE \$1000 FTE | of the Unite \$600 47 16,635 | | | 565 | 119,437 |
| Decision Unit: Department Leadership Total Costs and FTE FTE \$000 FTE \$000 FTE Freimbursable FTE are included, but reimbursable costs are foreign unit intergovernmental Relations/External Affairs Total Costs and FTE Freimbursable FTE are included, but reimbursable costs are foreign unit included in the total) Decision Unit: Professional Responsibility/Executive Support Total Costs and FTE FTE \$000 FTE \$000 FTE FTE \$000 FTE \$000 FTE FTE \$000 FTE \$000 FTE | FTE \$5000 FTI | 47 16.635 | | | | |
| Total Costs and FTE signor remains to the costs are bracketed and not included, but reimbursable costs are bracketed and not included in the total) Decision Unit: Intergovernmental Relations/External Affairs Total Costs and FTE signor reimbursable costs are reimbursable responsibility/Executive Support Total Costs and FTE signor reimbursable costs are reimbursable responsibility/Executive Support Total Costs and FTE signor reimbursable costs are reimbursable responsibility/Executive Support Total Costs and FTE signor reimbursable costs are reimbursable responsibility/Executive signor reimbursable responsibility reimbursable responsibility signor reimbursable responsibility reimbursable responsibility signor reimbursable reimbursable responsibility signor reimbursable reimb | FTE \$900. | | | | | |
| reimbursable r L as in finduced, but reimbursable costs are retembled and not included in the total) Decision Unit: Intergoverrmental Relations/External Affairs Total Costs and FTE | 49 14 654 | | | \$000 | FTE | \$000 |
| Decision Unit: Intergovernmental Relations/External Affairs Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are breaked and not included in the total) Decision Unit: Professional Responsibility/Executive Support Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are breaked and not included in the total) Strategic Goal/Objective: Goal 3/Objective 3.1 Promote and strengthen relationship and strate | K. (1) \$1 50 50 50 50 50 50 50 50 50 50 50 50 50 | | 2 | 812 | 49 | 17,447 |
| Total Costs and FTE fermioursable costs are free soon free soon free fermioursable free are included, but reimbursable costs are free soon free fermioursable free are included, but reimbursable free reimbursable free reimbursable free reimbursable free and not included in the total) Strategic Goal/Objective: Goal 3/Objective 3.1 Promote and strengthen relationship and strate | 東京学者がある。 東京学者がある。 東京学者 東京会 東京会 東京会 東京会 東京会 東京会 東京会 東京会 | | | | | |
| termoursable T L are included, but reimbursable costs are step of termoursable tracketed and not included. But reimbursable costs are reimbursable costs are reimbursable to termoursable tracketed and not included, but reimbursable costs are reimbursable tracketed and not included in the total) Strategic Goal/Objective: Goal 3/Objective 3.1 Promote and strengthen relationship and strate | 2000 | \$000 | FTE \$ | \$000 | FTE | \$000 |
| Decision Unit: Professional Responsibility/Executive Support Total Costs and FTE Sono FTE | (33 7,318 | 37 7.763 | 1 | 1,633 | 38 | 9.396 |
| Total Costs and FTE \$5000 | | | | | | |
| President and not included in the total) Strategic Goal/Objective: Goal 3/Objective 3.1 Promote and strengthen relationship and strate | ETE \$900 | \$000 | FTE \$ | \$000 | FTE | \$000 |
| Strategic Goal 3/Objective 3.1 Promote and strengthen relationship and strate | 52 14216 | 57 13,260 | 8 2 | 2,145 | 65 | 15,405 |
| state, local, tribal and international law enforcement | elationship and strate | egies for the | administratío | on of jus | tice wit | ے |
| Decision Units: Department Leadership | | | | | | |
| Total Costs and FTE \$900 FTE | \$000 | \$000 | FTE \$ | \$000 | FTE | \$000 |
| bracketed and not included in the total) 6 1,131 5 1,21 | \$ 5 x 12 t | 8 1,431 | -1 | 112 | 6 | 1,543 |
| Decision Units: Intergovernmental Relations/External Affairs | | | | | | |
| Total Costs and FTE solution has solutionable costs are FTE \$000 FTE \$000 | \$000 | \$000 | FTE | \$000 | FTE | \$000 |
| translation of included in the total) 5 1,238 6 1,094 | | 7 1,630 | - | 240 | 8 | 1,870 |

| | | | PERFO | PERFORMANCE AND RESOURCES TABLE | RESOURCES | TABLE | | | | |
|------------------------|---|------------|--------------------|---------------------------------|----------------|--------------------|--------------------------------|--|---------|--------------------|
| Strategic Goal/ | Strategic Goal/Objective: Goal 2/Objective 2.6 Protect the federal fisc and defend the interests of the United States | /e 2.6 Pro | tect the fe | deral fisc and d | efend the inte | rests of the Un | ited States | | | |
| Decision Unit: | Decision Unit: Justice Management Division | sion | | | | | | | | |
| æ | RESOURCES | Tar | Target | Actual | | Projected | Char | Changes | Request | Requested (Total) |
| | | È | FY 2014 | FY 2014 | | FY 2015 | Current Adjustmer 2016 P | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE | FTE | FTE | \$000 | FTE \$900 | IO FTE | 000\$ | FTE | 000\$ | FTE | \$000 |
| [reimb] | | 328 | 70,781 [11,957] | 326 [4,026] | | 328 70,781 [4,025] | 0 | 2,995 | 328 | 328 73,776 [4,025] |
| TYPE/ | | ì | , 70 | | | 5V 2045 | Current | Current Services Adjustments and FY | EV 2016 | TV 2016 Rannest |
| OBJECTIVE | PERFORMANCE | È | FT 2014 | #177714 | | 6103 | 2016 P Cha | 2016 Program Changes | | |
| | | FE | \$000 | FTE \$000 | 10 ГТЕ | \$000 | FTE | 000\$ | FTE | \$000 |
| Program A | Program Acuvity: ruman capital | \$5 | 10,723 | | | 54 11,259 | 0 | 111 | 25 | 11,370 |
| Number | Number of Personnel Actions | 213 | 213,982 | ð | | 214,382 | | 0 | 21, | 214,382 |
| Number of Whi | Number of Whistleblower Case Issuances | | 30 | 0 | | 30 | | 0 | | 30 |
| Ensure there are s | Ensure there are sufficient replacement workers for separations (ratio) | ó | 0.50 | 000 | | 0.50 | | | 0 | 0.50 |
| Reduce percents | Reduce percentage of permanent employees separating with less than one year of service | ., | 20 | 000 | | 20 | | . 0 | | 20 |
| 7 | Do-framedial contraction | FTE | \$000 | FTE \$000 | JO FTE | \$000 | FTE | \$000 | FTE | \$000 |
| Druger and | Duylet and renormance mediation | 52 | 7,407 | | | 52 7,777 | 0 | 7 | 52 | 7,784 |
| Monitor Budget & fc | Monitor Budget & Performance Goals Quarterly for all Accouts | 10 | 100% | 0% | | 100% | | 0 | = | 100% |
| Pac dalloo | Contra and Consolidated Eacilities | FTE | \$000 | 000\$ 314 | ID FTE | \$000 | FTE | \$000 | FTE | \$000 |
| Secure and | Voilsondate Lacinities | 108 | 18,426 | | • | 115 19,347 | 0 | 192 | 115 | 19,539 |
| Number of Security | Number of Security Compliance Reviews/Follow- Ups Completed | | 15 | 0 | | 15 | | 0 | | 15 |
| Number of Emplo | Number of Employee/Contractor Adjudications Completed | 10, | 10,000 | 0 | | 10,000 | | | ¥ | 10,000 |
| Ensure compone | Ensure components have current COOP plans | - | 100 | 0 | | 100 | | | | 100 |
| | | | | | | | | | | |

| Berformanne Benert | Barformance Bance and Borformance Dian Tarrate | FY 2010 | FY 2011 | FY 2012 | FY 2013 | Į. | FY 2014 | FY 2015 | FY 2016 |
|---|--|---------|---------|---------|---------|---------|---------|---------|---------|
| | | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| Performance Measure | Number of Personnel Actions | 370,090 | 287,080 | 264,303 | 207,868 | 213,982 | 368,519 | 214,382 | 214,382 |
| Performance Measure | Number of Whistleblower Case Issuances | 04 | 20 | 63 | 66 | 30 | 90 | 30 | 30 |
| Performance Measure | Reduce percentage of permanent employees separating with less than one year of service | | 12.75 | 10.50 | 10.25 | 20 | 10.75 | 20 | 20 |
| Ensure there are sufficie Performance Measure replacement workers for separations (ratio) | Ensure there are sufficient replacement workers for separations (ratio) | | | 0.69 | 0.75 | 0.5 | 1.28 | 0.5 | 0.5 |
| Performance Measure | Performance Measure Monitor Budget & Performance Goals Quarterly for all Accounts | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Performance Measure | Number of Security Compliance Reviews/Follow-ups Completed | 43 | 37 | 42 | 14 | 15 | 16 | 15 | 15 |
| Performance Measure | Performance Measure Number of Employee/Contractor Adjudications Completed | | 10,552 | 11,523 | 10,764 | 10,000 | 11,230 | 10,000 | 10,000 |
| Performance Measure | Performance Measure Ensure components have current COOP plans | _ | 25 | 75 | 100 | 100 | 100 | 100 | 100 |
| OUTCOME Measure | | | | | | | | | |

Measures were adjusted in the FY 2013 submission to align with reporting on the quarterly status report.

N/A = Data unavailable

Performance, Resources, and Strategies

The mission of JMD is "Serving Justice by Securing Results with Strategic Counsel." JMD's performance measures are centered on our mission and organized in the following performance areas:

- Human Capital to recruit, hire, train, appraise, reward, and retain a highly qualified and diverse workforce to achieve DOJ's mission objectives.
- <u>Budget and Performance</u> to manage DOJ resources using integrated budget and performance criteria.

Secure and Consolidated Facilities - to maximize space utilization and ensure safe and secure facilities.

V. Program Increases by Item

Item Name:

Department Coordination, Analysis & Compliance

Strategic Goal:

Strategic Goal 2 and 3

Strategic Objective:

Objective 2.6 and 3.1

Budget Decision Unit(s):

Department Leadership, Intergovernmental

Relations/External Affairs, Executive Support/Professional

Responsibility, Justice Management Division

Organizational Program:

Multiple - See Table Below

Program Increase: Positions 14 Atty 7 FTE 12 Dollars \$3,045,000

Description of Item

Funding and staffing is requested to support the Department's responsibilities for coordination and analysis of priority activities and to ensure sufficient resources are available to address compliance responsibilities.

Support of the Department's Strategic Goals

The request supports Objective 2.6 "Protect the federal fisc and defend the interests of the United States," which is included in Strategic Goal 2, and Objective 3.1 "Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors, and defenders through innovative leadership and programs," which is included in Strategic Goal 3.

Justification

This program increase will fund the following critical enhancements which are housed in the General Administration appropriation but support the entire Department of Justice:

| Initiative Name | Decision Unit | Positions | FTE | Dollars (\$000) |
|---|------------------|-----------|-----|--------------------|
| Privacy Compliance Unit | DL | 3 | 2 | 327 |
| Access to Justice | DL | 1 | 1 | 112 |
| Tribal Justice | IREA | 1 | 1 | 240 |
| Legislative Affairs | IREA | 0 | 0 | 134 |
| Professional Responsibility | ESPR | 2 | 1 | 223 |
| Data Analysis | ESPR | 7 | 7 | 1,512 |
| Cross-Agency Priorities Transfer to GSA | JMD | 0 | 0 | 497 |
| TOTAL | | 14 | 12 | 3,045 |

Privacy Compliance Unit

The privacy laws, including the Privacy Act of 1974 and the E-Government Act of 2002, were enacted to ensure that federal agencies reviewed and assessed key privacy issues at the outset of an agency program or system and memorialize the issues identified, assessed, and mitigated in privacy documentation to provide notice and transparency to the public. With additional staff, the Department could help ensure that sufficient resources are dedicated to the compliance of these important statutory requirements.

The Office of Privacy and Civil Liberties (OPCL) has only three staff attorneys to address all of the Department's privacy compliance matters. The Department's privacy compliance work consists primarily of administrative law work, which necessarily requires numerous drafts and reviews of documents for publication in the Federal Register, the Code of Federal Regulations, and the Department's website.

The privacy compliance unit would be comprised of 3 dedicated compliance attorneys with support as needed from existing staff. Providing funding and staffing for the new privacy compliance unit would permit the existing staff to fulfill the duties of the growing list of new privacy and civil liberties initiatives in which OPCL is asked to participate.

OPCL's funding request will directly enhance the Department's ability to meet or exceed the Department's performance targets. It will help the Department comply with its statutory privacy laws and requirements in a timely and efficient manner. And, it will allow OPCL and the Department to adequately be represented at key Administration-led reviews and inter-agency committees. These committees work on issues to improve the US government's protection of privacy and civil liberties that are deeply important to the Department and the American public.

Access to Justice

The Access to Justice Initiative (ATJ) strives to address the access-to-justice crisis in the criminal and civil justice system. ATJ's mission is to help the justice system efficiently deliver outcomes that are fair and accessible to all, irrespective of wealth and status. The Initiative's staff works within DOJ, across federal agencies, and with state, local, and tribal justice system stakeholders to increase access to counsel and legal assistance and to improve the justice delivery systems that serve people who are unable to afford lawyers.

The addition of one attorney would enable ATJ to:

- Expand efforts to file Statements of Interest and amicus briefs in cases that align with the
 Department's commitment to the constitutionally protected right to counsel and other
 access to justice issues.
- Identify new opportunities for cross-agency collaboration where two or more agencies are working with the same vulnerable populations also helped by civil legal aid programs (continuing the work of the 18-federal agency Legal Aid Interagency Roundtable jointly convened by the Associate Attorney General and the White House Domestic Policy Council). The new staff member would work with agencies to identify programs, initiatives and activities where integrating legal aid with existing services would improve program efficiency and outcomes, as well as promote research and evaluation to better determine the effectiveness of programs that include legal services.
- Coordinate with the Office of Justice Programs and other parts of the Department on important cross-cutting issues, including new items in the FY 2015 budget, related to increased grant-making on indigent defense and new grants related to civil legal aid research and evaluation and a civil legal aid competitive grant program to encourage best

practices. The new staff member would assist with outreach and evaluation in these types of new initiatives.

Tribal Justice

OTJ was established in 1985 in response to the overwhelming demand by Indian tribes for better coordination within the Department and among other federal agencies on law enforcement and public safety issues. There are over 54 million acres of Indian country, the majority of which is under federal jurisdiction. Hundreds of federal cases, in addition to other conflicts needing resolution are generated in this area each year. OTJ is responsible for serving as the primary point of contact between the 566 federally recognized tribes and the Department in these matters. OTJ coordinates these complex matters, the underlying policy, and emerging legislation between more than a dozen DOJ components active in Indian country.

OTJ also serves as the lead component in managing the Department's complex government-to-government relationship with tribes. This relationship and OTJ's responsibilities are delineated in Executive Order 13175, the Attorney General's memorandum reorganizing the OTJ, 28 C.F.R. 0.134, establishing OTJ as a distinct component of the Department, and in provisions of the Tribal Law and Order Act of 2010. External coordination with the Departments of the Interior, Health and Human Services, and Homeland Security, and other federal agencies, as well as the Congress is another of OTJ's duties. OTJ also provides legal expertise in Federal Indian Law to the Department in those matters that progress to the Appellate level, or issues being considered for legislation.

To ensure that the Department's Indian country responsibilities are met, the increase in OTJ staff is necessary. The additional staffing requested includes one attorney to work on legal issues. OTJ is also anticipated to need to cover travel expenses, which is included as non-personnel funding.

Legislative Affairs

OLA advises appropriate components of the Department on the development of the Department's official policies through legislation initiated by the Department, by other parts of the executive branch, or by Members of Congress, and explains and advocates the Department's policies to the Congress. OLA also serves as the Attorney General's focal point for dealing with Department nominees, congressional oversight, congressional correspondence, and congressional requests for documents and access to Department employees. Maintaining a robust workforce that is sufficiently trained to work with all the stakeholders on crafting effective legislation is important to the Department and the Administration.

Currently OLA has 27 FTE authorized, but only has sufficient funding for 24 FTE. Funding for an additional attorney is needed to handle the substantial workload of clearing documents, questions for the record, and testimony for presentation to Congress.

Professional Responsibility

There are over 10,500 attorneys in the Department and, as their duties have broadened to meet the increased demands of law enforcement, national security and defense of the United States' interest, the Professional Responsibility Advisory Office (PRAO) attorneys have been called upon to analyze professional responsibility issues in even more novel and challenging ways.

We anticipate, as the Department seeks to bring onboard several hundred new attorneys in the upcoming year, that PRAO inevitably will be required to respond to more inquiries and will be called upon to train the new Department attorneys in addition to continuing the significant amount of customized, office-specific training PRAO already provides. In particular, the Basic Criminal or Civil Trial Advocacy course that a majority of new Department attorneys are required to take includes a professional responsibility component, and PRAO attorneys have almost always taught that course and are best suited to continue to teach these courses because of their subject matter expertise in the professional responsibility rules nationwide.

One of the most critical components of PRAO's mission is to respond to professional responsibility inquiries from Department attorneys, within 24 hours if possible (at least orally). A PRAO Legal Advisor is on duty every business day to handle inquiries the Office receives by telephone or email, and PRAO Legal Advisors are available on an emergency basis twenty-four hours a day, seven days a week. The number of inquiries (averaging more than 2,300/year over the past five years) has continued to be extremely high since 2009 when PRAO had an exponential increase in inquiries.

In addition, PRAO's work has qualitatively increased as the Office has developed and PRAO's analysis of professional responsibility issues has become more sophisticated such that crafting written advice takes more time. Moreover, the Professional Responsibility Officers (PROs) and Department attorneys have become better educated about professional conduct issues as a result of PRAO's training and the thousands of inquiries handled over the past 15 years. Consequently, some PROs and attorneys themselves more frequently handle the routine professional responsibility questions that arise, directing the more complex inquiries to PRAO. These more complex inquiries involve more complicated facts, demand more extensive research, and require more nuanced and lengthy written analysis. The addition of two attorneys to PRAO will allow the Office to continue to provide Department attorneys with the prompt, high quality advice and Office-specific training they have come to expect and respond to the increased number of advice and training requests expected from the significant influx of many new Department attorneys.

Data Analysis

This funding will support the creation of a quantitative analysis unit within the Office of Legal Policy (OLP) that will provide critical support for the Department's efforts to ensure evidence-based policy making. The unit will analyze, on behalf of Department leadership, the effects and impacts of policy related to the Department's core missions, including criminal and civil law enforcement; the criminal justice system; and the enforcement of civil rights. That analysis will better enable Department policy makers to make informed decisions.

Applying statistics, econometrics, and quantitative data analysis, a new data analysis unit in OLP would benefit the Department in at least the following three ways.

Policy Evaluation: Enhanced analytical capabilities would help the Department evaluate
which policies are ripe for change, in light of problems and emerging trends. It would
also help to evaluate whether the policy changes, once implemented, achieved the desired
effect—and if not, how they might be improved.

- Policy Modeling: Enhanced analytical capabilities would help predict, with greater
 precision and rigor, the impact of particular policy changes; would help guide policy
 development; and would help in establishing baseline measures, based on available data,
 by which new policy can subsequently be evaluated.
- Regulatory Development: Enhanced analytical capabilities would bolster the
 Department's regulatory development; some of the Department's rules require significant
 quantitative analysis to undertake the economic modeling required by various statutes
 and Executive Orders.

Below are two representative examples of how the data analysis unit could contribute to the Department's work:

- Smart on Crime: The Department's Smart on Crime initiative arose out of a review of all phases of the criminal justice system from charging to reentry -- and an examination of state experiences and academic research. An in-house data analysis capability would have been helpful in that process. Even more significant, now that the policy is in effect, data analysis could be used to help assess the policy's effectiveness. For example, and once an appropriate amount of time has passed to allow for analysis, it would be useful to determine how the Department's new initiative is affecting the total population entering the Bureau of Prison system, impacts on certain communities, and recidivism rates. The Department does not currently have the analytical capacity necessary to make those assessments in house.
- Significant Rules: The Department is called upon to promulgate significant rules with
 regularity. Developing Regulatory Impact Assessments for these rules can be difficult,
 time-consuming, and costly. The Department's efforts in developing rules under the
 Prison Rape Elimination Act and the Americans with Disabilities Act provide just two
 examples in which the Department has had to rely on outside contractors to conduct the
 legally required analyses. Having an in-house capability could significantly reduce such
 costs.

Creating the data analysis unit within OLP will complement and strengthen the Department's existing policy-making apparatus. A relatively modest investment in this capacity will benefit the entire Department—and the Department's efforts to ensure public safety and the fair and impartial administration of justice for all Americans.

Cross-Agency Priorities Transfer to GSA

Under Section 721 of PL 113-76, major Federal agencies currently contribute to the General Services Administration in support of the interagency management councils, which have supported numerous cross-agency management reforms and efficiencies for more than a decade. Building on the success of this cross-agency work, the Department is requesting an increase of \$497,205 in FY 2016 in this authority to support implementation of the Cross Agency Priority Goals.

Funding

Base Funding

| PRINCE. | FY | 2014 E | nacted | | FY | 2015 En | acted | | FY 20 | 16 Curre | nt Services |
|---------|------|--------|---------|-----|------|---------|---------|-----|-------|----------|-------------|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| | atty | | | | atty | | | | atty | | |
| 43 | 29 | 43 | 8,390 | 46 | 32 | 46 | 9,925 | 46 | 32 | 46 | 9,968 |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--|--|-------------------------------------|-------------------------------|--|--|
| Clerical and Office Services (0300-0399) | 147 | 7 | 864 | 0 | 0 |
| Attorneys (0905) | 213 | 7 | 1,159 | 327 | 0 |
| Total Personnel | | 14 | 2,023 | 327 | 0 |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------------------------|--------------|----------|-------------------------------|---|---|
| Travel | 35 | | 35 | 0 | 0 |
| Technology Update | 15 | | 15 | 0 | 0 |
| Contracts | | | 475 | | |
| Inter-Governmental Transfer | 497 | | 497 | 0 | 0 |
| Total Non-Personnel | | | 1,022 | 0 | 0 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current | | | | | | | | |
| Services | 46 | 32 | 46 | 6,977 | 2,990 | 9,967 | 99 | 101 |
| Increases | 14 | 7 | 12 | 2,023 | 1,022 | 3,045 | 327 | 0 |
| Grand | | | | | | | | |
| Total | 60 | 39 | 58 | 9,000 | 4,012 | 13,012 | 426 | 101 |

Exhibit B - Summary of Requirements

Summary of Requirements

B. Su ary of Requirements

General Administration Salaries and Expenses (Dollars in Thousands)

| | | EV 2016 Regulast | |
|--|------------|------------------|---------|
| | Direct Doe | Estimate ETE | Amount |
| 2014 Enacted ^{//} | 567 | | 110,000 |
| Total 2014 Enacted | 567 | 453 | 110.000 |
| 2015 Enacted | 571 | | 111,500 |
| Base Adjustments | | | |
| Pay and Benefits | * | | 3,679 |
| Domestic Rent and Facilities | 0 | 6 | 1,213 |
| Total Base Adjustments | • | - | 4,892 |
| Total Technical and Base Adjustments | * | _ | 4,892 |
| 2016 Current Services | 572 | 485 | 116,392 |
| Program Changes | | | |
| Increases: | - | | |
| Department Coordination, Analysis and Compliance | 14 | 12 | 3,045 |
| Subtotal, Increases | 14 | 12 | 3,045 |
| Total Program Changes | 14 | 12 | 3,045 |
| 2016 Total Request | 586 | 497 | 119,437 |
| 2015 - 2016 Total Change | 15 | 13 | 7,937 |

FY 2014 FTE is actual "

Summary of Requirements General Administration Salaties and Expenses (Doters in Thousands)

B. Summary of Requirements

| | | | | | | | | | | 200 | G C.temon | EV 2048 Cumpy Sepulpor |
|--|--------|-----------------------|----------|----------|-----------------|---------|--------|----------------|-------------------------------|----------|----------------|------------------------|
| Program Activity | 7 | FY 2014 Appropriation | priation | <u>.</u> | FY 2015 Enacted | cted | F1 201 | BCHBIC | FY ZOTO LECTIFICAL BITO DASSE | 2 | | |
| | | Fnacted | _ | | | | | Agiustments | | | 1 | |
| | Direct | Actua | Amount | Direct | Direct Est FTE | Amount | Direct | Direct Est FTE | Amount | i Direct | Direct Est FTE | Amount |
| | D | 1111 | | Pos | | | 88 | | | Sa | 1 | 7000 |
| O | - | 74 | 47.313 | 72 | 55 | 18,086 | 0 | 0 | 485 | 77 | | 16,551 |
| Department Leadership | . 65 | 8 | 9.383 | | 44 | 6,393 | - | 1 | 1,489 | 53 | 45 | 10,892 |
| The Continue of the continue o | | ! | | | | | | | | | | |
| Exemple August and | 28 | 52 | 12,513 | 92 | 25 | 13,260 | 0 | 0 | 410 | 65 | 25 | 13,6/0 |
| Drofessional Demonsthille | | | | | | | | | | 000 | | 070 07 |
| Little Management Chinisa | CBS | 306 | 70 781 | 382 | 328 | 70,781 | 0 | D | 2,498 | 382 | | |
| OUSTING MAINAGEMENT CANANOL | | | ľ | | | 111 500 | | • | 4.892 | 572 | 485 | 116,392 |
| Total Direct | 282 | 7 | 110,000 | | | | | | - | | | 0 |
| Balance Rescussion | | | 0 | | | D | | | 000 | | | 116 392 |
| Total Direct with Recriecton | | | 110,000 | | | 111,500 | | | 4036 | I | Š | l |
| Danet and the CTC | | 72 | | | 89 | | | 0 | | | 8 | |
| Neutron Source Land | | ROR | | | 552 | | | + | | | 553 | |
| otal Direct and Reimo, F.L. | I | | | | | | | | | | | |
| | - | | | | | | | | | | | |
| Other FTE: | | | | | | | | ľ | | | ٦ | |
| PAP | | 0 | | | a | | | 3 | | | 1 | |
| Overtime | | 0 | | | o | | | 3 | | | 583 | |
| Grand Total FTE | | 525 | | | 552 | | | | | | 3 | |

| 10 10 10 10 10 10 10 10 | | | | | | | | | | |
|--|-------------------------------|-------|------------|-------|--------|-----------|--------|-------|----------------|---------|
| Post Est FTE Amount Direct Est FTE Amount Direct Est FTE Amount Direct Est FTE Amount Post Post Direct Est FTE Amount Post Direct Est FTE Amount Post Direct Direc | On a comment of the side of | | 2016 Incre | 3565 | | 2016 Offs | ets | | 2016 Reques | uest |
| Felations & Pos. Po | Program Achivity | De la | FSI FTE | ıl . | Direct | Est FTE | Amount | Orect | Direct Est FTE | Amount |
| Relations & 1 3 439 10 0 0 0 0 0 0 0 0 | | | | | 900 | | | Pos | | |
| Reintons & 1 374 0 0 0 0 0 0 0 0 0 | | S | | 400 | L | (| - | 7,5 | 58 | 18 950 |
| Felations & 1 374 0 0 tend | Department Leadership | 4 | 3 | 435 | 3 | 3 | 2 | | | 090 00 |
| t and Substitute | Intergovernmental Relations & | | | 374 | ó | 6 | 0 | X | 4 | 007 |
| t and brain | External Affairs | | | | | 1 | | ** | 33 | 45 ADS |
| A Solimb, FTE 12 12 12 12 12 12 12 12 12 12 12 12 12 | Executive Support and | | 60 | 1,735 | ٥ | 5 | • | Ţ | | |
| ent Orizion 0 0 0 1 12 12 12 12 12 12 12 12 12 12 12 12 1 | Professional Responsibility | | | | | | · | 188 | | 72 776 |
| Total Direct 14 12 12 | tretice Management Division | 0 | Ó | 497 | ō | ó | 9 | 700 | | Ì |
| Reimb. FTE 12 | total Disease | 2 | 12 | 3.045 | ō | Ö | 9 | 988 | 1 | 118.43/ |
| Reimb FTE 12 | ١ | | | 0 | | | 0 | | | 0 |
| M 22 0 0 24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Balance Resonsion | | | | | Ī | 0 | | | 119.437 |
| Reimbursable FTE | Total Direct with Rescission | - | | | | 1 | | | 00 | |
| Total Direct and Relmb. FTE | Reimbursable FTE | | 0 | | | ٥ | | | 8 5 | |
| Other FTE: 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Total Direct and Reimb. FTE | | 12 | | | ٩ | | | ĝ | |
| Other FTE. 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | | | | | | | | | | |
| 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Other FTE | | | | | | | | • | |
| Overtime 0 0 0 | 1 EAD | L | 0 | | | 0 | | | 3 | |
| 12 | Cvertime | | 0 | | | ٩ | | | | |
| | 213 17 67 | L | 42 | | | • | | | 205 | |

Exhiba B - Summ - of Requirements

C. Progrum Changes by Decision Unit

FY 2016 Program Increases/Offsets by Decision Unit General Administration Salaries and Expenses (Collars in Thousands)

| Program Increases | Location of | | Departme | Department Leadership | diti | intergo | vernmenta | Relations | Intergovernmental Relations & External | Exect | tive Supp | Executive Support and Professional | fessional |
|--|------------------|----------------|------------|------------------------------|--|----------------|------------------------------------|-------------|--|----------------|------------|------------------------------------|-----------|
| | Description hy | | | | | | ⋖ | Affairs | | | Resp | Responsibility | |
| | Program Activity | Direct Pos. | Agt./Atty. | Agt/Atty. Est. FTE | Amount | Direct Pos. | Direct Agt./Atty, Est. FTE Pos. | Est. FTE | Amount | Direct Pos. | Agt./Atty. | Agt./Atty. Est. FTE | Amount |
| Department Coordination, Analysis | | 4 | 4 | e | 439 | | 1 | - | 374 | 1 | 2 | æ | 1,735 |
| Total Program Increases | | 4 | 4 | 8 | 439 | - | - | - | 374 | 6 | 2 | 8 | 1.735 |
| Program formacon | l continue | | Aloo Man | Intellet Management Division | interior | 1 | Concert Administration No Voca | ioteration | | | 100 | Total lagrange | |
| Escapa de la companya | Description by | Direct | Agt./Atty. | Direct Agt./Atty. Est. FTE | Amount | Direct | Direct Agt./Atty. Est. FTE | Est. FTE | Amount | Direct | Agt./Atty. | Direct Agi./Atty. Est. FTE | Amount |
| Department Coordination, Analysis and Compliance | | 0 | 0 | 0 | 497 | İ | 0 | 0 | 0 | 4 | 7 | 12 | 3,045 |
| Total Program Increases | | 0 | 0 | 0 | 497 | Đ | 0 | 0 | 0 | 14 | 7 | 12 | 3,045 |
| Program Offsets | Location of | | Departme | Department Leadership | diti | Execu | Executive Support and Professional | ort and Pro | fessional | Gen | eral Admir | General Administration - No-Year | No-Year |
| | Description by | icorio | Ant (Att. | Direct Act With Est etc | American | 900010 | Act /Aff | Att Cot CTC | American | - Control | And 10 44. | E 24 6 TE | 1 |
| | Program Activity | Pos. | Agr.Auy. | בואר. ה | Amount | | Agi./Aiiy. Est. 7 IE | תאל. ד | Amount | Pos | Agr/Ally. | Pos. Agr./Atty. ESt. FTE | Amodia |
| No Program Offsets | | | | | | | | | | | | | |
| Total Program Offsets | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Program Offsets | Location of | Intergov | ernmenta | Refations | Intergovernmental Relations & External | 'n | Justice Management Division | gement D | vision | | Tota | Total Offsets | |
| | Description by | | A | Affairs | | | | | | | | | |
| | Program Activity | Direct Pos | Agt./Atty. | Direct Agt/Atty, Est. FTE | Amount | Direct | Direct Agt./Atty. Est. FTE | Est, FTE | Amount | Direct Pos. | Agt./Atty. | Direct Agt./Atty. Est. FTE Pos. | Amount |
| No Program Offsets | | | | | | | | | | | | | |
| Total Program Offsets | | | | | | | | | | | | | |

3,551

18

3,045

3,199

553

3,199

16

1,238

525

Subtotal, Goal 3 TOTAL

115,886

547

2,693

ē

113,193

537

108,301

536

108,762

520

Goal 2 Prevent crime, protect the rights of the American people, and enforce federal law and enforce federal law 2.6 Protect the federal fisc and defend the interests of the United States

10

113,193

537

536

108,762

520

Goal 3 Ensure and support the fair, impartial, efficient, and transparent administration of justice at the federal, state, roral trans and memoration lessure.

3.1 Promote and strongton relationships and strategies for the

organizations, prosecutors, and defenders, through innovative leadership and programs.

administration of justice with law enforcement agencies,

547

Direct Amount

Reimb

Direct Amount

Direct & Reimb FTE

> Direct Amount

Direct & Reimb FTE

> Direct Amount

> > Reimb FTE

Direct Amount

Direct & Reimb FTE

Direct

irect &

FY 2016 Total Request

FY 2016 Offsets

FY 2016 Increases

FY 2016 Current

FY 2015 Enacted

FY 2014 Appropriation Enacted

Strategic Goal and Strategic Objective

Services

3,551

8

352

3,199

9

3,199

16

1,238

Resources by Department of Justice Strategic Goal and Objective

D. Resources by DOJ Strategic Goal and Strategic Objective

General Administration Salaries and Expenses (Dollars in Thousands)

E. Jusuications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments General Administration Salaries and Expenses (Dollars in Thousands)

| | Direct | Estimate | Amount |
|--|--------|----------|--------|
| | Pos. | FTE | |
| Pay and Benefits | | | |
| 1 2016 Pay Raise - 1.3% | Ö | 0 | 793 |
| This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount | | | |
| requested, \$618,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$500,000 | | | |
| tor pay and \$117,700 for benefits). 2 Annualization of 2015 Pay Raise | Ó | 0 | 165 |
| • • | | | |
| 1.0 percent included in the FY 2015 President's Budget. The amount requested, \$165,000, represents the pay | | | |
| amounts for 174 of the listed year plus appropriate betterns (socious for pay and socious for benefits). 3 Annualization of 2015 Positions | 0 | 0 | 999 |
| This provides for the annualization of 4 additional positions appropriated in 2015. Annualization of new positions | | | |
| provides for entry level funding in the first year with a progression to the journeyman level in the second year. | | | |
| For 2015 increases, this request includes an increase of \$560,000 for full-year payroll costs associated with | | | • |
| these additional positions. | | _ | 1,163 |
| This provides for the annualization of six long term detailees, four in the Office of Legislative Affairs and two in | | | |
| the Public Affairs Office. Annualization of these detailees is based on actual costs of the positions in FY 2013 | | | |
| plus anticipated pay increases. This requests an increase of \$1,163,000 for full-year payroll and benefits costs | | | |
| associated with these six positions 5 Changes in Compensable Days | 0 | 0 | 314 |
| The increased cost for one compensable day in FY 2016 compared to FY 2015 is calculated by dividing the FY | | • | |
| 2015 estimated personnel compensation by 261 compensable days. | | - | |
| The \$-16,000 request reflects anticipated changes in payments to the Department of Labor for injury benefits | | | 2 |
| under the Federal Employee Compensation Act. | Ċ | C | 535 |
| Effective October 1, 2015 (FY 2016), the new agency contribution rates of 13.7% (up from the current 13.2%, or | • | | |
| an increase of 0.5%) and 30.1% for law enforcement personnel (up from the current 28.8%, or an increase of 1.3%). The amount requested, \$535,000, represents the funds needed to cover this increase. | | | |
| | | | |

Exhibit E. Justifications for Technical and Base Adjustments

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

General Administration Salaries and Expenses (Dollars in Thousands)

| | Direct | Estimate | Amount |
|---|--------|----------|--------|
| S Health Insurance | | L | 124 |
| Effective January 2016, the component's contribution to Federal employees' health insurance increases by 3.0 percent. Applied against the 2015 estimate of \$4.1 million, the additional amount required is \$117,000. Petirement | 0 | 0 | 4 |
| Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice (DOJ) agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 0.8 percent per year, based on the past 5 years of DOJ retirement data. The requested increase of \$41,000 is necessary to meet our increased retirement obligations as a result of | | | |
| this conversion. Subtotal, Pay and Benefits | | 1 | 3,679 |
| Domestic Rent and Facilities | | | |
| 1 GSA Rent | 0 | 0 | 1,157 |
| GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$1,157,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective FY 2016 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provides data on | | | |
| for the inclusives. Quanta Service This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective | 0 | 0 | 99 |
| Service charges and other security services across the country. The requested increase of \$ 56,000 is required to meet these commitments. | | | |
| Subtotal, Domestic Rent and Facilities | 0 | 0 | 1,213 |
| TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS | 1 | 1 | 4,892 |

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability

General Administration Salaries and Expenses (Dollars in Thousands)

| Program Activity | FY 2 | FY 2014 Appropriation | priation | Repro | gramming | Reprogramming/Transfers | Carryover | Carryover Recoveries/R | | FY 2014 Availability | lability |
|-------------------------------|--------|-----------------------|----------|--------|----------|-------------------------|-----------|------------------------|----------|----------------------|----------|
| | | Enacted | - | | | | | efunds | | | |
| | Direct | Actual | Amount | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount |
| | Pos. | FTE | | Pos | FTE | | | | Pos | FE | |
| Department Leadership | 71 | 54 | 17,313 | 0 | 0 | 0 | 0 | O | <u> </u> | 54 | 17.313 |
| Intergovernmental Relations & | 20 | 38 | 9,393 | 0 | 0 | 0 | 0 | 0 | 90 | 38 | 9,393 |
| External Affairs | | | | | | | | | | | |
| Executive Support and | 64 | 52 | 12,513 | 0 | 0 | 0 | 0 | 0 | 64 | 52 | 12,513 |
| Professional Responsibility | | | | | | | | | | | |
| Justice Management Division | 382 | 308 | 70,781 | 0 | 6 | 0 | 0 | 0 | 382 | 309 | 70.781 |
| No-Year Account | 0 | 0 | 0 | 0 | o | 0 | 1 840 | 2 | o | 0 | 1.847 |
| Total Direct | 267 | 453 | 110,000 | 0 | 0 | 0 | 1,840 | 7 | 292 | 453 | 111,847 |
| Balance Rescission | | | 0 | | | 0 | Ö | 0 | | | O |
| Total Direct with Rescission | | | 110,000 | | | 0 | 1,840 | 7 | | | 111.847 |
| Reimbursable FTE | | 72 | | | ō | | | | | 72 | |
| Total Direct and Reimb. FTE | | 525 | | | 0 | | | | | 525 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | - | | | | | | |
| EAP FTE | | 0 | | | 0 | | | | | ō | |
| Overtime | | 0 | | | ō | | | | | ō | |
| Grand Total, FTE | | 525 | | | 0 | | | | | 525 | |

Reprogramming/Transfers: N/A.

Carryover: Carryover funding of \$1,840,026 in the GA-X account.

Recoveries/Refunds:

Exhibit G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability

G. Crosswalk of 2015 Availability

General Administration Salaries and Expenses (Dollars in Thousands)

| Program Activity | Œ | FY 2015 Enacted | acted | Repro | gramming | Reprogramming/Transfers | Carryover | Carryover Recoveries/R efunds | | FY 2015 Availability | lability | |
|-------------------------------|--------|-----------------|---------|--------|----------|-------------------------|-----------|-------------------------------|--------|----------------------|----------|--|
| | Direct | Actual | Amount | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount | |
| | Pos | FTE | | Pos. | FTE | | | | Pos | FE | | |
| Department Leadership | 72 | 55 | 18,066 | 0 | 0 | 0 | 0 | 0 | 72 | 55 | 18,066 | |
| Intergovernmental Relations & | 52 | | 6,393 | 0 | 0 | 0 | 0 | 0 | 52 | 44 | 9,393 | |
| External Affairs | | | | | | | | | | | | |
| Executive Support and | 65 | 22 | 13,260 | 0 | 0 | 0 | 0 | 0 | 69 | 22 | 13,260 | |
| Professional Responsibility | - | | | | | | | | | | | |
| .tustice Management Division | 382 | 328 | 70,781 | 0 | 0 | 0 | 0 | O | 382 | 328 | 70,781 | |
| No-Year Account | 0 | o | 0 | 0 | 0 | 1,500 | 1,035 | 5 | 0 | ٥ | 2.540 | |
| Total Direct | 571 | 484 | 111,500 | 0 | 0 | 1,500 | 1,035 | 5 | 571 | 484 | 114,040 | |
| Balance Rescission | | | 0 | | | 0 | 0 | 0 | | | 0 | |
| Total Direct with Rescission | | | 111,500 | | | 1,500 | 1,035 | 5 | | | 114,040 | |
| Reimblirsable FTF | | 89 | | | 0 | | | | | 89 | | |
| Total Direct and Reimb. FTE | | 552 | | | O | | | | | 552 | | |
| | | | | | | | | | | | | |
| Other FTE | | | | | | | | | | | : | |
| LEAP FTE | | 0 | | | 0 | | | | , | ٥ | | |
| Overtime | | 0 | | | 0 | | | | | | | |
| Grand Total, FTE | | 552 | | 7 | 0 | | | | | 552 | | |
| | | | | | | | | | | | | |

Reprogramming/Transfers: Anticipated transfers of \$1,500,000 from balances to GA-X account.

Carryover: Carryover funding of \$1,034,792 in the GA-X account.

Recoveries/Refunds:

Summary of Reimbursable Resources

H. Sunand of Reimbursable Resources

General Administration Salaries and Expenses (Dollars in Thousands)

-10,190 -264 Amount ncrease/Decrease Reimb. L L Reimb. 89 54 37 119 3,065 294 384 95 550 267 3,091 1,785 405 190 14,810 2.118 294 Amount 2016 Request 88 68 Reimb. FTE 89 88 Reimb. 5,218 3.578 684 62 90 150 201 3.293 929 648 25,000 496 17 491 Amount 2015 Estimate 68 38 Reimb. 68 68 Relmb. 5,218 3,013 3,576 496 648 160 929 88 320 684 201 5.174 491 25,000 Amount 2014 Actual 72 Reimb. FE 8 Reimb. 8 Organized Crime Drug Enforcement Task executive Office for Immigration Review oreign Claims Settlement Commission Bureau of Alcohol, Tobacco, Firearms Community Oriented Policing Services Office on Violence Against Women Department of Health and Human **Drug Enforcement Administration** Collections by Source ederal Bureau of Investigation Office of the Inspector General Office of the Pardon Attorney Office of Inspector General Office of Justice Programs Vational Security Division S. Parole Commission Budgetary Resources .S. Marshals Services Seneral Legal Activities ederal Prison System Department of Interior Asset Forfeiture Fund All Other Sources untitrust Division and Explosives S. Attorneys S. Trustees Services

| Obligations by Program Activity | | 2014Actual | lai | 7 | 2015 Estimate | mate | | 2016 Request | uest . | ţuc | Increase/Decrease | crease |
|--|--------|------------|-----------|---------|---------------|---|-----|--------------|--------|-----|-------------------|---------|
| , | Reimb. | I.E. | Amount | Reimb. | Reimb. | Reimb. 34 Amount | | 4 | Amount | 2 | ш. | Amount |
| | Pos | H H | 100 | Pos | | 700 | Pos | 1 | 708 | 203 | 4 | |
| Department Leadership | ٥ | 0 | /80 | C | P | 160 | ٦ | ٦ | 160 | | | |
| Intergovernmental Relations & External | 8 | 0 | 328 | 2 | Ω. | 328 | m | m | 328 | 7 | 7 | |
| Arrairs | | | | | | | | | | Ì | | |
| Executive Support and Professional | 61 | 52 | 10,923 | 44 | 4 | 10,923 | 42 | 42 | 733 | 7 | ? | -10,190 |
| Responsibility | | | | | | | | _ | | | | |
| Justice Management Division | 20 | 15 | 12,852 | 14 | 14 | 12,852 | 17 | 17 | 12,852 | 3 | 9 | |
| General Administration - No-Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Budgetary Resources | 06 | 72 | 25,000 | 68 | 68 | 25,000 | 89 | 68 | 14,810 | 0 | 0 | -10,19 |
| | | | Exhibit H | Summary | of Reimbu | Exhibit H - Summary of Reimbursable Resources | | | | | | |

П

Exhibit 1 - Detail of Permanent Positions by Category

Detail of Permanent Positions by Category General Administration Salaries and Expenses (Dollars in Thousands)

I. Detail of Permanant Positions by Category

| Category | FY 2014 Ap | FY 2014 Appropriation | FY 2015 | FY 2015 Enacted | | E | FY 2016 Request | _ | |
|---|----------------------|-----------------------|-------------|-----------------|------|-----------|-----------------|--------------|--------------|
| | Enacted with Balance | th Balance | | | | | | | |
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Reimb. |
| | | | | | | Increases | Offsets | Pos | Pos |
| Miscellaneous Operations (001-099) | 7 | 0 | 7 | r) | 0 | Ö | 0 | 7 | in. |
| Security Specialists (080) | 4 | 1 | 4 | 0 | 0 | 0 | 0 | 4 | 0 |
| Personnel Management (0200-0260) | 82 | 0 | 8 | Ţ- | 0 | 0 | 0 | 3 | - |
| Clerical and Office Services (0300-0399) | 210 | 23 | 205 | 80 | 0 | 0 | 0 | 205 | 80 |
| Assistant US Trustee | | 6 | O | 0 | 0 | 7 | 0 | 7 | 0 |
| Accounting and Budget (500-599) | 47 | 0 | 49 | - | 0 | 0 | 0 | 4 | - |
| Paralegals / Other Law (900-998) | 12 | 0 | 4 | 2 | 0 | 0 | ō | 4 | 7 |
| Attorneys (905) | 143 | 46 | 146 | 42 | - | 7 | 0 | 154 | 42 |
| Information & Arts (1000-1099) | 12 | 5 | 12 | 4 | 0 | 0 | 0 | 12 | 4 |
| Paralegal Specialist (0950) | - | co | 0 | 0 | 0 | <u> </u> | 0 | 0 | 0 |
| Business & Industry (1100-1199) | 28 | - | 56 | 0 | Ö | 0 | 0 | 78 | 0 |
| Library (1400-1499) | 8 | 6 | 꽃 | 4 | 0 | o | 0 | 34 | 4 |
| Equipment/Facilities Services (1600-1699) | _ | 0 | - | - | 5 | ō | ō | | - |
| Supply Services (2000-2099) | - 5 | 0 | 2 | 0 | 0 | 0 | 0 | 7 | - |
| Information Technology Mamt (2210-2299) | 4 | 0 | 4 | 0 | 0 | 0 | 0 | 4 | ٥ |
| Total | 295 | 08 | 571 | 68 | * | 14 | 0 | 586 | 68 |
| Headquarters Washington D.C. | 565 | 86 | 563 | 89 | 1 | 4 | 0 | 284 | 8 |
| US Fields | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Field | 2 | 0 | 2 | O | ō | 0 | Ö | 2 | 0 |
| Total | 587 | 00 | 571 | 89 | _ | 4 | ö | 586 | 68 |

J. Finance. Alysis of Program Changes

| Financial Analysis of Program Changes General Administration Salaties and Expenses |
|--|
|--|

| Grades | | Department | Department Leadership | | Interdov | ernmental Relat | Intergovernmental Relations & External Affairs | Affairs | Executiv | e Support and P. | Executive Support and Professional Respo |
|--|------------|-------------------|-----------------------------|-----------|-----------------------|-----------------|--|----------|------------|-------------------|--|
| | Ргоция | Prouram Increases | Program Decreases | Decreases | Program Increases | ncreases | Program Decreases | Jecroses | Program | Program Increases | Program D |
| | Direct Pos | Amount | Orect Pos | Amount | Orrect Pos | Amount | Direct Pos | Amount | Direct Pos | Amount | Direct Pos |
| 68:15 | 4 | 424 | | ° | - | 339 | ٥ | | | 223 | 0 |
| GS-13 | 0 | 0 | 0 | ٥ | 0 | Ö | 0 | 0 | 4 | 198 | 0 |
| Total Positions and Annual Amount | 4 | 454 | ō | ő | - | 339 | 0 | ٥ | 9 | 1.087 | 0 |
| (apse (·) | ۳ | 911. | o | Ö | ŏ | -95 | 0 | 0 | | .180 | 0 |
| 11 5 - Other personnel compensation | | o | | ō | | Ó | | 0 | | ٥ | |
| Total FTEs and Personnel Componsation | _ | 305 | Ö | • | 1 | 244 | 0 | 0 | 9 | 505 | ò |
| 12.1 - Civilian personnel benefits | | 119 | | 0 | | 88 | | ٥ | | 353 | |
| 21 0 - Travel and transportation of persons | | 15 | | o | | 20 | | ٥ | | 0 | |
| 25.3 - Other goods and services from federal sources | | 0 | | o | | ٥ | | 0 | | 475 | |
| 31.0 - Equipment | | Ö | | ٥ | | 15 | | ٥ | | 0 | |
| Total Program Change Requests | | 439 | o | ô | - | 374 | 0 | 0 | 8 | 1,735 | o |
| Grados | | ustice Magazin | Justice Management Division | 100 | Total Program Changes | m Changes | | | | | |
| | Program | Program Increases | Program Decreases | Decreases | | | | | | | |
| | Direct Pos | Amount | Direct Pos | Amount | Direct Pos | Amount | | | | | |
| 65-15 | 0 | 0 | 0 | ō | 7 | 986 | | | | | |
| 65-13 | ٥ | 0 | 0 | 0 | 7, | 864 | | | | | |
| Total Positions and Annual Amount | 0 | o | 0 | 0 | 14 | 1,850 | | | | | |
| (·) esaw) | 0 | 0 | 0 | 0 | .2 | -394 | | | | | |
| 11.5 - Other personnel companyation | | O. | | 0 | | 0 | | | | | |
| Total FTEs and Personnel Compensation | 0 | 0 | 0 | 0 | 12 | 1,456 | | | | | |
| 12 1 - Crylian personnel benefits | | ō | | c | _ | 567 | | | | | |
| 21 D . Travel and transportation of persons | | 0 | | 0 | | 35 | | | | | |
| 25.3 - Other goods and services from federal sources | | 497 | | 0 | | 972 | | | | | |
| 310-Equipment | | 0 | | ć | | 15 | | | | | |
| Total Program Change Requests | 0 | 497 | 0 | 0 | 12 | 3,045 | | | | | |

Summary of Requirements by Object Class

K. Summary of Requirements by Object Class

General Administration Salaries and Expenses (Dollars in Thousands)

| Oblact Class | FY 20 | FY 2014 Actual | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Request | Increas | Increase/Decrease |
|---|----------|----------------|--------|-----------------|--------|-----------------|---------|-------------------|
| ocasio toofao | Act. FTE | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | | | ᆵ | | ij | | ij | |
| 11.1 - Full-time permanent | 453 | 53,542 | 484 | 54,944 | 497 | 59,307 | 13 | 4,363 |
| 11,3 - Other than full-time permanent | 0 | 432 | 0 | 337 | 0 | 287 | _ | -20 |
| 11.5 - Other personnel compensation | 0 | 1,100 | 0 | 717 | 0 | 299 | 6 | 99- |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 - Special personal services payments | 0 | 22 | 0 | O | 0 | 0 | 0 | 0 |
| Total | 453 | 55,096 | 484 | 55,998 | 497 | 60,261 | 13 | 4,263 |
| Other Object Classes | | ! | | 1 | | 0 | - | 000 |
| 12.1 - Civilian personnel benefits | | 02L,CL | | 8/6,01 | | 795,02 | 5 6 | 200,0 |
| 13.0 - Benefits for former personnel | | 4 | | 2 | • | 0 | 57 | 7 |
| 21.0 - Travel and transportation of persons | | 290 | | 2,683 | | 2,694 | _ | - |
| 22.0 - Transportation of things | | 806 | | 2,700 | | 2,705 | _ | 2 |
| 23.1 - Rental payments to GSA | | 17,004 | | 18,094 | | 19,094 | 0 | 1,000 |
| 23.2 - Rental payments to others | | 816 | | 0 | | 0 | 0 | 0 |
| 23.3 - Communications, utilities, and miscellaneous charges | | 1,663 | | 2,008 | | 2,036 | _ | 28 |
| 24.0 - Printing and reproduction | | 92 | | 61 | | 62 | 0 | - |
| 25.1 - Advisory and assistance services | | 2,283 | | 1,565 | | 1,578 | _ | 13 |
| 25.2 - Other services from non-federal sources | | 4,287 | | 4,261 | | 3,395 | _ | 998- |
| 25.3 - Other goods and services from federal sources | | 3,892 | | 3,700 | | 3,749 | 0 | 49 |
| 25.4 - Operation and maintenance of facilities | | 0 | | 616 | | 616 | 0 | ô |
| 25.6 - Medical care | | 43 | | 0 | | 0 | 0 | 0 |
| 25.7 - Operation and maintenance of equipment | | 611 | | 0 | | 0 | _ | 0 |
| 26.0 - Supplies and materials | | 2,103 | | 2,218 | | 2,228 | 0 | 10 |
| 31.0 - Equipment | | 322 | | 617 | | 657 | 0 | 40 |
| 32.0 - Land and structures | | e e | | 0 | | 0 | 0 | 5 (|
| 42.0 - Insurance claims and indemnities | | 40 | | 0 | | ō | 0 | 0 |
| Total Obligations | | 104,942 | | 111,500 | | 119,437 | 0 (| 7,937 |
| Subtract - Unobligated Balance, Start-of-Year | | o | | 0 | | 5 (| 0 0 | 5 0 |
| Subtract - Transfers/Reprogramming | | 0 | | 57 | | 57 | 5 6 | 5 6 |
| Subtract - Recoveries/Refunds | | 0 | | 0 | | 5 | 5 | 5 |
| Add - Unobligated End-of-Year, Available | | 0 | | 0 (| | 57 | 5 6 | 5 6 |
| Add - Unobligated End-of-Year, Expiring | | 5,058 | | Ö | | 0 | 5 | ٦ |
| Total Direct Requirements | 0 | 110,000 | 0 | 111,500 | 0 | 119,437 | ٥ | 7,937 |
| Reimbursable FTE | , | | 00 | | a | | | |
| Full-1 ime Permanent | 141 | | 22 | | 17.5 | 1 | 5 | > |

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General Administration

Salaries and Expenses (Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

- 1. The Senate Report accompanying the FY 2015 Appropriations Act requires all agencies and departments funded under the Act to submit to the Committees on Appropriations, at the end of the fiscal year, a report containing a complete inventory of the total number of vehicles owned, permanently retired, and purchased during fiscal year 2015 as well as the total cost of the vehicle filed, including maintenance, fuel, storage, purchasing, and leasing. Target response date is September 30, 2015.
- 2. The Committee Report accompanying the FY 2015 Appropriations Act requires the Department to submit to the Committees on Appropriations, no later than 90 days after enactment, a plan on the implementation of a system that would allow for the tracking and reporting of all revenue collected by the Department for: (1) civil and criminal fines and penalties for the violation or alleged violation of Federal law, and (2) legal settlements reached between corporations and the Federal Government for the violation or alleged violation of federal law. Target response date is March 16, 2015.

U.S. Department of Justice FY 2016 PERFORMANCE BUDGET Congressional Justification

Justice Information Sharing Technology

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I. Overview

The FY 2016 Justice Information Sharing Technology (JIST) request is a total of \$37,440,000 and 45 positions. JIST funds the Department of Justice's enterprise investments in information technology (IT). As a centralized fund under the control of the Department of Justice Chief Information Officer (DOJ CIO), it ensures that investments in IT systems, cyber security, and information sharing technology are well planned and aligned with the Department's overall IT strategy and enterprise architecture. CIO oversight of the Department's IT environments is critical, given the level of staff dependence on the IT infrastructure and security environments necessary to conduct legal, investigative, and administrative functions.

In FY 2016, the JIST appropriation will fund the DOJ CIO's continuing efforts to transform IT enterprise infrastructure and cyber security, the Office of the CIO's performance of responsibilities under the Clinger-Cohen Act of 1996 and more recently the Federal Information Technology Reform Act (FITARA; P.L. 113-291), and the coordination of the Department's responses to information requests from the Office of Management and Budget (OMB). JIST will fund investments in IT infrastructure, cyber security infrastructure and applications, and financial management that support the overall mission of the Department and contribute to the achievement of DOJ strategic goals. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm

DOJ will continue its savings reinvestment strategy, enacted in the FY 2014 budget, which will support Department-wide projects. As a result, up to \$35,400,000 from components may be reprogrammed in FY 2016 to augment JIST resources to advance initiatives to transform IT enterprise infrastructure and cyber security.

II. Summary of Program Changes

| Item Name | Description | Pos. | FTE | Dollars (\$000) | Page |
|---|---|------|-----|--------------------|------|
| IT Transformation & Cyber Security (ITT&CS) | Implement cost efficient, enterprise infrastructure for shared services, storage, hosting, networking, facilities, and support that can be leveraged across the Department; and continue to address new and emerging cyber security threats and implement advance intrusion detection and response capabilities to counter advanced persistent threats. | 0 | 0 | \$4,074 | 18 |
| Digital Services | Fund the development of a DOJ Digital Service team that will be responsible for driving the efficiency and effectiveness of the agency's highest-impact digital services, in coordination with the U.S. Digital Service (USDS) which was launched in August 2014. | 0 | 0 | \$7,400 | 23 |
| Total | | 0 | 0 | \$11,474 | |

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

For necessary expenses for information sharing technology, including planning, development, deployment and departmental direction, [\$25,842,000] \$37,440,000, to remain available until expended: *Provided*, That the Attorney General may transfer up to \$35,400,000 to this account, from funds made available to the Department of Justice in this Act for information technology, to remain available until expended, for enterprise-wide information technology initiatives: *Provided further*, That the transfer authority in the preceding proviso is in addition to any other transfer authority contained in this Act.

Analysis of Appropriations Language

New language is proposed to make the component funds transferred to JIST available as no-year funds as opposed to one year funds.

IV. Program Activity Justification

A. Justice Information Sharing Technology - (JIST)

| JIST | Direct Pos. | Estimate FTE | Amount (\$000) |
|------------------------|-------------|-----------------|----------------|
| 2014 Enacted | 59 | 52 | 25,842 |
| 2015 Enacted | 45 | 45. | 25,842 |
| Adjustments to Base | | | 124 |
| 2016 Current Services | 45 | 45 | 25,966 |
| 2016 Program Increases | 0 | 0 | 11,474 |
| 2016 Request | 45 | 45 | 37,440 |
| Total Change 2015-2016 | 0 | 0 | 11,598 |

1. Program Description

JIST programs support the attainment of the Department's strategic goals by funding the Office of the CIO, which is responsible for the management and oversight of the Department's IT investments. The JIST appropriation supports the daily activities of the Department's agents, attorneys, analysts, and administrative staff, and funds the following programs to provide enterprise-wide, cost-effective IT infrastructure, cyber security applications, information sharing technologies, and a unified financial system.

a. IT Transformation and Cyber Security

The IT Transformation and Cyber Security (ITT&CS) Program is a long-term multiyear commitment that aims to transform IT by implementing shared IT infrastructure for the Department and shifting investments to the most efficient computing platforms, including shared services and next generation storage, hosting, networking, and facilities. The ITT&CS Program directly supports the Federal CIO's 25 Point Plan to Reform Federal IT Management and the Portfolio Stat (PSTAT) process, and aligns the Department's IT operations with the Federal Data Center Consolidation and Shared First Initiatives. Work on these initiatives began in FY 2012 and continues. The program consists of the following projects: cyber security, e-mail consolidation, data center consolidation, mobility and remote access, and desktops.

b. Public Key Infrastructure/HSPD-12

The Public Key Infrastructure (PKI) program is DOJ's Identity Management Services Program, which consolidates several related cyber security initiatives by developing enterprise architecture policies, plans, best practices, and standards for HSPD-12 and the Federal Identity, Credential, and Access Management (ICAM) segment architecture investments; implementation of Federal ICAM across the network fabrics as identified in the National Strategy of Information Sharing and Safeguarding (NSISS) Priority Objective #4; program management and implementation support of Committee on National Security Systems (CNSS) initiatives;

and related IT improvements across DOJ. This program provides the planning, training, operational support, and oversight of the HSPD-12 Personal Identification Verification card (PIVCard) deployment process, and operates the ongoing centralized system for DOJ component employees and contractors.

The PIVCard is the centerpiece of the HSPD-12 solution being implemented government-wide. Standards set by the National Institute of Standards and Technology (NIST) are the basis for satisfying identification and security requirements and for the use of a common PIVCard to achieve both logical and physical access to Federal-controlled facilities and information systems. The PIVCard contains logical elements including PKI certificates, digital photos, and fingerprint biometrics. The PIVCard and related processes greatly enhance security, increase efficiency, reduce identity fraud, and protect personal privacy.

The PKI program serves as DOJ's departmental issuer of PIVCards, which is a mandatory element of the Department's compliance with government standards that will allow crossagency secure communications. Additionally, the program serves as the primary governing body for DOJ compliance and implementation of the Federal ICAM Initiative. This includes the development and implementation of enterprise services required to use PIVCards (e.g., validation services, federation services, and virtual directory and attribute services); as well as coordination and execution of agency and sub-agency ICAM implementation plans. Compliance with the Federal ICAM will ensure that value is derived from the HSPD-12 PIVCard investment through increased security of agency facilities and information assets.

c. Law Enforcement Information Sharing Program

The Law Enforcement Information Sharing Program (LEISP) represents a strategic approach to sharing data with other DOJ components, other federal agencies, and partners at the state, local, and tribal levels. LEISP is an executive oversight program that provides the lynchpin for connecting several ongoing projects within key DOJ components under a common set of goals and objectives, and ensures compliance with applicable DOJ policies and memoranda that include, but are not limited to, data sharing, privacy, and technologies. LEISP-related database application systems enable state, local, and federal law enforcement agencies nationwide to collect, share, and analyze law enforcement information on criminal activities and separately, in a more tightly controlled environment, to share and analyze sensitive intelligence data.

d. Policy, Planning and Oversight

Office of the CIO - DOJ IT Management: JIST funds the Office of the CIO and the Policy & Planning Staff (PPS), which supports CIO management in complying with the Clinger-Cohen Act, the recent Federal Information Technology Reform Act (FITARA; P.L. 113-29), and other applicable laws, rules, and regulations for federal information resource management. The CIO has staff providing IT services in the Department's Working Capital Fund (WCF). As such, the OCIO is responsible for ensuring the delivery of services to customers, developing operating plans and rate structures, producing customer billings, and conducting the day-to-day management duties of the CIO. Within OCIO, PPS develops, implements, and oversees an

integrated approach for effectively and efficiently planning and managing DOJ's information technology resources, including the creation of operational budget plans for JIST and the WCF accounts, and the monitoring of the execution of funds against those plans throughout the fiscal year.

PPS staff is responsible for IT investment management including portfolio, program and project management. The investment management team manages the Department's IT investment and budget planning processes; develops and maintains the Department's general IT program policy and guidance documents; and coordinates the activities of the DIRB, the CIO Council, and the newly-established Department Program Review Board (DPRB), for the Department CIO. Other responsibilities include managing the Department's Paperwork Reduction Act program, coordinating IT program audits, and ensuring IT program compliance with records management, accessibility (508), and other statutory requirements. In addition, PPS performs valuation management, which assesses and scores both value and risk to select and compare IT investments as part of the overall portfolio management.

Enterprise IT Architecture: Enterprise IT Architecture (EA) monitors and ensures compliance with OMB and Government Accountability Office (GAO) enterprise architecture requirements; advises the CIO on strategic priorities; and works to drive these priorities to implementation. To achieve these objectives, the chief enterprise architect undertakes/monitors IT strategic planning; documents the Department-wide EA and performs EA governance/coordination across the Department; supports investment reviews DIRB and Information Technology Investment Management (ITIM)); and develops detailed architectures for Department-wide segments, such as information sharing, in collaboration with key stakeholders from across the Department. EA also works with various cross-government programs to represent the Department on issues which affect IT architecture, such as Green IT and information sharing.

Chief Technology Officer: The Chief Technology Officer (CTO) identifies, evaluates, and facilitates the adoption of innovative new technologies that can result in significant increased value for the Department. The CTO goal is to create partnerships with DOJ components in the exploration of new technologies by progressing through requirements, concepts, design, component sponsorships and prototyping that eventually result in enhanced operational systems for use across the Department.

Enterprise Radio Communications (Program Office): The Department's CIO maintains oversight and strategic planning responsibility for DOJ's use of wireless spectrum and the related technologies that enable radio and other wireless communications. The JIST OCIO staff is responsible for performing the following functions for the Department's radio/wireless program:

Strategic Planning: The Program Office staff works with the law enforcement
components and represents the Department in the National Telecommunication and
Information Administration (NTIA), White House, and other external entities on issues
related to spectrum auctions, and the resulting impact on DOJ wireless operations. They
advise the DOJ executive leadership on spectrum relocation and related wireless topics

including the Public Safety Broadband Network (PSBN). The staff also develops common wireless strategies for the Department, and coordinates with other Federal, State, Local and Tribal law enforcement partners on procurements, platform sharing and technical innovations.

- Spectrum Management: Serves as the Department representative to the NTIA and other federal agencies to coordinate all national and international radio frequency (RF) spectrum use on behalf of DOJ. This coordination includes evaluating thousands of spectrum use requests by other agencies for potential impact on DOJ operations, selecting appropriate frequencies for the domestic and foreign deployment of RF equipment during peacetime and emergency situations, as well as reviewing and updating the approximately 24,000 DOJ-wide plans for spectrum relocation as a result of spectrum auctions.
- Oversight/Liaison/Coordination: The staff provides oversight and investment
 guidance to the Department's wireless communications efforts, ensuring component
 equities are maintained and strategic objectives are met through the administration of the
 Wireless Communications Board (WCB).

e. Unified Financial Management Systems

The Unified Financial Management System (UFMS) is one of the Department's highest management priorities. Identified by the Department's Inspector General as "one of the most important challenges for the Department," the Department is implementing UFMS to replace legacy financial systems. This allows the Department to streamline and standardize business processes and procedures across all components as well as provide accurate, timely, and useful financial and procurement data to financial and program managers. In addition, UFMS assists the Department by improving financial management performance and aids in addressing the material weaknesses and non-conformances in internal controls, accounting standards, and systems security identified by the Department's Inspector General.

UFMS currently serves over 8,000 users from six DOJ organizations – Drug Enforcement Administration (DEA), Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the U.S. Marshals Service (USMS), Asset Forfeiture Program (AFP), Federal Bureau of Investigation (FBI), and the Federal Bureau of Prisons (BOP). The BOP uses only the acquisitions module at this point.

The final FBI implementation of UFMS went live nationwide as the financial system of record during the first quarter of FY 2014 with a total of 3,000 users. The FBI implementation was completed on schedule and within budget as with the other UFMS implementations. The UFMS Consolidation project, which was completed in March of FY 2014, consisted of two parts. Part 1 was a technical refresh of the Momentum application, which incorporates new federal data requirements and ensures compatibility with newer technology. Part 2 consisted of migrating sensitive but unclassified (SBU) customers to the newer version (UFMS 2.2) and transitioning DEA from UFMS 1.1 to the shared instance of UFMS, which will reduce operational costs and reduce risk. All SBU customers now operate on the same instance and codeline.

Going forward, the Department anticipates migrating the remaining users of the Financial Management Information System (FMIS) to the shared UFMS SBU environment. These consist of the Offices, Boards and Divisions (OBD), Grants organizations, and BOP financials. Initial planning for the migrations began in FY 2014 and two of the smaller OBDs will go live in FY 2016.

2. Performance Tables

| | 11 | _ | | | | | | | | I | | | l'''' | |
|---------------------------------|--|--|-------------------|---|---------------------|---|---|-------|--------------------|---|---|--|--|--|
| | | | Requested (Total) | FY 2016 Request | \$000 | 37,440 [1,379] | FY 2015 Request | \$000 | 37,440 [1,379] | 100% | %66 | %66 | %001 | %5% |
| | | | Regue | FY 20 | FTE | 45 | FY 20 | :::B | ל, 5 | | | | | |
| | | States | Changes | Current Services Adjustments and FY 2016 Program Change | \$000 | 11,598 [-3,257] | Current Services Adjustments and FY 2016 Program Change | \$000 | 11,598 [-3,257] | N/A | N/A | N/A | N/A | N/A |
| | | | - | Cun Adjus 2016 P | O FTE | 0 | Cur Adjus 2016 P | FTE | 0 | | | | | |
| PERFORMANCE AND RESOURCES TABLE | | ne United | Projected | FY 2015 | \$000 | 25,842 [4,636] | FY 2015 | \$000 | 25,842 [4,636] | 100% | %66 | %66 | %001 | 85% |
| | | sts of th | Pro | β¥ | Fre | 45 | FΥ | FTE | 45 | _ | | | - | - |
| | JIST) | the interc | Actual | FY 2014 | \$000 | 25,842 [20,301] | FY 2014 | \$000 | 25.842 [20,301] | 100% | %00 | %66 | %00% | 85% |
| | ology (| al fisc and defend the | 4 | Œ | FTE | 34 | È | FTE | 34 | | | | | |
| | ng Techn | | arget | FY 2014 | \$000 | 25.842 [9.900] | FY 2014 | 000\$ | 25,842 [9.900] | %001 | %66 | %66 | %001 | 85% |
| RMA | Shari | ederal | Target | <u>.</u> | FTE | 52 | FY 20 | FTE | 32 | | | | | |
| PERFOR | Decision Unit: JMD/OCIO/Justice Information Sharing Technology (JIST | DOJ Strategic Goal/Objective: 2.6 Protect the federal fisc and defend the interests of the United States | ES | | and FTE | (reinbursable FTE are included, but reimbursable costs are bracketed and not included in the total) | PERFORMANCE | | | Percentage of offenders booked through JABS | Maintam mainframe enterprise system availability for client organizations | Maintain JMD/SMO JCON system availability for client organizations | Ensure IT systems are certified and accredited | Ensure IT help desk calls are answered and resolved within service level agreement terms |
| | Decision Un | DOJ Strateg | RESOURCES | | Total Costs and FTE | (reimbursable FTE are includ and not included in the total) | TYPE/ STRATEGIC OBJECTIVE | | Activity | Performance Measure | Performance Measurc | Performance Measure | Performance Measure | Performance Measure |

| _ | PERFORMANCE MEASURE TABLE | ABLE | | | | | | | |
|------------------------|--|---------------|----------------|---------------|-------------|-------------|-----------|---------|---------|
| | Decision Unit: JMD/OCIO/Justice Information Sharing Technology (JIST) | e Information | ι Sharing Te | chnology (JE | šT) | | | | |
| | DOJ Strategic Goal/Objective: 2.6 Protect the federal fise and defend the interests of the United States | Protect the | federal fisc a | and defend th | e interests | of the Unit | ed States | | |
| Performance Repor | Performance Report and Performance Plan Targets | FY 2010 | 1.Y 2011 | FY 2012 | FY 2013 | <u> </u> | FY2014 | FY 2015 | FY 2016 |
| | | Actual | Actual | Actual | Actual | Target | Actual | Target | Tarret |
| Performance Measure | Percentage of offenders booked through JABS | %86 | %86 | , %66 | %001 | %001 | 700% | %00I | 100% |
| Performance Measure | Maintain inainframe enterprise system availability for client organizations | %66 | %001 | °,4001 | %001 | %66 | %001 | %66 | %0t |
| Performance Measure | Maintain JMD/SMO JCON system availability for client organizations | %66 | %66 | %66 | %66 | %66 | %66 | %66 | %66 |
| Performance Measure | Ensure IT systems are certified and accredited | %001 | 100% | %001 | 100% | 100% | 100% | 100% | %001 |
| Performance Measure | Ensure IT help desk colls are answered and resolved within service level agreement terms | 75% | %06 | 86% | 85% | 85% | %58 | 85% | %58 |

3. Performance, Resources, and Strategies

a. Performance Plan and Report for Outcomes

JIST programs support the Department's Strategic Goals by providing staff the enterprise IT infrastructure and security environments necessary to conduct legal, investigative, and administrative functions. Specifically, JIST supports Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States. The FY 2014 – FY 2018 Strategic Goals are:

- Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law.
- Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law.
- Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels.

JIST provides resources so that the DOJ CIO can ensure that investments in IT infrastructure, cyber security infrastructure and applications, central solutions for commodity applications, secure communications, and information sharing technology are well planned and aligned with the Department's overall IT strategy and enterprise architecture. The Portfolio Stat (PSTAT) process, along with the commodity team structure and process, has identified investment initiatives to transform IT infrastructure which will drive efficiency and cost savings by centralizing the delivery of commodity IT services across the enterprise. The DOJ CIO focus is to advance these initiatives to transform IT enterprise structure and cyber security.

Major IT investments are periodically reviewed by the Department IT Investment Review Board (DIRB). The Deputy Attorney General chairs the board, and the DOJ CIO serves as vice chair. The DIRB includes the Assistant Attorney General for Administration, the Controller, and various Deputy CIOs.

The DIRB provides the highest level of investment oversight as part of the Department's overall IT investment management process. The Department's IT investments are vetted annually through the budget submission process, in conjunction with each component's Information Technology Investment Management (ITIM) process. The DIRB's principal functions in fulfilling its decision-making responsibilities are to:

- Ensure compliance with the Clinger-Cohen Act, the Federal Information Technology Reform Act, and all other applicable laws, rules, and regulations regarding information resources management;
- Monitor the Department's most important IT investments throughout their project lifecycle to ensure goals are met and the expected returns on investment are achieved;

- Ensure each project under review has established effective budget, schedule, operational, performance, and security metrics that support the achievement of key project milestones;
- Review the recommendations and issues raised by the components' IT investment management process;
- Annually review each component's IT investment portfolio, including business cases for new investments, to enable informed departmental IT portfolio decisions; and
- Develop and implement decision-making processes that are consistent with the purposes of the DIRB, as well as applicable congressional and OMB guidelines for selecting, monitoring, and evaluating information system investments.

In addition to the DIRB, the Deputy Attorney General in October 2014 established the Department Program Review Board (DPRB) made up of key Department level and component executives that will monitor and support major and high visibility IT projects and services, as well as evaluate IT budget enhancement requests, among other responsibilities. The DPRB will directly support the responsibilities of the DIRB, and its governance structure addresses key IT management tenets included in FITARA. The Department contributes to the Federal IT Dashboard that allows management to review various aspects of major initiatives. The Dashboard includes Earned Value Management System (EVMS) reporting to ensure projects are evaluated against acceptable variances for scope, schedule, and costs. Risk analysis and project funding information are also available in this tool. This allows the Department's CIO and senior management team to have timely access to project information via the web.

JIST provides resources for the executive secretariat functions of the DOJ CIO Council, the principal internal Department forum for addressing DOJ information resource management priorities, policies, and practices. JIST resources also operate the DOJ IT Intake process through which commodity IT purchases are reviewed against architectural, procurement, and vendor management standards.

In FY 2014 the Department established a Vendor Management Office (VMO), which provides centralized guidance and prioritization for the Department's decentralized strategic sourcing and commodity purchasing initiatives, utilizing the buying power of the entire Department. The VMO has a broad representation from procurement, legal services, IT and various business units that helps reduce costs and optimize value. The VMO will lead and assist in the analysis of procurement data and strategies; become the central repository of enterprise procurement vehicles; identify and communicate internal and industry best practices; provide expertise to assist in pricing analysis, procurement strategies and negotiations; and communicate with strategic external vendors, component partners and other government agencies.

b. Strategies to Accomplish Outcomes

Specific mission critical IT infrastructure investments are designed, engineered, and deployed with JIST resources.

- The IT Transformation and Cyber Security Program is a long-term multi-year commitment to transform the Department's IT enterprise infrastructure to centralize commodity IT services and cyber security. Work on this program began in FY 2012 and continues. The program currently consists of the following projects:
 - 1. E-mail and Consolidation: Departmental email consolidation is a long-term multi-year effort that began in FY 2012 with the consolidation of small email systems and the planning activities for a Department-wide email system. The initial phase of this project reduced the number of departmental non-classified email systems from 22 to 9 at its completion at the end of FY 2014. In addition, new and enhanced collaboration functionality will be introduced to participating components in FY 2015. The long-term goal of the program is to reduce the number of email systems as much as possible and provide enhanced enterprise messaging tools for the Department. The Department continues to evaluate and analyze non-classified email systems to minimize costs and maximize business value. In FY 2016, DOJ plans to consolidate additional components into an enterprise email solution model and is also exploring options to migrate Agency email systems to a Cloud Service Provider (CSP) in order to further gain efficiencies and strategic value.
 - 2. Data Center Consolidation: The goals of this project are to optimize and standardize IT infrastructure to improve operational efficiencies and agility; reduce the energy and real property footprint of DOJ's data center facilities; optimize the use of IT staff and labor resources supporting DOJ missions; and enhance DOJ's IT security posture. These goals will be achieved by reducing the number of DOJ data centers to three core data centers; leveraging cloud and commodity IT services; and migrating data processing to these locations and services with appropriate service agreements. DOJ has identified two FBI owned data centers and one DEA leased data center as facilities that will serve as DOJ Core Enterprise Facilities (CEF). The Department has closed 53 data centers since 2010, and plans to close 11additional data centers in FY 2015. Activities will continue in FY 2015 to close the Justice Data Center in Dallas by September 30, 2015. Planning activities for the transition and closure of the Justice Data Center in Rockville, MD will begin October 2016.
 - 3. Cyber Security: The primary focus of this project is the prevention and detection of insider and advanced cyber threats. The Department will continue to develop and implement enterprise trusted infrastructure and architecture to provide secure and resilient systems and networks, enhanced auditing, robust data management and access control that will safeguard Department information and ensure data availability.
 - 4. Mobile Services: The long term goal for mobile services is to enable employees to work outside of the office. In FY 2013/14, the Department conducted market research, collaborated with key components on research pilots, evaluated devices and device management systems, overhauled mobile contracts, implemented an enterprise mobile infrastructure platform for iOS and Android mobile phones, and began to set up broker services for service delivery. During this time, the Department renegotiated and consolidated over 40 mobile contracts into six

contracts – three of which are enterprise contracts that offer competitive rates for devices and carrier services, resulting in a cost savings for the Department of \$4.1 million per year. The infrastructure platform includes remote access services that provide secure VPN access to DOJ data.

In FY 2015/16, the department will expand mobile phone services into a comprehensive mobile solution that will include mobile laptops, tablets, and other devices, with productivity tools and apps, to provide the user with increasingly secure remote access to DOJ data. Future capabilities may include PIV card access to replace the need for multiple passwords, enterprise Lync messaging capability for mobile devices, collaboration tools for remote meetings and file sharing, enterprise WiFi, as well as emerging technologies not yet known. On the service delivery side, planned activities include the acquisition of enterprise shared services for inventory management of mobile assets, mobile application management, mobile device management, mobile content management, and expanded support for the DOJ App Catalog.

5. Desktops, Laptops, Printers and Helpdesk: The short-term goal of this project is to understand DOJ metrics for Desktop, Laptops, Printers and Helpdesk. This includes all hardware, software and personnel costs, cost per user, cost per device, and cost per helpdesk ticket. This will help inform and improve strategic sourcing for desktops, laptops, and printers including establishing strategy, funding models, policy, and evaluations of architectures and solutions. Funding will be used in developing an enterprise/Virtual Desktop Infrastructure (VDI) strategy.

The FY 2016 JIST budget continues to include language to provide the Attorney General with additional transfer authority for reinvestment in DOJ enterprise-wide IT initiatives (up to \$35.4 million). This reinvestment funding will provide for smart IT investments, and will allow the Department's CIO to pool purchasing power across the entire organization to drive down costs and improve service for Department-wide initiatives. The strategy strikes the right balance between empowering the component CIOs, while at the same time giving the Department CIO central authority over Enterprise IT investments.

• The Public Key Infrastructure/Identity Management Program develops the enterprise architecture standards for identity management and provides planning, training, operational support, and oversight of the HSPD-12 Personal Identification Verification card (PIVCard) deployment process for DOJ component employees and contractors. It also serves as the primary governing body for DOJ compliance and implementation of the Federal Identity, Credential, and Access Management (ICAM) infrastructure. The PKI program serves as DOJ's departmental issuer of PIVCards, which is a mandatory element of the Department's compliance with government standards that will allow cross-agency secure communications. The card and related processing will become integral for encrypting sensitive data, remote processing and telework, and automating workflows and authorizations (electronic signatures). Perhaps more significantly, the PKI program also engineers, implements, operates, and maintains critical technology infrastructure used by all DOJ components to allow PIVCard login to desktop and laptop computers, as well as mobile devices.

- Additional technology infrastructure support provided to DOJ components by the program includes enabling technologies for identity data management, digital signing, application multi-factor authentication and more.
- The Law Enforcement Information Sharing Program (LEISP) represents a strategic approach to sharing data with other DOJ components, other federal agencies, and partners at the state, local, and tribal levels. LEISP-related database application systems enable state, local, and federal law enforcement agencies nationwide to collect, share, and analyze law enforcement information on criminal activities and separately, in a more tightly controlled environment, to share and analyze sensitive intelligence data. LEISP develops and promotes information sharing architectural standards and services for connecting ongoing projects within key DOJ components, under a common set of goals and objectives, and ensures compliance with applicable DOJ policies and memoranda that include, but are not limited to, data sharing, privacy, and technologies.

V. Program Increase

Item Name: IT Transformation and Cyber Security

Strategic Goal & Objective: Support Strategic Goals 1 - 3

Budget Decision Unit(s): JIST

Program Increase: Positions 0 FTE 0 Dollars \$4,074.000

A. Description of Item

The increase of \$4, 074,000 (all non-personnel) will continue to fund the IT Transformation and Cyber Security Program (ITT&CS) initiated in FY 2013 to:

- Implement the Federal CIO's 25 Point Plan to Reform Federal IT Management by implementing a cost-efficient enterprise IT infrastructure using infrastructure building blocks and IT systems that can be leveraged across the Department;
- Protect the Department against current and emerging cyber security threats by implementing security infrastructure to address insider threats and advanced persistent attack (APT) threats and upgrading the Department's trusted infrastructure.

The ITT&CS Program is a long-term multiyear effort to move the Department from its highly federated IT model to a more leveraged architecture and footprint and to protect the Department's networks from current and emerging cyber security threats.

1. Cyber Security

The Cyber Security and Insider Threat Program is aimed at protecting the Department against current and emerging cyber security threats by implementing security infrastructure to address insider threats and advanced persistent attack (APT) threats and upgrading the Department's trusted infrastructure.

It is a multiyear effort to protect the Department's networks from current and emerging cyber security threats. The cyber security threat directed toward the Department is not static; it is a dynamic threat with the scope, number, and complexity of cyber attacks changing and expanding. To effectively counter a changing and evolving cyber security threat, the Department must quickly address new threats and continually monitor, evaluate, and plan defenses against emerging threats that present near-term risk and potential loss.

The immediate cyber security risk facing the Department is insider threats and APT undertaken by large private/criminal organizations or nation state sponsored groups. The Department must continue work to consolidate and secure sensitive but unclassified (SBU) and classified networks to improve its overall security posture.

a. Insider Threat

The 2010 WikiLeaks incident, the 2012 Snowden incident, and other recent data leakage occurrences highlight the fact that insider threats pose one of the greatest risks to government information systems. Employees are trusted with sensitive and/or classified information and there is often little oversight or security governing that access. Implementing strong, flexible, and scalable measures to prevent insider attacks from succeeding is vital.

In February 2014, the Attorney General issued DOJ Order 0901 addressing Insider Threat. The Order establishes the Department's Insider Threat Program and the approach for identifying, deterring, and mitigating such threats. Of primary concern are the control and monitoring of removable media, insider threat behavior monitoring and detection, and prevention of data leaks on all sensitive and classified information systems.

To counter insider threats, the increase may be used to implement a defense plan and acquire and implement hardware infrastructure and software tools to monitor, detect, and respond to insider threats.

b. Advanced Persistent Threat (APT)

APT is a sophisticated and organized cyber-attack to access and steal information from compromised computers. These attacks are usually initiated by large private/criminal organizations or groups sponsored by nation states. The occurrence of APT attacks against the federal government, including the DOJ, is increasing.

APT intruders have malicious code (malware) that circumvents common safeguards such as anti-virus and intrusion detection systems and are capable of escalating their tools and techniques as our capability to respond improves. Therefore, the APT attacks present different challenges than addressing common computer security breaches.

New monitoring technologies such as host-based monitoring and signature detection technologies are critical to successfully identifying malicious activity that hides in routine network traffic or lies dormant until it is required to maintain access to the network. These technologies will allow the Justice Security Operations Center (JSOC) to identify malware often missed while monitoring networks. Without the implementation of these advanced technologies, DOJ will not know if it has been targeted by an APT which increases the risk of sensitive data loss and results in significant amounts of JSOC time wasted to conduct tactical remediation in an effort to understand the extent of a security compromise.

To effectively protect the networks and data, the Department's security architect and infrastructure must specifically take APTs into account. Next-generation software can provide advanced analytics of data which look for network or host based anomalies that will help uncover any attack or malware that may have slipped through the Department's security perimeter.

2. IT Transformation

The transformation of enterprise IT to a cost effective building block infrastructure is a multiyear program aimed toward implementing the shared IT infrastructure for the Department and shifting investment to the most-efficient computing platforms, including shared services and next generation storage, hosting, networking, and facilities. These infrastructure building blocks will facilitate modernizing and consolidating the Department's IT infrastructure by aligning the Department's IT operational requirements with the Federal Data Center Consolidation and Shared First Initiatives.

a. Data Center Consolidation

The Data Center Transformation Initiative (DCTI) is a multiyear effort to move the Department from its highly federated IT model to a more leveraged architecture and footprint. The Department has identified 3 Core Enterprise Facilities (CEFs) to provide data center services. The existing Justice Data Centers in Dallas (JDC-D) and Washington (JDC-W) will be closed in support of the Department's consolidation efforts. The JDC-D facility is planned for closure in September 2015 and JDC-W closure planning will commence in October 2015. Consolidation of core IT services into three facilities will significantly improve DOJ's data center efficiency and improve IT security. Current data centers were built using older power, heating and cooling models. The new data centers will incorporate third generation technologies to decrease cost and improve efficiency. Physical and information security will be improved through consolidation by reducing the number of people with physical access to equipment, placing it in more secure facilities, and consolidating equipment through virtualization. Virtualized hardware requires fewer machines to receive OS and security patches, thereby reducing possible vulnerabilities.

DOJ's core IT infrastructure is currently located at 57 remaining data centers, providing approximately 225,000 square feet of floor space for IT equipment, using 18 disparate component-run architectures. These inefficiencies arise in all aspects of the data center, from infrastructure, power consumption, labor, maintenance and physical and IT security. As a result, consolidation efforts must address the inefficiencies that exist as well as prepare the government to meet future mission demands.

The Federal Data Center Consolidation Initiative (FDCCI) mandates that the Department consolidates data centers and optimizes infrastructure to meet environmental, budget, and performance targets established for the federal enterprise. On May 11, 2012 OMB issued memo M-12-12 Promoting Efficient Spending to Support Agency Operations which provided practical guidance enforcing Presidential EO13589 Promoting Efficient Spending. While the mandate from OMB is clear in this area, DOJ leadership along with the CIO Council agrees with the need to consolidate infrastructure and has actively embraced the concept by closing 53 data centers to date and plans to close 11 and 9 additional data centers in FY 2015 and 2016, respectively. It has also begun to focus efforts on consolidating one of the Department's largest legacy data centers by the end of FY 2015. By shutting down and consolidating under-performing data centers and

optimizing our 3 Core Enterprise Facilities, we stand to save taxpayers millions of dollars and curb spending on underutilized infrastructure.

B. Justification

The ITT&CS Program is aimed toward implementing innovative and cost-efficient infrastructure models and enhancing the Department's security posture by implementing cyber security architecture and infrastructure to counter new and emerging cyber threats. Implementation of the infrastructure building-block model will reduce the cost of the Department's IT operations and facilitate further savings by consolidating data centers. It will strengthen the Department's capabilities to address new and emerging threats, ensure the protection of sensitive data, and facilitate the availability of networks and data so the Department's staff can securely conduct legal, investigative and administrative functions. The ITT&CS Program is a long-term multiyear effort that will significantly transform IT and cyber security infrastructures resulting in reduced operating costs and a more secure IT environment.

C. Impact on Performance

The Department's ability to achieve its strategic goals depends heavily on its IT and cyber security infrastructure to support its agents, attorneys, analysts, and administrative staff in conducting legal, investigative and administrative functions. The complexity of the mission, challenging business environment, and increasing need for collaboration are factors driving investments in IT.

To meet mission investigative and information sharing requirements, DOJ's agents, attorneys, and analysts are increasingly reliant on connectivity to the Internet, other DOJ components and multiple levels of government. The ITT&CS increase will allow the Department to address weaknesses in the current network and security architecture supporting the Department. This will not only improve the overall security of the network, but will improve the administration and monitoring of the network. Secure and resilient systems and networks will provide DOJ's agents, attorneys and analysts with the necessary IT tools to efficiently and effectively accomplish their missions.

Funding

Base Funding

| | ₽¥ | 2014 E | nacted . | in in | FY | 2015 En | acted + | 社党法 | FY 20. | 6 Curre | nt Services |
|-----|------|--------|----------|-------|------|---------|---------|-----|--------|---------|-------------|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| | atty | | | | atty | | | | atty | | |
| 5 | 0 | 2 | \$8,749 | 5 | 0 | 4.5 | \$9,046 | 5 | 0 | 5 | \$9,129 |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------|--|-------------------------------------|-------------------------------|--|--|
| 1 | \$0 | 0 | \$0 | \$0 | \$0 |
| Total Persennel | \$0 | 0 , | \$ 0 | \$0 | \$0 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--|-----------|----------|-------------------------------|---|---|
| Total Non- Personnel (Software and Contractor Support) | | | \$4,074 | \$2,100 | \$2,100 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 45 | 0 | 45 | \$725 | \$8,404 | \$9.129 | \$0 | \$0 |
| Increases | 0 | 0 | 0 | \$0 | \$4,074 | \$4,074 | \$2,100 | \$2,100 |
| Grand Total | 45 | 0 | 45 | \$725 | 25 \$12,478 \$13,203 \$2,100 | | \$2,100 | \$2,100 |

Affected Crosscuts

The Cyber Security and National Security crosscuts will be affected by this request.

VI. Program Increase

Item Name: Digital Services

Strategic Goal & Objective: Support Strategic Goals 1 - 3

Budget Decision Unit(s): JIST

Program Increase: Positions 0 FTE 0 Dollars \$7,400,000

A. Description of Item

The increase of \$7,400,000 will fund the development of a DOJ Digital Service team in FY 2016. This Digital Service team will be responsible for driving the efficiency and effectiveness of the agency's highest-impact digital services. It will coordinate with the U.S. Digital Service (USDS) which was launched in August 2014. The USDS's main goal is to institutionalize the approach that salvaged and saved Healthcare.gov and apply it to government work to avoid similar incidents by setting standards, introducing a culture of technological accountability, and figuring out common technology patterns that can be replicated across agencies.

B. Justification

The success rate of government digital services is improved when agencies have digital service experts on staff with modern digital product design, software engineering, and product management skills. This funding will enable the Attorney General and his Deputy Secretary to build a DOJ Digital Service team that will focus on transforming the Department's digital services so they are easier to use and more cost-effective to build and maintain, with the greatest impact to citizens, communities, and organizations.

These digital service experts will bring private sector best practices in the disciplines of design, software engineering, and product management to bear on the Department's most important services. The positions will be term-limited, to encourage a continuous influx of up-to-date design and technology skills into the agency. The digital service experts will be recruited from among America's leading technology enterprises and startups, and will join with the Department's top technical and policy leaders to deliver meaningful and lasting improvements to services to citizens, communities, and organizations.

C. Impact on Performance

The Department's ability to achieve its strategic goals depends heavily on its IT capability to support its agents, attorneys, analysts, and administrative staff in conducting legal, investigative and administrative functions. In addition, IT facilitates public access to non-sensitive government data. The DOJ Digital Service team in cooperation with USDS is expected to improve digital services development and delivery.

The DOJ Digital Service team will be supported by the U.S. Digital Service which is "charged with removing barriers to exceptional Government service delivery and remaking the digital experiences that citizens and businesses have with their Government" The U.S. Digital Service will be a "centralized, world-class capability...made up of our country's brightest digital talent" The USDS was a pilot project in FY 2014 and formally launched in August 2014. Since standing up, this small OMB team has worked in collaboration with Federal agencies to implement cutting edge digital and technology practices on the Nation's highest impact programs, including the successful re-launch of HealthCare.gov in its second year, which led to millions of Americans receiving health coverage; the Veterans Benefits Management System; online visa applications, green card replacements and renewals; among others. In addition to their work on these high priority projects, this small team of tech experts has worked to establish best practices (as published in the U.S. Digital Services Playbook at playbook.cio.gov) and to recruit still more highly skilled digital service experts and engineers into government. The goal is to amplify the team's influence by setting standards, introducing a culture of technological accountability, and figuring out common technology patterns that can be replicated across agencies.

Funding

Base Funding

| 建 品型 | FY. | 2014 Er | nacted | | FY. | 2015 En | acted | | FY 201 | 6 Curre | nt Services |
|-------------|------|---------|---------|-----|------|---------|---------|-----|--------|---------|-------------|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| | atty | | | | atty | | | | atty | | |
| 0 | 0 | 0 | \$0 | 0 | 0 | 0 | \$0 | 0 | 0 | 0 | \$0 |

Personnel Increase Cost Summary

| Type af:Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) | |
|-------------------------|--|-------------------------------------|-------------------------------|--|--|--|
| | \$0 | 0 | \$0 | \$0 | \$0 | |
| Total Personnel | \$0 | 0 | \$ 0 | \$0 | \$0 | |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------|-----------|----------|-------------------------------|---|---|
| Total Non- Personnel | | | \$7,400 | \$0 | \$0 |

¹ Federal CIO Steve VanRoekel's testimony before the Senate's Homeland Security Committee in May 2014

² Op.cit.

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 0 | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Increases | 0 | 0 | 0 | \$0 | \$7,400 | \$7,400 | \$0 | \$0 |
| Grand Total | 0 | 0 | 0 | \$0 | \$7,400 | \$7,400 | \$0 | \$0 |

Summan, ... Requirements
JIST
Salaries and Expenses
(Dollars in Thousands)

| | FY 2 | FY 2016 Request | |
|--------------------------------------|------------------|-----------------|--------|
| 2014 Enarted | Direct Positions | FTE | Amount |
| Total 2014 Enacted | 58 | 34 | 25,842 |
| | 59 | ह | 25,842 |
| 2015 Enacted | | | |
| Total 2015 Enanciari | 45 | 45 | 25,842 |
| | 45 | 45 | 25,842 |
| Base Adjustments | | | |
| Pay and Benefits | | | |
| Total Base Adjustments | 0 | 0 | 124 |
| Total Technical and Base Adjustments | - | 0 | 124 |
| 2016 Current Services | 0 | 0 | 124 |
| Program Changes | 45 | 45 | 25,966 |
| Increases: | | | |
| Digital Services Team | | | |
| IT Transformation and Cybersecurity | 0 | ō | 7,400 |
| Subtotal, Increases | - | ō | 4.074 |
| Total Program Changes | - | 0 | 11,474 |
| 2016 Total Request | 0 | o | 11,474 |
| 2016 Balance Rescussion | 45 | 45 | 37,440 |
| 2016 Total Request | | | 0 |
| 2015 - 2016 Total Chance | 45 | 45 | 37,440 |
| | - | C | 4. 000 |

Note. The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

Exhibit B - Sur ary of Requirements

Summary of Requirements

B. Summary of Requirements

| | e 2016 Current Services | - | Pos. | 124 45 45 25 96 | 7 | Cr. | 124 25,96 | 45 | | 45 | | | |
|---|--|---------------------------|--------|-----------------|--------------|--------------|------------------|----|------------------|----|--|--|--|
| | 2016 Technical and Base Adjustments | E Amount | | 0 | - | 5 | | ō | | 0 | | | |
| | Technic Adjust | Est. FT | | | L | | | | | | | | |
| | 2016 | Direct Est. FTE | 3 | 0 | - | 1 | | | | | | | |
| ises . ds) | ted | Amount | 0.0 | 25,842 | 25.842 | 25,842 | 20,042 | | | | | | |
| Salaries and Expenses (Dollars in Thousands) | 2015 Enacted | Direct Est FTE | | 40 | 45 | | 1 | 40 | 707 | 42 | | | |
| Salaries (Dollars | | Direct | 1 | 40 | 45 | | | | | | | | |
| | cted | Amount | 25 040 | 750,047 | 25,842 | 25 842 | 2 | | | | | | |
| | 2014 Enacted | Direct Actual Pos. FTF | | | 34 | | 16 | 5 | 70 | | | | |
| | | Direct Pos. | 40 | | 29 | | | | Ī | | | | |
| | Program Activity | | JIST | | Total Direct | Total Direct | Total Direct FTF | | Grand Total, FTE | | | | |

25,966 25,966 25,966

| | | 2016 increases | eases | 7 | 2016 Non-Recurs | (ecurs | L | 2016 Request | uest |
|--|----------------|-------------------------|--------|--------|-----------------------|--------|--------|-----------------|--------|
| Program Activity | Direct Pos. | Direct Est. FTE Pos. | Amount | Direct | Direct Est FTE Pos | Amount | Direct | Direct Est. FTE | Amount |
| JIST | 0 | 0 | 11 474 | | c | | 14 | 1 | 27 440 |
| Total Direct | 0 | 0 | 11 474 | - | 0 | | ? ! | | 04,440 |
| Staf Direct with Besciesion | | | | 2 | 2 | | 5 | 43 | 37,440 |
| The state of the s | | | 11,4/4 | | | 0 | _ | | 37,440 |
| Fotal Direct F E | | 0 | | | 0 | | | 45 | |
| Party Table | | | | | | | | 0 | |
| Startd Total, FIE | | 6 | | | 0 | | | 45 | |
| | | | | | | | | | |

C. Program Changes by Decision Unit

FY 2016 Program Changes by Decision Unit

Salaries and Expenses (Dollars in Thousands)

| | Location of | | | JIST | | | | Total In | Total Increases |
|-----------------------------------|-------------|----------------|-----|------------------------------------|--------|----------------|-------|--------------------------------|-----------------|
| Tioglan Hotelases | Narrative | Direct Pos. | Agt | Direct Agt/ Est. FTE Pos. Attv. | Amount | Direct Pos. | Agt./ | Direct Agt/ Est FTE Pos. Atty. | Amount |
| IT Transformation & Cybersecurity | 18 | 0 | 0 | 0 | 4.074 | O | Φ | 0 | 4,074 |
| Digital Services | 23 | 0 | 0 | 0 | 7,400 | 0 | 0 | 0 | 7,400 |
| Total Program Increases | | 0 | 0 | 0 | 11,474 | 0 | • | • | 11,474 |

Resources by Department of Justice Strategic Goal/Objective JIST Salanes and Expenses (Oatas in Thousands)

D. Resources by DOJ Strategic Goal and Strategic Objective

| Stretonic Goal and Stratonic Objective | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 Curres | 2016 Current Services 2016 Increases | 2016 l | ıcreases | 2016 No | 2016 Non-Recurs 2016 Total Request | 2016 To | tal Request |
|--|--------|--------------|---------|--------------|-------------|--------------------------------------|--------|---------------|---------|------------------------------------|---------|-------------|
| מיייינים בייייים מייייים מיייים מייים מיייים מייים מיים מייים מייים מייים מייים מייים מייים מייים מייים מייים מי | Direct | Direct | Direct/ | Direct | Direct | Direct | | Direct Direct | Direct | Direct Direct | Direct | Direct |
| | | Amount | Reimb | Amount | Reimb FTE / | Amount | | Amount | Reimb | Amount | Reimb | |
| | FTE | | FTE | | | | HE. | | FTE | | FTE | |
| Goal 2 Prevent Crime, Protect the Rights of the American | | | | | | | | | | | | |
| People, and enforce Federal Law | | _ | | | | | | | | | | |
| 2.6 Protect the federal fisc and defend the interests of the | | | | | | | | | | | | |
| United States. | 34 | | 45 | | 45 | 25.986 | 0 | 11,474 | c | ٥ | 0 | 37,440 |
| Subtotal, Goal 2 | 3 | 25,842 | 54 | 25,842 | 45 | 25,966 | 0 | 11,474 | 0 | Ō | 0 | 37,440 |
| TOTAL | 34 | 25,842 | 45 | 25,842 | 45 | 25,986 | 0 | 11,474 | 0 | ٥ | 0 | 37,440 |

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Light Between Secretarion (Nation of Departments)

| | | | | г |
|--|-------------|--------------|--------|-----|
| | Direct Pos. | Estimate FTE | Amount | |
| | | | | 7 |
| 2016 EV 18 request provides for a proposed 1.3 percent pay rates to be effective in January of 2015. The amount request, \$99.000, represents the pay amounts for 34 of the facts year plus appropriate benefits (\$55.980 for pay and \$13,110 for benefits). | | | | |
| Annestation of 2015 Per Cager. This pay anualization represents first quarter amounts (October through December) of no 2015 pay increaso of 1 DM included in the 2015 Appropriator The amount requested \$ 22,000, represents the pay amounts for 114 of the focust year plus appropriate benefits \$ 16,940 for pay and \$ 5,060 for benefits). | | | 65 | |
| Chands in Commensable, Danz. The Acressad cost for one nove compensable day a FY 2016 (262) compared to FY 2015 (261) is celculated by dividing the FY 2015 estimated personnel compensablen 5.5,713 and applicable benefits 8 1,318 by 261 compensable days. | | | 22 | |
| EERS Rooubul aw Entrecement Reliterant Contractor. Effective October 1, 2015 FY 2016, the new agency controlled on 13.2% fup from the current 11.3%, or an increase of 13.%) and 28.8% for taw enforcement personnel (up from the current 26.3%, or an increase of 23.%). The annount requested, \$ 6,000, represents the funds necessar in increase. | | | 72 | |
| Subtotal. Pay and Benefits | | | 124 | |
| TOTAL DIRECT BASE ADJUSTMENTS | | 0 | 12 | 147 |

Exhibit F - Crosswalk of 2014 Availability

Crosswalk of 2014 Availability
JIST
Salaries and Expenses
(Dolars in Thousands)

F. Crosswalk of 2014 Availability

| Program Activity | | FY 2014 Enacted | Pa | Carryover | Recoveries/ Refunds | ." | 2014 Availability | |
|----------------------------|------------|-----------------------|--------|-----------|------------------------|-------------------------------|-------------------|--------|
| | Direct Pos | Direct Pos Estim, FTE | Amount | Amount | Amount | Amount Direct Pos. Estim. FTE | Estim. FTE | Amount |
| TSIC | 59 | g | 25,842 | 15,367 | 1,197 | 59 | 34 | 42,406 |
| Total Direct | 59 | 3 | 25,842 | 15,367 | 1,197 | 59 | 34 | 42,406 |
| Reimbursable FTE | | 0 | | | | | 0 | |
| Total Direct and Remb, FTE | | 34 | | | | | ¥ | |
| Grand Total, FTE | | 34 | | | | | 34 | |

Carryover: JIST has direct carryforward of \$15,367,000. Recoveries/Refunds:
JIST recoveries consist of direct actual recoveries in the amount of S1, 196,982.

Exhibit G - Crosswalk of 2015 Availability

Crosswalk of 2015 Availability JIST Salaries and Expenses (Dobars in Thousands)

G. Crosswalk of 2015 Availability

| Program Activity | | FY 2015 Enacted | | Carryover | Recoveries/ | 20. | 2015 Availability | |
|----------------------------|-------------|------------------------|--------|-----------|-------------|----------------------|-------------------|--------|
| 4.0 | Direct Pos. | Direct Pos. Estim. FTE | Amount | Amount | Amount | Direct Pos Estim FTE | Estim FTE | Amount |
| ופוס | 45 | 45 | 25.842 | 7 521 | += | AR | 700 | |
| Total Direct | 45 | AK | 25.842 | 7 594 | 200 | | 2 | 20,33 |
| Reimburgable CTE | | | 40,046 | 170' | 150,5 | 45 | 45 | 36,994 |
| Total Direct and Reimh FTF | | 0 ; | | | | | o | |
| | | Ç. | | | | | 45 | |
| Grand Total, FTE | | 46 | | | | | | |
| | | C+7 | | | | | 45 | |
| | | | | | | | | |

Carryover: JIST has direct carrytoward of \$7,521,217.

Recoveries/Refunds:
Joist recoveries consist of direct actual recoveries in the amount of \$2,860,408 and anticipated recoveries in the amount of \$77,1026.

Exhibit H - Summary of Reimbursable Resources

Summary of Reimbursable Resources
JIST
Salaries and Expenses
(Dollars in Thousands)

H. Summary of Reimbursable Resources

| | | 2014 Actual | tual | | 2015 Planned | paul | | 2016 Request | uest | Ē | Increase/Decrease | crease |
|-----------------------------------|--------|-------------|--------|--------|--------------|--------|-----|--------------|--------|-------|-------------------|--------|
| Collections by Source | Reimb. | <u>"</u> _ | Amount | Reimb. | Reimb | Amount | اۃا | Reimb | Amount | Reimb | Reimb | Amount |
| | Pos | FTE | | Pos | FTE | | Pos | FTE | | Pos | FTE | |
| EOUSA | | | 425 | | | 120 | | | 589 | | | -469 |
| FBI | | | 1,754 | | | 4.377 | | | 0 | | | 4 377 |
| GA/Assistant Attorney General for | | | | | | | | | , | | | 10.1 |
| Administration | | | 281 | | | 0 | | | 0 | | | c |
| Interpol | | | 39 | | | 0 | | | o | | | C |
| JMD/ ITSS PMO | | | 283 | | | 0 | | | 0 | | | 0 |
| JMD/ JCON S | | | 67 | | | 0 | | - | 70 | | | C |
| JMD / Budget | | | 9.236 | | | 0 | | | C | | | · C |
| JMD / SEPS | | | 551 | | | O | | | 554 | | | 554 |
| JMD/ OCIO | | | 515 | | | 0 | | | 0 | | | |
| JMD/ OCIO / OSS | | | 155 | | | 0 | | | 236 | | | 3.236 |
| JMD/ OCIO / Finance Management | _ | | | | | | | | | | | |
| Services | | | 357 | | | 138 | | | C | | | 138 |
| dro | | | 438 | | | 0 | | | Ö | | | |
| OMB | | | 73 | | | 0 | | | 0 | | | C |
| OPM | | | 119 | | | 0 | | | 0 | | | C |
| WWO | | | 6,007 | | | 0 | | | 0 | | | C |
| Budgetary Resources | 0 | 0 | 20,301 | 0 | 0 | 4.636 | 0 | 0 | 1.379 | 0 | c | 3 257 |

Exhibit I - Details of Permanent Positions by Category

Detail of Permanent Positions by Category

1. Detail of Permanent Positions by Category

| Salaries and Expenses | (Dollars in Thousands) | |
|-----------------------|------------------------|--|
| | | |

| | | | | | | A STATE OF THE PERSON NAMED IN COLUMN NAMED IN | The second name of | - | 20000 |
|--|------------|--------------|-------------------------|--------------|------|--|--------------------|---------------------------|--------------|
| Category | 2014 E | 2014 Enacted | 2015 훈 | 2015 Enacted | | | 2016 Request | | |
| | Direct Pos | Reimb. Pos. | Direct Pos. Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct Total Reimb. | Total Reimb. |
| Security Specialists (080) | 0 | 0 | 7 | 0 | 0 | 10 | 0 | | O |
| Clerical and Office Services (300-399) | 49 | 0 | 10 | 0 | . 0 | 0 | 0 | 10 | C |
| Accounting and Budget (500-599) | - | 0 | - | 0 | Ö | 0 | C | | Č |
| Business & Industry (1100-1199) | - | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| Information Technology Mgmt (2210) | 52 | 0 | 33 | 0 | 0 | 0 | 0 | 33 | 0 |
| Total | 59 | o | 45 | 0 | 0 | 0 | 0 | 45 | 0 |
| Headquarters (Washington, D.C.) | 59 | Ô | 45 | 0 | 0 | 0 | 0 | 45 | 0 |
| Total | 69 | ō | 45 | 0 | 0 | 0 | 0 | 45 | 0 |

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes
JIST
Salares and Expenses
(Cottan in Proceaute)

| | TSIC | | | |
|--|--------------------------------------|------------------|-----------------------|-----------|
| | IT Transformation & Cybersecurity | Digital Services | Total Program Changes | m Changes |
| | Direct Pos. | Amount | Direct Pos | Amount |
| 25. 1 Advisory and Assistance Services | 1.996 | 3,626 | | 5.622 |
| 25 2 Olher Services from Non-Federal Sources | 489 | 888 | | 1377 |
| 25.3 Other Goods and Services from Federal Sources | 1.589 | 2,886 | | 4,475 |
| Total Program Change Requests | 4,074 | 7,400 | 0 | 11,474 |

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class JIST Salarie JIST Salaries and Expenses (Ooldars in Thousands)

| Priect FTE Amount Direct Amount Direct Amount FTE Amount FTE Amount Direct Amount Direct Amount Direct Amount FTE Amount | | 2014 / | 2014 Actual | 2015 | 2015 Availability | 2016 | 2016 Request | Increase | Increase/Decrease |
|---|---|------------|-------------|---------------|-------------------|--------|--------------|----------|-------------------|
| Outces 13 | Object Class | Direct FTE | Amount | Oirect FTE | Amount | Direct | Amount | Direct | Amount |
| ous Charges Outces O | 11.1 Full-Time Permanent | 34 | 4.523 | 1 | 5.652 | - | 6 178 | | 526 |
| ources | 11.3 Other than Full-Time Permanent | 0 | 18 | | 0 | | | | 3 |
| Ources 1, 4, 60, 2, 4, 60, 2, 4, 6, 7, 7, 3, 4, 6, 7, 7, 3, 4, 6, 7, 7, 3, 4, 6, 7, 7, 3, 7, 7, 9, 7, 9, 7, 9, 7, 9, 7, 9, 7, 9, 7, 9, 7, 9, 7, 9, 7, 9, 9, 9, 9, 9, 9, 9, 9, 9, 9, 9, 9, 9, | 11.5 Other Personnel Compensation | 0 | 61 | 0 | 61 | | 61 | 0 | 0 |
| ous Charges | Overtime | ō | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Outs Charges 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Other Compensation | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 0 |
| 1,440 4,602 45 5,713 45 6,239 1,442 1,688 871 1,442 1,688 871 1,688 689 689 1,172 1,234 10,334 5,889 1,172 1,324 10,334 5,889 1,172 1,324 10,334 5,889 1,172 1,324 10,334 5,889 1,172 1,324 1, | 11.8 Special Personal Services Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ous Charges ous Charges outces 1,698 1,698 1,698 1,698 1,698 1,19 1,19 1,19 1,17 1,19 1,1 | | 34 | 4,602 | 45 | 5,713 | | 6,239 | | 526 |
| Total 1,442 1,698 871 16 16 16 16 16 16 16 16 16 16 16 16 16 1 | her Object Classes | | | | | | | | |
| ous Charges outces o | 12.1 Civilian Personnel Benefits | | 1,442 | | 1,698 | | 871 | | -827 |
| Ources Charges | 13.0 Benefits for former personnel | | 0 | | | | 0 | | 0 |
| 12, 25 25 25 25 25 25 25 25 25 25 25 25 25 | 21.0 Travel and Transportation of Persons | | 16 | | 16 | | 16 | | 0 |
| ous Charges 689 689 689 689 689 689 689 689 689 689 | 22.0 Transportation of Things | | 25 | | 25 | | 25 | | o |
| our Charges 689 689 689 689 689 689 689 689 689 689 | 22.1 Kental Payments to GSA | | 715 | | 719 | | 717 | | -2 |
| Outces | 23.2 Rental Payments to Others | | 19 | | 19 | | 19 | | Ô |
| ources 3.0614 11,720 2.0614 1.0,834 11,720 2.0614 2.888 5.659 2.433 0.7344 0.0018 2.0014 0.00 | 23.3 Communications, Utilities, and Miscellaneous Charges | | 689 | | 689 | | 689 | | 0 |
| ources 12,324 10,834 11,720 11 | 24.0 Printing and Reproduction | | 0 | | c | | • | | |
| ources 9,960 10,351 5,859 6,924 | 25.1 Advisory and Assistance Services | | 12.324 | | 10.834 | | 11 728 | | 888 |
| ources 9950 10,351 9,243 ources 10,351 9,243 ources 2,310 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 25.2 Other Services from Non-Federal Sources | | 3,061 | | 2.888 | | 5,859 | | 2.971 |
| ions (15.367) (1.97) (2.10) (1.97) (1 | 25.3 Other Goods and Services from Federal Sources | | 9,950 | | 10,351 | | 9,243 | | -1,108 |
| tons 10 10 10 10 10 10 10 10 10 1 | 25.4 Operation and Maintenance of Facilities | | 0 | | 0 | | 0 | | |
| ions (1.197) \$ (7.521) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | | • | 0 | | 0 | | ō | | 0 |
| ions 34,885 36,994 37,440 5 (7,521) | 25.5 Medical Care | - | 0 | | 0 | | 0 | | 0 |
| ations (15.367) (15.27) (15.37 | 25.7 Operation and Maintenance of Equipment | | 973 | | 973 | | 973 | | 0 |
| ations 159 159 159 159 159 159 159 159 159 159 | 25.8 Subsistence and Support of Persons | | 0 | | 0 | _ | 0 | | 0 |
| ## 10 | 25.0 Supplies and Materials | | 159 | | 159 | | 159 | | 0 |
| ations at 15.367) \$ (7.521 | 31.0 Equipment | | 910 | | 2,910 | | 910 | | -2,000 |
| ations 5 (15.367) \$ (7.521) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 32.0 Land and Structures | | 0 | | 0 | | 0 | | 0 |
| ations 34,886 36,994 37,440 \$ (15,367) \$ (7,521) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 41.0 Grants, Subsidies, and Contributions | | 0 | | 0 | | 0 | | C |
| 34,886 36,994 37,440 \$ (15,367) \$ (7,521) 0 0 \$ (1,197) \$ (3,531) 0 0 1,521 0 0 2,621 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 42.0 Insurance Claims and Indemnities | | ō | | 0 | | - | | • |
| \$ (15.367) \$ (7.521) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Total Obligations | | 34,885 | | 36,994 | | 37.440 | | 446 |
| \$ (1,197) \$ (3631) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Subtract - Unobligated Balance, Start-of-Year | | _ | | \$ (7.521) | | | | 7 521 |
| \$ (1,197) \$ (3,631) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Subtract - Transfers/Reprogramming | | 0 | | | _ | 0 0 | | |
| 7,521 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Subtract - Recovenes/Refunds | | | | | | · C | | 3 631 |
| Remulrements | Add - Unobligated End-of-Year, Avaitable | | | | | | | | 3 |
| 077 20 27 CYC 27 | Add - Unobligated End-of-Year, Expiring | | 0 | | 0 | | 0 | | 0 |
| 37,4401 | Total Direct Requirements | 34 | 25,842 | 45 | 25.842 | 45 | 37,440 | - | 11.598 |

JIST

Status of Congressionally Requested Studies, Reports, and Evaluations

- information systems. There is no due date associated with this report, although the Department chain risk assessment prior to the obligation of any funds on high-impact or moderate-impact Continuing Appropriations Act (P.L. No. 113-235), directs the Department to submit a supply The Conference Report associated with the FY 2015 Omnibus; Consolidated and Further will work to complete this requirement in a timely manner.
- employees. The Department is working towards a response date of February 15, 2015 for this Continuing Appropriations Act (P.L. No. 113-235), adopts by reference a requirement for the The Conference Report associated with the FY 2015 Omnibus; Consolidated and Further otherwise respond to such attacks; and the cybersecurity policies and procedures in place, Department to submit an annual report to the Committee describing any cyber attacks and attempted cyber attacks and their consequences; the steps taken to prevent, mitigate or including policies about ensuring safe use of computer and mobile devices by individual

FY 2016 Congressional Budget Submission

Administrative Review and Appeals

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1. Overview of the Executive Office for Immigration Review

A. Introduction

Budget Summary: The Executive Office for Immigration Review (EOIR) requests a total of \$481,873,000 in direct budget authority, including 2.138 permanent positions and 1,739 full time equivalents (FTE). The request is offset by \$4.000,000 to be transferred to EOIR from the Department of Homeland Security's (DHS) Immigration Examination Fee Account.

The request includes program increases totaling \$124,262,000 and 345 positions (55 Immigration Judges, 43 Attorneys, and 247 Immigration Court Support Staff) and 173 FTE to address the large volume of pending cases, provide sufficient support to the Immigration Judge Corps and the Board of Immigration Appeals (BIA), improve information and data sharing with DHS, and continue to improve efficiencies in immigration court proceedings.

EOIR continues to strategically assess current caseload volumes, trends, and geographic concentration of cases and adjusts resource allocations accordingly to ensure that mission requirements are met at the lowest possible cost to the U.S. taxpayer. In addition, EOIR continues discussions with DHS to gauge the impact of enforcement activities on the immigration courts and BIA to adjust dockets and resource allocations accordingly. These discussions combined with the proposed program increases will allow EOIR to effectively manage its caseload. The FY 2016 budget request is a result of these assessments and provides the appropriate resources to continue the execution of EOIR's mission into the future.

EOIR's Mission and Strategic Objective: Under the delegated authority from the Attorney General, EOIR conducts immigration court proceedings, appellate reviews, and administrative hearings on behalf of the Department of Justice. The mission of EOIR is to provide the timely and uniform interpretation and application of immigration law, ensuring due process and fair treatment for all parties involved.

Organization of EOIR: EOIR operates Immigration Courts in 58 locations throughout the country. EOIR employees assigned to Immigration Courts perform the majority of the immigration proceedings conducted by the EOIR. Immigration judges report to the Chief Immigration Judge.

EOIR Headquarters, located in Falls Church, VA, provides centralized operational, policy, and administrative support to EOIR immigration proceedings and programs conducted throughout the U.S. Under the direction of the EOIR Director and Deputy Director, this support is provided by:

• The <u>Board of Immigration Appeals (BIA)</u>, which hears appeals of immigration judge decisions and certain decisions of officers of the Department of Homeland Security (DHS). The BIA decisions are binding on immigration judges and all DHS officers unless modified or overruled by the Attorney General or a federal court. Through precedent decisions, the BIA provides guidance to immigration judges, DHS, and the general public on the proper interpretation and administration of the immigration laws and regulations.

- The Office of the Chief Immigration Judge (OCI), which oversees the administration of 58 immigration courts located throughout the United States and exercises administrative supervision over EOIR employees assigned to those courts. The OCIJ develops policies and procedures for immigration proceedings throughout the immigration court system. In addition, the Chief Immigration Judge carries out these responsibilities with the assistance of Deputy and Assistant Chief Immigration Judges, a Chief Clerk's Office, a Language Services Unit, and other functions that coordinate management and operation of the immigration courts.
- The Office of the Chief Administrative Hearing Officer (OCAHO), which adjudicates cases involving illegal hiring and employment eligibility verification violations ("employer sanctions"), document fraud and employment discrimination under the Immigration and Nationality Act. The OCAHO is headed by a Chief Administrative Hearing Officer (CAHO) who provides overall program direction, articulates policies and procedures, establishes priorities, and administers the hearing process presided over by Administrative Law Judges (ALJs). The CAHO also reviews decisions and orders issued by OCAHO ALJs in employer sanctions and document fraud cases, and may modify, vacate or remand those decisions and orders.

A number of other Headquarters offices also provide EOIR-wide mission support:

- The Office of the Director includes the Office of Legal Access Programs (OLAP), which
 oversees various programs and initiatives aimed at increasing access to legal services and
 information for indigent and low income individuals and improving the effectiveness of
 the agency's adjudication processes. These programs include the Legal Orientation
 Program (LOP), Legal Orientation Program for Custodians of Unaccompanied Children
 (LOPC), and the National Qualified Representative Program (NQRP).
 - The LOP is designed to assist detained individuals in making better informed decisions earlier in their immigration court proceedings, thereby improving access to basic legal services, especially for indigent and low income individuals while increasing the efficiency of the court hearing and detention processes. Currently, the LOP operates at 31 sites, serving roughly 50,000 individuals per year. Nongovernmental organizations carry out the LOP under contract with EOIR. These organizations work closely with local Immigration and Customs Enforcement (ICE) and EOIR personnel to provide group and individual orientations, self-help workshops, and pro bono referral services to detained individuals. EOIR has found the LOP to significantly reduce the average duration of individuals' detained removal proceedings before the immigration court as well as decrease their overall length of time spent in DHS detention.
 - The <u>LOPC</u> objectives are to improve the appearance rates of non-detained children at their immigration court hearings, and increase access to legal and other services in order to protect children from mistreatment, exploitation and trafficking. The LOPC currently operates in 14 cities, and served over 12,000 custodians in FY 2014 for children who were released from the Department of Health and Human Services' Office of Refugee Resettlement (ORR) custody and scheduled for immigration court hearings. The LOPC also operates the national LOPC call center to provide LOPC scheduling assistance as well as basic legal information to custodians of children who cannot attend a live LOPC. 8 U.S.C. 1232(b)(4).

- The National Qualified Representative Program (NQRP) was created to carry out part of the Department's new nationwide policy to provide enhanced safeguards and procedural protections to unrepresented immigration detainees with indicia of mental incompetence. The NQRP provides Qualified Representatives (e.g. attorneys or accredited representatives) to represent detained individuals found incompetent to represent themselves. As with the LOP and LOPC, EOIR contracts with non-governmental organizations to administer these services. The NQRP is currently operating in immigration courts located in Washington, California and Arizona, and is in the process of being implemented nationwide.
- The Office of the General Counsel (OGC) provides legal advice on a wide variety of matters involving EOIR and its employees in the performance of their official duties. OGC staff handle employee labor relations issues for the agency, review and prosecute complaints involving attorney misconduct, coordinate and respond to requests for assistance involving immigration fraud, coordinate the development of agency regulations and forms, provide litigation support to U.S. Attorneys, the Office of Immigration Litigation, and the Solicitor General's Office, coordinate inter-agency activities and respond to all Freedom of Information and Privacy Act requests.
- The <u>Administration Division</u> provides administrative and financial management support in the areas of appropriations, budget, contracts, financial management, human resources, procurement, and property management for all EOIR employees.
- The Office of Planning, Analysis, and Technology conducts EOIR's strategic and long-range planning, as well as maintains a focus on the outcome of such planning through monitoring the agency's annual performance plans. OPAT is responsible for the production of statistical reports, program analysis, and reporting on the mission-critical goals and objectives established by EOIR's senior management. In addition, OPAT oversees the design, development, operations, and maintenance of the complete range of information technology systems supporting EOIR's day-to-day operations.
- The <u>Office of Management Programs</u> manages several special emphasis and compliance programs, including Security, Legislative and Public Affairs, and Space and Facilities Management. OMP also oversees the planning and development of new activities in response to management proposals from the Director of EOIR, the Department of Justice, the White House, and other government authorities.

B. Adjudication of Immigration Cases

Immigration Court Proceedings Overview: The Department of Homeland Security (DHS) initiates virtually all cases before the Immigration Courts by charging an individual with potential grounds of removability and issuing a Notice to Appear (NTA) in Immigration Court. Section 240a of the Immigration and Nationality Act (INA) (8 U.S.C. 1229a).

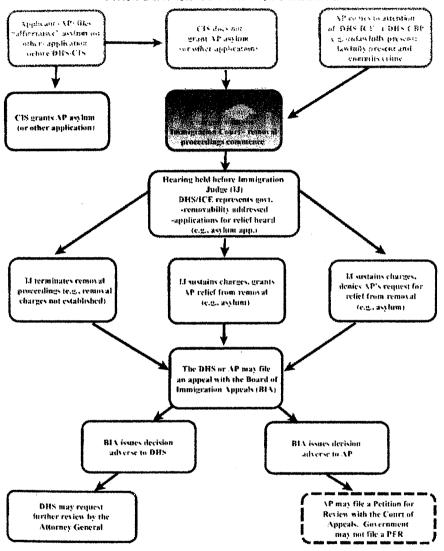
Immigration judges are responsible for conducting formal immigration court proceedings and act independently in deciding the matters before them. In removal proceedings, immigration judges determine whether an individual from a foreign country (an alien) should be allowed to enter or remain in the United States or should be removed. Immigration judges also have jurisdiction to consider various forms of relief from removal. If the immigration judge finds the individual to be removable, as charged, the individual can then request several different forms of relief from

removal such as asylum and withholding of removal (including protection under the Convention Against Torture), cancellation of removal, voluntary departure, or other forms of relief from removal. Immigration judge decisions are administratively final unless appealed or certified to the Board of Immigration Appeals (BIA).

Some removal proceedings are conducted in prisons and jails as part of the Institutional Hearing Program. In coordination with DHS and correctional authorities in all 50 states, Puerto Rico, the Commonwealth of the Northern Mariana Islands, the District of Columbia, selected municipalities, and Federal Bureau of Prisons facilities, immigration judges conduct hearings to adjudicate the immigration status of alien inmates while they are serving sentences for criminal convictions.

The following flowchart details examples of paths to and through removal proceedings.

EXAMPLES OF PATHS TO AND THROUGH REMOVAL PROCEEDINGS



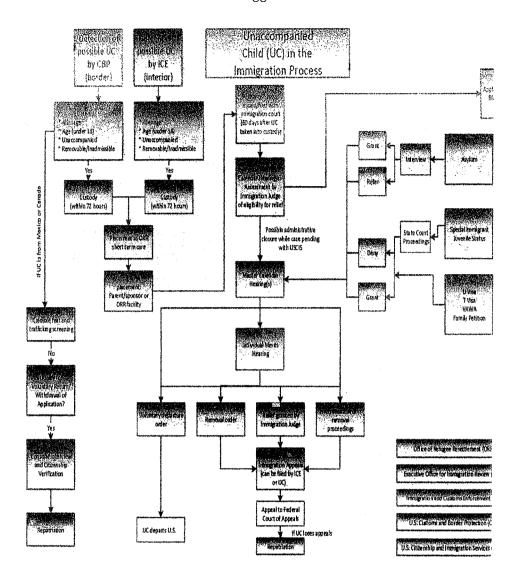
Asylum and Credible Fear: Under section 208(a) of the Immigration and Nationality
Act, the Attorney General may, in his discretion, grant asylum to an alien who qualifies
as a "refugee." Generally, this requires that the asylum applicant demonstrate an inability
to return to his or her home country because of past persecution or a well-founded fear of

future persecution based upon his or her race, religion, nationality, membership in a particular social group, or political opinion. However, an alien may be ineligible for asylum under certain circumstances, including having failed to file an asylum application within an alien's first year of arrival in the United States, being convicted of an aggravated felony, or having been found to be a danger to national security. An immigration judge hears an applicant's claim and also hears any concerns about the validity of the claim that are raised by the DHS, Immigration and Customs Enforcement attorney, who represents the U.S. government in immigration court. The immigration judge adjudicates each case individually, on the evidence provided and in accordance with immigration law, to determine whether the applicant is eligible for asylum and merits a grant of asylum. If an applicant is ineligible for asylum, an immigration judge determines whether the applicant is eligible for any other form of relief or protection from removal. If an applicant is ineligible for any relief or protection from removal, an immigration judge will deny the application and order the applicant removed from the United States. If the alien or DHS disagrees with the immigration judge's decision, either party or both parties may appeal the decision to EOIR's appellate component, the Board of Immigration Appeals (BIA). If the alien disagrees with the BIA's ruling, the alien may file a petition for review (an appeal) with a federal circuit court of appeal.

Immigration law mandates that aliens who arrive at a U.S. port of entry without travel documents or who present fraudulent documents must be detained and placed in expedited removal proceedings. The expedited removal process allows DHS immigration inspectors to remove certain aliens from the United States without placing them in removal proceedings. During the expedited removal process: 1) Aliens who express a fear of persecution or torture receive a "credible fear" interview with a USCIS asylum officer or 2) Aliens previously removed from the United States who express a fear of persecution or torture receive a "reasonable fear" interview with a USCIS asylum officer. USCIS asylum officers refer aliens who are found to have a credible fear to EOIR for removal proceedings. During their removal proceedings, they may apply for asylum under 208 of the INA, withholding of removal relief under 241(b)(3) of the INA, or Convention Against Torture (CAT) protections. When the USCIS asylum officer finds that an alien does not have a credible fear or reasonable fear of persecution or torture, the alien may request that an EOIR immigration judge review that finding. The immigration judge's credible fear review must be done within 24 hours if possible, but no later than 7 days following the USCIS asylum officer's negative determination. The immigration judge's reasonable fear review must be done within 10 days after the USCIS asylum officer refers the negative decision to the immigration court. If the immigration judge upholds the USCIS asylum officer's decision, the expedited removal order is upheld and the alien is removed. If the immigration judge overturns the USCIS asylum officer's decision, the alien is placed in removal proceedings, or if the case emanated from a reasonable fear determination, the alien is placed in withholding-only proceedings. Individuals placed in withholding-only proceeding may apply for withholding of removal under 241(b)(3) of the INA, or Convention Against Torture protections. Sections 208, 235, 240, and 241 of the INA (8 U.S.C. 1158, 1225, 1229a, and 1231(b)(3)) and 8 CFR §§ 1208 et seq., 1235.6, and 1240 et seq.

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Unaccompanied Children (UC): Unaccompanied children (UC) are placed in immigration proceedings when DHS files an NTA with the immigration court, generally after the child is placed with an appropriate sponsor (custodian) or in the long-term care of the Department of Health and Human Services' (HHS) Office of Refugee Resettlement (ORR). This allows the child's case to begin in the immigration court location where the child will be residing and to avoid delays due to changes in venue. Cases involving unaccompanied children are placed on the court's juvenile docket. All immigration courts have arranged for specialized juvenile dockets, which consolidates these cases for master calendar hearings. Thirty-nine immigration courts are actively hearing such cases on these dockets. Unaccompanied children cases involving recent border crossers are currently scheduled for a first master calendar hearing within 21 days of the immigration court's receipt of the Notice to Appear. Dockets involving such cases are also being adjusted so that judges can give appropriate continuances, irrespective of whether docket time is available on a given date. The cases generally proceed under the laws that apply to adults, but judges employ their training to take into consideration the special vulnerabilities and needs of children. EOIR provides specialized training to immigration judges who are expected to hear cases involving juveniles. In addition, the Office of the Chief Immigration Judge has issued an Operating Policies and Procedures Memorandum that deals exclusively with the handling of cases involving unaccompanied children. Pursuant to section 208(b)(3)(C) of the INA, the immigration proceedings of unaccompanied children who seek asylum protection in the United States are administratively closed and the case is transferred to the U.S. Citizenship and Immigration Services Asylum Program for adjudication in the first instance. Homeland Security Act of 2002, sections 208 and 240 of the INA (8 U.S.C. 1158 and 1229a, and 8 U.S.C.S. 1232 et seg.). The following flowchart details an unaccompanied child's potential path in the immigration process.

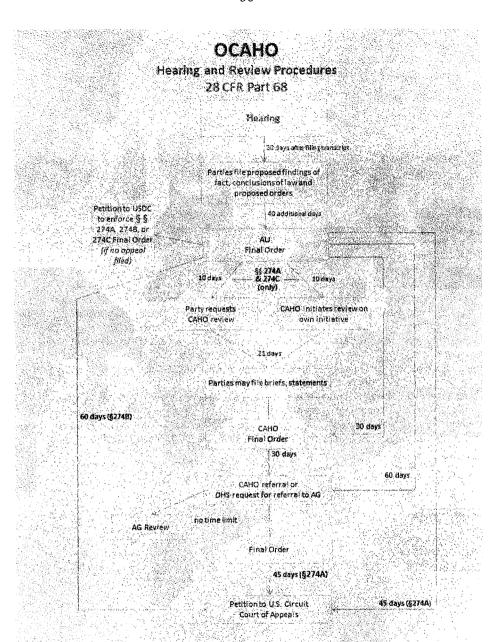


Appellate Review: In most appeals to the Board, the process begins with the filing of a notice of appeal challenging an immigration judge's decision. The appeal is filed either by the alien and/or the Government (which is represented by DHS, Immigration and Customs Enforcement). When an appeal is filed by either party, the Board acknowledges receipt of the appeal, transcribes the proceedings below (where appropriate), and sets a briefing schedule to allow both parties to present their arguments. Once briefing concludes, the appeal is adjudicated by a panel of one, three, or all Board Members.

If the decision is not published, the decision is binding only on the parties. If the Board elects to publish the decision, it becomes legal precedent and is binding nationwide.

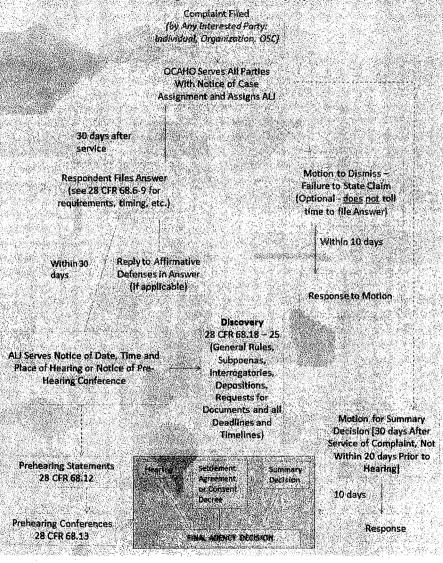
The Board's decision will stand unless and until modified or overruled by the Attorney General, a federal court, or the Board itself upon favorable re-review pursuant to a motion.

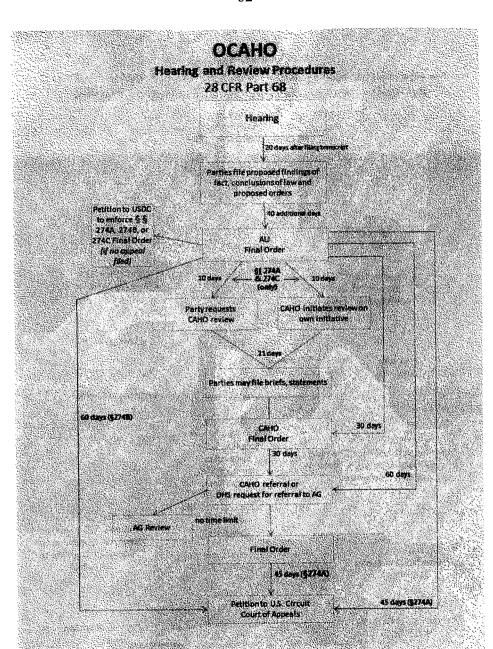
Administrative Hearings: OCAHO cases begin with the filing of a complaint, either by the DHS, Immigration and Customs Enforcement, in employer sanctions and document fraud cases under INA §§ 274A and 274C, respectively, or by private individuals or entities and/or the DOJ, Office of Special Counsel for Immigration Related Unfair Employment Practices, Civil Rights Division, in immigration-related employment discrimination cases under INA § 274B. After the complaint is filed, the respondent is given an opportunity to file an answer. Following the answer, the parties typically file prehearing statements, undertake discovery, and participate in one or more telephonic prehearing conferences with the ALJ. Parties may also engage in settlement negotiations and file dispositive motions with the ALJ. Cases that are not resolved or dismissed proceed to a formal evidentiary hearing, typically held near where the parties reside or the alleged violation(s) occurred. Final decisions and orders issued by the ALJ in employer sanctions and document fraud cases are reviewable by the Chief Administrative Hearing Officer (CAHO) and/or the Attorney General. Once a final agency decision has been issued, a party may file an appeal with the appropriate federal circuit court of appeals. Final ALJ decisions in immigration-related employment discrimination cases are not reviewable by the CAHO or the Attorney General; rather, these decisions may be appealed directly to the appropriate federal circuit court of appeals. The following flowcharts detail the OCAHO adjudicative process:



OCAHO

Pre-Hearing Procedures: 28 CFR Part 68 - Cases Involving Claims Under INA 2748 - Unfair Immigration-Related Employment Practices





C. EOIR's 2016 Budget Strategy

EOIR's immigration courts represent the Department's front-line presence with respect to the interpretation and application of immigration law. Cases are received on-site, across the Nation, directly from DHS personnel. EOIR receives virtually all of its workload in the form of cases brought by DHS seeking the removal of undocumented aliens from the United States. It remains critically important to balance EOIR's adjudicative resources with DHS's enforcement efforts.

EOIR's strategy is three-fold. First, in accordance with the President's directives, immigration court resources are prioritizing individuals who are threats to national security and public safety, or who are apprehended at or near the border. In addition, EOIR has refocused resources prioritizing cases involving migrants who have recently crossed the southwest border and whom DHS has placed into removal proceedings -- so that these cases are processed both quickly and fairly to enable prompt removal in appropriate cases, while ensuring the protection of asylum seekers and others. EOIR's top priority is the adjudication of cases that fall into the following four groups: unaccompanied children; families in detention; families released on "alternatives to detention;" and all other detained cases. This refocusing of resources allows EOIR to prioritize the adjudication of the cases of those individuals involved in the summer border crisis.

EOIR is coordinating with DHS regarding the prioritization of the pending caseload before the immigration courts and the BIA. To help preserve limited immigration court resources, EOIR will work with DHS to prioritize the immigration docket in accordance with DHS' application of its prosecutorial authority. In addition, many of those cases are currently off calendar, will need to be rescheduled, and the courts have begun that effort. EOIR is currently evaluating options for addressing these cases involving individuals who are not threats to national security and public safety.

Second, EOIR will continue discussions with the DHS to gauge the impact of enforcement activities upon the immigration courts and to adjust dockets and resource allocations accordingly. EOIR anticipates that these discussions combined with an increase in resources will allow EOIR to more effectively manage its caseload.

Finally, EOIR will continue aggressively hiring immigration judges and critical positions that provide support to the immigration courts.

To implement EOIR's strategy, the request includes program increases totaling \$124,262,000 and 345 positions (55 Immigration Judges, 43 Attorneys, and 247 Immigration Court Support Staff) and 173 FTE to address the large volume of pending cases, provide sufficient support to the immigration judge corps, improve information and data sharing with DHS, and continue to improve efficiencies in immigration court proceedings.

D. Performance Challenges

Internal Challenges:

As a result of sequestration, EOIR halted all hiring including backfills of critical immigration judge teams. The immigration judge corps was reduced from a high point of 272 by mid-December 2010 to 237 as of January 2015. The rate of attrition continues to outpace our ability to backfill all positions including immigration judge positions. All of this occurred while DHS

immigration enforcement funding increased, putting more of a strain on our immigration courts across the country.

In order to appropriately manage both our incoming and pending caseload, EOIR needs a sustained commitment from Congress to support budget requests for EOIR resources including hiring immigration judges and court support staff. It is challenging to predict in one year what next year's caseload may bring, so we need a consistent source of funding that allows EOIR to remain flexible in its hiring processes, permitting us to ramp up staffing when needed, and consistently account for natural attrition of the immigration judge corps and other staff.

EOIR is currently engaged in an aggressive hiring initiative to fill over 65 immigration judge positions. However, the immigration judge hiring process is complex and multifaceted. In addition to our need to ensure that candidates are well qualified in terms of their familiarity with immigration law and possess necessary character traits to make them a good fit, we also must vet them through a careful and thorough process, which includes two Deputy Attorney General panels prior to the Attorney General appointment. This process usually takes 10 months and is essential to adding the right people to the immigration judge corps.

External Challenges: EOIR receives virtually all of its workload in the form of cases brought by DHS seeking the removal of undocumented alien from the United States. It remains critically important to balance EOIR's adjudicative resources with DHS's enforcement efforts. For example, last summer a high volume of families and unaccompanied children were identified either at or near the Southwest Border. In response to this surge of aliens, DHS enforcement efforts spiked. As such, in accordance with the President's directives, immigration court resources are prioritizing individuals who are threats to national security and public safety, or who are apprehended at or near the border.

The number of cases pending adjudication rose from 262,681 at the end of FY 2010 to 418,861 at the end of FY 2014, an increase of more than 156,000 cases. This represents a nearly 60% increase in cases pending adjudication in five years. In addition, the surge of border crossing cases, in the summer of 2014, greatly impacted EOIR's pending caseload.

The caseload remains the key challenge for EOIR as courts continue to receive hundreds of thousands of cases for adjudication each year. Additionally, BIA's sustained level of approximately 30,000 appeals per year is an extremely large volume for any appellate body.

Overview for the Office of the Pardon Attorney

For FY 2016, the Office of the Pardon Attorney (OPA) requests a total of \$6,508,000, 33 FTE, and 46 positions, of which 27 are attorneys, to help achieve its mission of advising and assisting the President in the exercise of the pardon power conferred on him by Article II, Section 2 of the Constitution. This request includes a program increase of \$2.012.000, 12 FTE, and 24 positions, of which 16 are attorneys, to help support and accomplish the goals of the Clemency Initiative announced by the Deputy Attorney General in April 2014. The Initiative focuses consideration on commutation applications from low-level, non-violent offenders who have served at least 10 years in prison, have demonstrated good conduct in prison, have no history of violence and no significant criminal history or ties to gangs or large-scale criminal organizations, and if convicted today of the same offenses, would likely receive substantially lower sentences than those they are serving.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm

1. Introduction

For over 100 years, the President has requested and received the assistance of the Attorney General and his designees in the Department of Justice in exercising his clemency power with regard to persons who have committed offenses against the United States. Within the Department, OPA is the component assigned to carry out this function under the direction of the Deputy Attorney General. The long-standing role of Department officials advising the President on clemency matters is reflected in various public record documents dating to the late 19th century. Moreover, since at least 1898, Presidents have adopted advisory rules to describe their programs for processing clemency applications and their directions to the Attorney General in carrying out the Department's clemency advisory functions. The rules, which govern OPA's work but do not bind the President, are approved by the President and published by the Attorney General. The current version of the administrative rules was promulgated in October 1993 and amended in August and September 2000. They are published in 28 C.F.R. §§ 1.1 to 1.11 and are also available on OPA's web site at http://www.justice.gov/pardon/elemency.htm.

The two principal forms of elemency sought by applicants are pardon after completion of sentence and commutation (reduction) of a sentence being served. The traditional standards by which elemency applications are evaluated in connection with the preparation of the Department's letters of advice to the President have been utilized for decades and are publicly available on OPA's web site at http://www.justice.gov/pardon/petitions.htm. The criteria for commutation consideration under the Clemency Initiative is also available on the Office's web site at http://www.justice.gov/pardon/new-clemency-initiative.html.

2. Challenges

OPA's workload has increased significantly since FY 2007, which was the last fiscal year when its total of new cases received numbered fewer than approximately 2,000. Thereafter, in the seven fiscal years between FY 2008 and FY 2014, OPA received a total of more than 20,400 new petitions for processing, of which 17,690 were petitions for commutation of sentence. The

case filings in FY 2014, consisting of 273 pardon applications and 6,561 commutation applications, constituted a historic total of 6,834 new filings in a fiscal year. Throughout this period, OPA's authorized staffing level was 15 positions and 14 FTE - a level that was established for the office in the mid-1990's, when OPA received approximately 600 new cases per fiscal year. The FY 2015 appropriation included an increase of \$800,000 and 7 additional positions, 4 of them being autorneys, for OPA to address the significant backlog in case processing that developed as a result of its greatly increased workload over successive years.

The announcement of the Department's Clemency Initiative in FY 2014 has resulted in an exponential increase in new case filings for OPA. As of the end of January 2014, when the Deputy Attorney General first outlined plans for the Initiative in a speech to the New York Bar Association, OPA had received 676 clemency applications for the fiscal year, including 608 commutation petitions. By the end of July 2014, that number had multiplied nearly 10 times to 6.105 clemency petitions, of which 5.916 were commutation requests. Given that trend, OPA expected that its new filings would meet or exceed 7,000 petitions by the end of the fiscal year, driven principally by the submission of requests for commutation of sentence. At the end of FY 2014, OPA's estimation was only short by 166 petitions. Moreover, based on the fact that over 30,000 federal inmates have requested the assistance of pro bono counsel in order to file commutation petitions for consideration under the Initiative, there can be no doubt that OPA will receive many thousands of additional elemency petitions for processing in FY 2015 and FY 2016. The office is obliged to process all applications it receives, regardless of whether they are from persons who are eligible to seek executive elemency from the President, and thus has no control over the size of its caseload. The impact of this massive influx of new cases will be felt by the office for many years to come and the additional staff and resources requested for FY 2016 are essential to enable OPA to continue to address the significantly increased workload.

II. Summary of Program Changes - Executive Office for Immigration Review

| Item Name | Descr | iption | | | Page |
|---------------------------|---|--------|------|--------------------|-------------|
| | Executive Office for Immigration Review | Pos. | FTE | Dollars (\$000) | |
| | An additional 15 attorneys | | | | |
| Immigration Court | to support the Immigration | | | | |
| Support | Judge Corps. | 15 | 8 | 1,262 | 32 |
| | Improve the level and | | | 17.6事 上 | 98 |
| · · | quality of legal | 134 | | | 74(67) |
| Legal Representation of | representation for | | | V | 35. |
| Children | vulnerable populations | .0 | 0 | 50,000 | 34 |
| | Additional funding to | | | | - NG- |
| | develop an information | | | | 37.4 |
| | sharing system and refresh | | | | 3.5 |
| IT Modernization | VTC/DAR equipment | .0 | 0. | 3,000 | 36 |
| | This will allow EOIR to | | ٠. ا | | |
| Immigration Judge Teams | reduce the case backlog | 330 | 165 | 60,000 | . 38 |
| | Expansion of 40 additional | | | | |
| Legal Orientation Program | LOP sites to meet increased | | | | ±35. |
| (LOP) Expansion | program demand. | 0 | 0 | 10,000 | 40 |
| Total, EOIR | | 345 | 173 | \$124,262 | |

Summary of Program Changes – Office of the Pardon Attorney

| Item Name | Description Office of the Pardon Attorney | Pos. | FTE | Dollars (S000) | Page |
|------------------------|---|------|-----|-------------------|------|
| Clemency Initiative | To fund the hiring of additional staff to support the goals of the Clemency Initiative and to advise and assist the President in the exercise of the executive clemency power | 24 | 12 | 2,012 | 43 |
| Total, OPA | | 24 | 12 | \$2,012 | |

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

New language proposed for FY 2016 is italicized.

Administrative Review and Appeals (Including Transfer of Funds)

For expenses necessary for the administration of pardon and elemency petitions and immigration-related activities, [\$347,154,000], \$488,381,000, of which \$4,000,000 shall be derived by transfer from the Executive Office for Immigration Review fees deposited in the "Immigration Examinations Fee" account. Provided, That, of the amount available for the Executive Office for Immigration Review:

(1) not to exceed \$15,000,000 shall remain available until expended; and (2) \$50,000,000 shall be available to implement and evaluate programs to improve the level and quality of legal representation for vulnerable populations, including through the provision of counsel, and shall remain available until September 30, 2017.

Justification:

- 1) Language is needed to provide EOIR with the flexibility to carry forward up to \$15 million of the funds appropriated in FY 2016 in a no-year account. This carry-over authority is consistent with other DOJ appropriations and provides operational flexibility for hiring, IT purchases, and other operational needs.
- 2) Two-year funding of \$50 million is requested for the legal representation of vulnerable populations, such as unaccompanied children. Two-year funding would enable a phased-in implementation to address the current strain on the capacity of experienced individuals and organizations providing legal services to vulnerable populations.

IV. Program Activity Justification

A. Executive Office for Immigration Review (EOIR)

| Executive Office for Immigration Review | Perm. Pos. | FTE | Amount (\$\$\$) |
|---|---------------|-------|-----------------|
| 2014 Enacted | 1,582 | 1,313 | 312,200 |
| 2015 Enacted | 1,793 | 1,460 | 347,154 |
| Adjustments to Base and Technical Adjustments | 0 | 106 | 10,457 |
| 2016 Current Services | 1,793 | 1,566 | 357,611 |
| 2016 Program Increases | 345 | 173 | 124,262 |
| 2016 Request | 2,138 | 1,739 | 481,873 |
| Total Change 2015-2016 | 345 | 279 | 134,719 |

1. Program Description

EOIR is comprised of three components responsible for the adjudication of immigration cases.

Board of Immigration Appeals - Under the direction of the Chairman, the BIA hears appeals of decisions of immigration judges and certain decisions of officers of the DHS in a wide variety of proceedings in which the Government of the United States is one party and the other party is an alien, a citizen, or a transportation carrier. The BIA is directed to exercise its independent judgment in hearing appeals for the Attorney General, and provides a nationally uniform application of the immigration laws, both in terms of the interpretation of the law and the exercise of the significant discretion vested in the Attorney General. The majority of cases before the BIA involve appeals from orders of EOIR's immigration judges entered in immigration proceedings.

Appeals of decisions of DHS officers, reviewed by the BIA, principally involve appeals from familial visa petition denials and decisions involving administrative fines on transportation carriers. The BIA also renders decisions on applications by organizations that have requested permission to practice before the BIA, the immigration judges, and DHS, and renders decisions on individual applications by employees of such organizations. The BIA also issues decisions relating to the EOIR Attorney Discipline Program.

The BIA plays the major role in interpreting the immigration laws of this country, an area of law the courts have characterized as uniquely complex. Processing a high-volume caseload has been a challenging task in a time of constant Federal court activity and frequent major legislative action in the immigration field.

Office of the Chief Immigration Judge – The Chief Immigration Judge provides overall program direction, articulates policy, and establishes priorities for the immigration judges located in 58 courts throughout the United States. Generally, immigration judges determine removability and adjudicate applications for relief from removal such as cancellation of removal, adjustment of status, asylum or waivers of removability. Custody redetermination hearings are held when an

alien in DHS custody seeks a reduction in the bond amount set by DHS, or a release on his or her own recognizance.

With respect to criminal alien adjudications, the Institutional Hearing Program (IHP) provides the framework for hearings to determine the immigration status of aliens convicted of offenses who are incarcerated in federal, state and local prisons across the United States. EOIR's IHP is designed to expedite the removal of criminal aliens and involves close coordination with DHS, the Bureau of Prisons, and state and local corrections authorities.

Office of the Chief Administrative Hearing Officer - The Office of the Chief Administrative Hearing Officer (OCAHO) employs Administrative Law Judges (ALJs) appointed pursuant to 5 U.S.C. § 3105 to adjudicate cases arising under Sections 274A, 274B and 274C of the INA. Section 274A provides for sanctions (civil penalties and injunctive relief) against employers or entities who: (1) knowingly hire, recruit, or refer for a fee, or continue to employ, unauthorized aliens; (2) fail to comply with employment eligibility verification requirements; or (3) require the execution of an indemnity bond by employees to protect the employer or entity from potential liability for unlawful employment practices. Section 274B prohibits employment discrimination based on national origin or citizenship status and provides for civil penalties and various equitable remedies. Section 274C provides civil penalties for immigration-related document fraud. Adjudicative proceedings are initiated by complaints filed with OCAHO by DHS (in Section 274A and Section 274C cases), or the Office of Special Counsel for Immigration Related Unfair Employment Practices (OSC) in the Civil Rights Division, and/or aggrieved private parties and entities (in section 274B cases). Cases are assigned to ALJs by the Chief Administrative Hearing Officer (CAHO), who is also responsible for program management and policy development for the Office.

The CAHO is also authorized to conduct administrative reviews of ALJ decisions in INA Sections 274A and 274C cases, and may affirm, modify, vacate and/or remand such decisions. Unless the case is certified to the Attorney General, the CAHO's decision on review constitutes the final agency action with respect to these cases The CAHO also certifies that ALJs who hear Section 274B cases have received the specialized training in employment discrimination matters that is required by statute.

2. Performance and Resources Tables

| | | PERFORMANCE AND RESOURCES I ABLE | TO STATE OF | | | | | | | | | |
|--|----------------------------------|--|-------------|-----------------------------|--------------|-----------------------------|-----------|------------------------------|--------------------------------------|---|---------|-------------------|
| Decision Unit | t: Executive | Decision Unit: Executive Office for Immigration Review | w | | | | | | | | | |
| RESOURCES | | | Tar | Target | Actual |) eni | Projected | cted | Che | Changes | Request | Requested (Total) |
| | | | , L | PY 2014 | FY 2014 | 410 | FY 2016 | 28 | Current Adjustme 2016 P Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Workload: Immigration Court Matters Received 1 Received at BIIA Immigration Court Cases Pending | t Matters Rece t Cases Pendir | Aved1 Appeals | 272,000 | 35,000 | 306,045 | 29,723 | | 292,000 35,500 384,000 | 909 | 42,800 34,000 | | 34,500 36,000 |
| Total Costs and FTE (reimbursable FTE are inc | nd FTE fis are include | Total Costs and FTE infinburshie costs are | F | 0008 | FTE | 0003 | Ë | \$000 | Ħ | \$000 | FTB | \$000 |
| bracketed and not included in the total) | of included in | the total) | 1,365 | 1,355 312,200 | | 1,313 312,200 | 1.460 | 1.460 347.164. | 279 | 134.719 | 1,739 | 1,739 481,879 |
| a dyrt | STRATEGIC | PERFORMANCE | FY | FY 2014 | FY 2014 | 014 | FY 2015 | 015 | Current Adjustme 2016 P | Current Services Adjustments and IfY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Program | | | FTE | 0003 | FTE | 000\$ | FIE | 8000 | Fre | \$000 | FTE | \$000 |
| Activity | | 3.7 Adjudicate (mmioration Cases | 1.355 | 1.355 312.200 | Ĺ | 1 385 312 200 | 1 480 | 1 480 347 184 | 270 | 134 740 | 7.30 | 1 730 481 825 |
| Performance Measure: Output | | immigration Courts Total Matters Completed Total Cases Completed 1 | | 255,000 192,000 4,600 | | 248,078 184,322 4,232 | | 285,000 203,000 4,870 | | 1 | | 357,500 AN |
| Performance Messure: Efficiency | | migration Appeals s Completed Detained | 37,000 | 4,500 | 4,500 30,822 | 4,677 | | 38,500 | | 3.000 | | 41,500 |
| Performance Mensure: Outcome | | immigration Courts % IHP Cases within Time Goal % Detained Cases with Time Goal Board of immigration Appeals % Detained Cases Adjudicated with | | 85% | | 7.4% | | 96% 80% | | | | 85% 80% |
| | | Time Gosi 90% 83% 90% | | 80% | | 83% | | 9608 | 1 | , | · | 90% |

desentant or executive Union for Immigration Review (ECIQR) nate identified to oppose of performance measurement. The IMP is a collectional relation to the Collection of the Immigration Above in (ECIQR) nate identified to oppose it is a collection of the Immigration Above in (ECIR) and vertical federal states of the Immigration Above in (IMP) and vertical federal states of the Immigration for the Immigration for the Immigration Above in Immigration for the Immigration for Immig

Prior to FY 2014 EOIR captured the following information as part of "immigration matters received": all proceeding receipts (if a case moved from one court to mother court a receipt was counted at each court, also proceedings in which an appeal is remanded to the immigration court or the case is reopened were counted recalendar receipts. In addition, prior to FY 2014, the number of appeals received and completed by the BIA counted joined family cases as a single appeal. For initial Notice to Appear filed by DHS only (not subsequent proceeding receipts), all bond receipts, and all motion to reopen, motion to reconsider, and motion to the numbers reflected in the FY 2013 actuals in this table and in FY 2014 and beyond, "appeals received" will count each appeal received ("leads" and "riders") individually while "appeals completed" will count each appeal completed ("leads" and "riders") individually. workload measure. For the numbers reflected in the FY 2013 actuals in this table, and in FY 2014 and beyond, "immigration matters received" will include the as proceeding receipts), all bond receipts, and all motion to reopen or motion to reconsider receipts. In FY 2014 EOIR will change the way it counts this

² Prior to FY 2014 EOIR captured the following information as part of "total matters completed": all proceeding completions (if a case moved from one court to completed" will include all case completions, all bond completions, and motion to recopen, motion to reconsider, and motion to recalendar completions that were will change the way it counts this workload measure. For the numbers reflected in the FY 2013 actuals in this table, and in FY 2014 and beyond, "total matters mother court a completion was counted at each court), all bond completions, and all motion to recopen or motion to reconsider completions. In FY 2014 EOIR not granted. Changes of venue and transfers will no longer be counted.

In FY 2012 and FY 2013 EOIR captured all proceeding completions. If an individual changed venue or was transferred, the court would count a completion. In FY 2014 EOIR will change the way it counts this workload measure. For the numbers reflected in the FY 2013 actuals in this table and in FY 2014 and beyond, EOIR will count initial proceeding completions as well as subsequent proceeding completions. Changes of venue and transfers will no longer be

| | | | PERFORMANCE MEASURE TABLE | E MEASURE 1 | ABLE | | | | | |
|--|--|--|---------------------------|------------------|-----------------|-----------------|----------------|---------------|------------|-------------|
| | Decision Unit: | Executive Office for immigration Review | | | | | | | | |
| Strateoic | Performence Re | Performance Renort and Berformance Dian Tamate | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | 2014 | FY 2015 | FY 2018 |
| Objective | | | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.7 | | Total Matters Completed | 352,678 | 383,367 | 382,062 | 390,000 | 255,000 | 248,078 | 245,000 | 357,500 |
| | Performance Measure | Total Proceedings Completed | 286,738 | 302,677 | 289,405 | 294,846 | 192,000 | 184,322 | 203,000 | ¥. |
| | Performance Measure | IHP Completions4 | 3,950 | 3,782 | 3,670 | 3,678 | 4,600 | 4,232 | 4,870 | A/N |
| | Performance Measure | Detained Completions5 | 111.264 | 112,164 | 89,350 | 94,868 | 80,000 | 57.842 | 63,500 | N.A. |
| | Performance Measure | Total Appeals Completed | 33,234 | 35,271 | 36,381 | 38,000 | 37,000 | 30,822 | | 41,500 |
| | Performance Measure | Detained Completions8 | 3,261 | 4,212 | 4,659 | 4,646 | 4,500 | 4,877 | 4,780 | V/N |
| | Efficiency Messure | | | | | | | | | |
| | OUTCOME Measure | % IHP Cases with Time Goal | 87% | 88% | 87% | 85% | 85% | 79% | 85% | 85% |
| | OUTCOME Measure | | %68 | %89 | 86% | 85% | 85% | 74% | 80% | 80% |
| | OUTCOME Measure Time Goal | A Leukined Appeals Adjudicated Within | %E6 | 84% | *4.68 | %06 | %08 | %86 · | %08 | \$08 |
| N/A = Data un 4 All lestitutional Hearing Program 6 All hilds case completions for de the Board of Immigration Appeals. | NIA = Data unavallable learing Program cases co impletions for detained in pration Appeals. | N/A = Data unavailable 4 All institutional Hearing Program cases completed during the time period. 6 All initial cases completed during the time period. 6 All initial case completed betained individuals. This does not include change of venue or transfers, in addition, it does not include cases that have been reopened or remanded from the Beard of immigration Appeals. | venue or transf | ers. In addition | , k doas not in | clude cases the | t have been re | opened or rem | anded from | |
| 6 Atl appeals comp | 6 All appeals completed for detained individuals. | iduels. | | | | | | | | |
| | | | | | | | | | | |
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| | | | | | | | | | | |

3. Performance, Resources, and Strategies

a. Performance Plan and Report for Outcomes

For the immigration courts, EOIR chose two priority case types as performance measures and set the following goals:

- 85% of Institutional Hearing Program (criminal aliens) cases completed before release from incarceration
- · 80% of detained cases completed within 60 days

In FY 2014, the immigration courts did not meet these two priority targets but continue to reallocate resources to strive to complete these priority cases in a timely fashion. The goal for the Institutional Hearing Program will continue in FY 2015, while the goal for detained cases will change to "80% of detained cases completed within 60 days." This change is due in large part to the new way that EOIR now counts cases as well as the changing nature of immigration court cases. The goal in FY 2016 will remain the same for both of these measures.

The performance measure for the BIA is:

90% of detained appeals adjudicated within 150 days

In FY 2014, the BIA exceeded this target by 3%. This performance measure will continue through FY 2016.

EOIR's adjudication functions are part of the government's broader immigration and border control programs. As such, EOIR's ability to adjudicate cases in a timely fashion allows the larger system to operate more efficiently. This includes the efficient utilization of DHS detention space. The guarantee of fairness and due process remains a cornerstone of our judicial system. EOIR's role in the provision of relief in meritorious cases, and in the denial of relief in others, helps assure the integrity of the overall process.

To summarize, the FY 2016 target is to complete EOIR's priority adjudications within established timeframes.

b. Strategies to Accomplish Outcomes

Case adjudication is the performance indicator for EOIR. Performance measures (the number of cases completed) have been established for several high priority case types.

EOIR has established case completion goals for the various types of cases that the immigration courts adjudicate, and will continue to reallocate existing resources to the adjudication of priority cases including the four new priorities resulting from the recent influx of juveniles, adults with children, and recent border crossers. This includes adjusting court dockets to consolidate the

amount of hearing time devoted to detained cases and to scheduling first hearings for the cases of unaccompanied children and adults with children.

EOIR is moving ahead with its plans to transition from paper to electronic records. When fully implemented, this initiative will improve efficiency throughout the adjudication process. For example, data from electronically filed documents will be automatically uploaded to EOIR's database, thus decreasing data entry time; electronic Records of Proceedings (ROPs) will be available for immediate access by staff who need to use them, eliminating the time spent waiting for files; and digitally recorded hearings can be made available to transcribers instantly rather than mailing audio tapes back and forth.

In accordance with this goal, OCAHO launched its E-filing Pilot Program on May 30, 2014. The pilot program has been extended until May 29, 2015. Under the pilot program, parties who agree to participate and comply with the procedural and technological requirements of the program will be able to file, serve and receive OCAHO scanned case documents by email. It is anticipated that this program will reduce the time, cost and resources attendant to filing and serving documents by mail or overnight delivery. After the pilot program ends, OCAHO will assess whether procedural and technological changes are necessary to implement a permanent program. Implementation of a permanent program will require replacement of OCAHO's Automated Case Management System Database, new technological equipment and additional personnel to administer the program.

B. Office of the Pardon Attorney

| Office of the Pardon Attorney | Direct Pos. | Estimated FTE | Amount |
|---|-------------|------------------|--------|
| 2014 Enacted | 15 | 13 | 2,800 |
| 2015 Enacted | 22 | 18 | 3,918 |
| Adjustments to Base and Technical Adjustments | 0 | 3 | 578 |
| 2016 Current Services | 22 | 21 | 4,496 |
| 2016 Program Increases | 24 | 12 | 2,012 |
| 2016 Request | 46 | 33 | 6,508 |
| Total Change 2015-2016 | 24 | 15 | 2,590 |

1. Program Description

The primary function of OPA is to receive, evaluate, and investigate elemency applications and prepare the recommendation of the Department of Justice as to the appropriate disposition of each application for the signature of the Deputy Attorney General. In addition, OPA responds to inquiries concerning executive elemency petitions and the elemency process from applicants, their representatives, members of the public, Members of Congress, and various federal, state, and local officials and agencies; prepares all necessary documents to effect the President's decision to grant elemency; and notifies each elemency applicant of the President's decision concerning his or her elemency request. When asked to do so, OPA also provides general advice to the White House concerning executive elemency procedures and the historical background of elemency matters.

2. Performance and Resource Tables

| | | PERFORMANCE AND RESOURCES TABLE | MAMCE | AND F | ESOUR | ICES T | ABLE | | | | | |
|---|------------------------|--|-------|----------|---------|----------|---------|----------|--------------------------------------|--|---------|-------------------|
| Decision Uni | it: Office of | Decision Unit: Office of the Pardon Attorney | | | | | | | | | | |
| RESOURCES | 8 | | Tar | Target | Actual | lasi | Target | Jet | S T | Changes | Request | Requested (Total) |
| | | | Ě | FY 2014 | FY 2014 | 014 | FY 2015 | 015 | Current Adjustme 2016 P Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE (reimbursable FTE are inc | and FTE | Total Costs and FTE (reimbursable costs are | FTE | 000\$ | FTE | \$000 | FTE | 000\$ | FTE | \$000 | FTE | \$000 |
| bracksted and not included in the total | not included in | the total) | 14 | 14 2,800 | 13 | 13 2,822 | 18 | 18 3.918 | 15 | 2,590 | 33 | 6,508 |
| TYPE | STRATEGIC OBJECTIVE | PERFORMANCE | FY: | FY 2014 | FY 2014 | 914 | FY 2015 | 25 | Current Adjustme 2016 P | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | | FTE | \$000 | FTE | \$000 | PTE | \$000 | FTE | 000\$ | FTE | \$000 |
| Activity | 2.6 | 2.6 Processing demency petitions | 14 | 14 2.800 | 13 | 13 2.822 | - 81 | 3.918 | 72 | 2.590 | 33 | 8,508 |
| Performance Measure: Output | | Number of pedtions processed | 1,500 | | 1,079 | | 1,700 | | | [| 3,500 | 1 |
| Performance Measure: Outcome | | Number petitions pending at OPA | 1,500 | | 7,790 | | 10,000 | | | | 10,000 | |

Data Definition, Varidation, and Limitations: I<u>NFORMATION REQUIRED</u>: OPA's automated case tracking and processing system is updated daily and used extensively to track the status of demency petitions. Performance data derived therefrom are cross-referenced with internal reports to ensure accuracy.

| | | PERF | ORMAN | SE MEAS | PERFORMANCE MEASURE TABLE | BLE | | | | |
|------------------------|------------------------|---|---------|---------|---------------------------|----------|--------|---------|---------|---------|
| | Decision Unit | nit: Office of the Pardon Attorney | | | | | | | | |
| i | <u> </u> | Performance Report and | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY ; | FY 2014 | FY 2015 | FY 2016 |
| Strategic Objective | | | Actual | Actual | Actual | Actual | Target | Actual | Tarout | Tarnet |
| 2.6 | Performance Measure | Clemency petitions processed | 1,990 | 2,409 | 1,669 | <u> </u> | .i | 1.079 | .i | 3500 |
| | Performance Measure | Correspondence processed | 5,700 | A/N | Ϋ́ | Ž | Ž | 1 | , | MA |
| | Performance Measure | | | | | | 1 | | | |
| | Efficiency Measure | Performance measure is efficiency measure | | | | | | | | |
| | OUTCOME Measure | Petitions pending at OPA | 1,388 | 895 | 1,156 | 1,867 | 1,800 | 7.790 | 10.000 | 10.000 |
| | | | | | | | | | 1 | |

3. Performance, Resources, and Strategies

a. Performance Plan and Report for Outcomes

Because OPA's sole mission is to assist the President in the exercise of the elemency power, its performance measure is the number of elemency petitions it processes during a given fiscal year. Likewise, the Office's outcome measure is the number of elemency petitions that remain pending at the end of the fiscal year. In FY 2009, OPA set its annual targets for both measures at 1,500 cases, and it consistently exceeded both targets through FY 2012. In FY 2013, OPA exceeded its target for petitions processed, but it missed the target for petitions pending at the end of the fiscal year due to the uncommonly large number of new filings it received (2,673 total applications). In light of that historic number of filings, OPA increased its petitions pending target to 1,800 cases for FY 2014. However, the Office was unable to meet its outcome measure target for cases pending at the end of the fiscal year. The degree to which the Office will be able to meet its annual cases-pending outcome target will depend significantly on the volume of new petitions filed in upcoming fiscal years and how quickly OPA can bring new staff on board to work through the high cumulative number of petitions filed in the last few fiscal years.

OPA's ability to achieve its targets has been adversely affected by the cumulative effect of the uncommonly large number of petitions it received in FY 2013 and, especially, by the influx of commutation petitions submitted in FY 2014 as a result of the announcement of the Clemency Initiative. As OPA's existing staff has discovered, expending the substantial resources required simply to manage such a volume of clemency requests significantly decreases those available for analyzing and evaluating the merits of individual applications and preparing the appropriate letters of advice to inform the President. This problem will become substantially more acute in FY 2015 and FY 2016, as more and more commutation petitioners file applications in the expectation that they will be decided before the end of the current Administration. Given the many thousands of inmates (over 30,000 as of December 2014) who already have requested legal assistance from the consortium of defense attorneys formed to provide *pro bono* representation to potential applicants under the Initiative, there can be no doubt that the numbers of commutation petitions filed by the end of FY 2016 will be extraordinary and that the cumulative effect of such filings will be especially challenging.

Accordingly, OPA's need for additional resources in FY2016 is essential. However, given that it is still unclear how many thousands of new petitions will be filed in FY 2015, OPA is significantly hampered in its effort to develop realistic performance targets for fiscal years 2015 and 2016. The number of petitions the Office can reasonably expect to process to completion during each of those years depends critically upon the number of additional staff OPA ultimately is able to hire and how quickly they can be brought on board and trained in commutation evaluation.

Strategies to Accomplish Outcomes

Building upon the resources appropriated in FY 2015, OPA's request for FY 2016 includes 16 attorneys, 6 paralegals, and 2 clerical staff members. Once hired and trained, these additional

personnel would bring OPA's staffing complement to 27 attorneys, 13 paralegals, and 6 administrative staff, including the office administrator.

Because of the electronic case processing and tracking system OPA utilizes to manage its workload, paralegal and administrative staff are crucial to the efficient processing of clemency petitions. The myriad tasks they fulfill include opening cases and scanning files; obtaining necessary records from outside agencies such as the Bureau of Prisons and United States Probation Offices and adding them to electronic case files; flagging substantive issues for attorneys; assisting with the production and dissemination of requests for comments from United States Attorneys and sentencing judges, tracking and responding to mail and e-mail inquiries from petitioners, their representatives, third parties, and government entities; preparing packages of letters of advice for transmittal to the Office of the Deputy Attorney General and the White House; continuously updating electronic case files and tracking cases from beginning to end; preparing notices of decision after the President has acted; closing case files; preparing and cross-checking caseload reports; managing Freedom of Information Act requests and responses, drafting responses to White House mail on clemency related inquiries for the signature of the Pardon Attorney, and maintaining elemency statistics. The FY 2016 budget request would result in an attorney: paralegal staffing ratio of approximately 2:1 that would significantly assist with case processing efficiency.

The additional attorney positions requested for FY 2016 are essential to OPA's effort to make substantial progress on the enormous caseload that has developed since the announcement of the 2014 Clemency Initiative and will grow over the next two fiscal years. Many of these cases will raise complex legal issues, since the Clemency Initiative criteria require the determination of whether a petitioner's sentence would be different if imposed under current law. Given the volume of cases OPA is expected to receive under the Initiative, it is extremely important that the office have on staff as large a cadre of experienced elemency attorneys as possible to evaluate the merits of incoming petitions and draft cogent, legally correct letters of advice to assist the President's decision-making.

V. Program Increases by Item

Item Name: Immigration Court Support

Budget Decision Unit: EOIR

Strategic Goal & Objective: 3.7: Adjudicate all immigration cases promptly and

impartially in accordance with due process.

Organizational Program: <u>Immigration Adjudications</u>

Program Increase: Positions 15 Agt/Atty 15 FTE 8 Dollars \$1,262,000

Description of Item

This increase will provide EOIR with 15 additional attorneys to support the Immigration Judge Corps and provide legal assistance with immigration matters before the courts.

Justification

DHS enforcement efforts have generated new priorities for the courts as well as more cases, and may generate more immigration court case receipts well into the future. As a result, EOIR's pending caseload continues to grow. Court support staff is critical to the operations and timely data entry of court proceeding information. This increase will allow EOIR to hire support positions not included as part of the immigration judge teams. This includes critical attorney vacancies where attrition and new lines of business have created the need for additional staffing resources.

Impact on Performance (Relationship of Increase to Strategic Goals)

This initiative ties directly to Strategic Objective 3.7 and to Congress and the Administration's immigration priorities.

Base Funding

| | FY | 2014 | | | FY 2015 | Enacted | | F | Y 2016 C | urrent Se | rvices |
|-------|--------------|-------|---------|-------|--------------|---------|---------|-------|--------------|-----------|---------|
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| 1,582 | 530 | 1,355 | 312,200 | 1,793 | 583 | 1,460 | 347,154 | 1,793 | 583 | 1,566 | 357,611 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|------------------|--|-------------------------------------|----------------------------|------------------------------|
| Attorney (0905) | 84 | 15 | 1,262 | 1,320 |
| Total Personnel | 84 | 15 | 1,262 | 1,320 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|-----------------------|-----------|----------|----------------------------|------------------------------|
| Total Non-Personnel | | | | |

| | Pos | Agt/Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total | FY 2017 Net Annualization |
|------------------|-------|----------|-------|----------------------|------------------------------|---------|------------------------------|
| Current Services | 1,793 | 583 | 1,566 | 215,174 | 142,437 | 357,611 | |
| Increases | 15 | 15 | 8 | 1,262 | 0 | 1,262 | 1,320 |
| Decreases | 0 | . 0 | 0 | 0 | 0 | 0 | |
| Grand Total | 1,808 | 598 | 1,574 | 216,436 | 142,437 | 358,873 | 1,320 |

Item Name: Legal Representation of Children

Budget Decision Unit: EOIR

Strategic Goal & Objective: 3.7: Adjudicate all immigration cases promptly and

impartially in accordance with due process.

Organizational Program: <u>Immigration Adjudications</u>

Program Increase: Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars \$50,000,000

Description of Item

This additional funding will enable EOIR to expand its pilot program, which improves immigration court efficiencies by providing legal counsel to children going through immigration proceedings.

Justification

Immigration judges can conduct hearings more efficiently when unaccompanied children are assisted by competent legal representatives. A legal representative can help identify any form(s) of relief for which the child may be eligible and develop a record supporting the application(s) for relief. Having a competent representative prepare and present the child's testimony in the case can help facilitate the child's communication with the court. Further, the availability of a legal representative to answer questions, explain the adjudicative process to the unaccompanied child, and timely prepare the evidence that would be submitted to the immigration judge, would save the court valuable time during hearings. When unaccompanied children are effectively represented, we expect the courts will be able to reduce the number of continuances granted for the purpose of obtaining counsel and/or evidence.

Impact on Performance (Relationship of Increase to Strategic Goals)

This initiative ties directly to Strategic Objective 3.7 and to Congress and the Administration's immigration priorities.

Base Funding

| | FY | 2014 | | | FY 2015 | Enacted | | F | Y 2016 C | urrent Se | rvices |
|-----|--------------|------|---------|-----|--------------|---------|---------|-----|--------------|-----------|---------|
| Pos | agt/ atty | FTE | \$(000) | Pos | ngt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| | | | 2,000 | | | | 4,824 | | | | 4,824 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|------------------|--|-------------------------------------|----------------------------|------------------------------|
| Total Personnel | | | | İ |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|----------------------------------|-----------|----------|----------------------------|------------------------------|
| Legal Representation of Children | | | 50,000 | |
| Total Non-Personnel | | | 50,000 | |

| | Pos | Agt/Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total | FY 2017 Net Annualization |
|------------------|-----|----------|-----|----------------------|------------------------------|--------|------------------------------|
| Current Services | | | | | 4,824 | 4,824 | |
| Increases | | | | | 50,000 | 50,000 | |
| Grand Total | | | | | 54,824 | 54,824 | |

Item Name:

IT Modernization

Budget Decision Unit:

EOIR

Strategic Goal & Objective:

3.7: Adjudicate all immigration cases promptly and

impartially in accordance with due process.

Organizational Program:

Immigration Adjudications

Program Increase: Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars \$3,000,000

Description of Item

This increase will provide EOIR with \$3 million to develop an information and data sharing system with the DHS, which will enhance information sharing between both Departments and help improve the efficiency of processing case materials. In addition, this funding will also allow EOIR to refresh its Video Teleconferencing and Digital Audio Recording equipment, which is critical to the immigration courts.

Justification

As immigration reform continues to be defined and real-time challenges regarding mission essential business requirements arise between EOIR and DHS, it is imperative that IT systems and applications that support immigration processes owned by numerous agencies are efficient and effective in sharing information and streamlining business processes.

Impact on Performance (Relationship of Increase to Strategic Goals)

This initiative ties directly to Strategic Objective 3.7 and to Congress and the Administration's immigration priorities.

Base Funding

| | FY | 2014 | | | FY 2015 | Enacted | | F | Y 2016 C | ипені Se | rvices |
|-----|------|------|---------|-----|--------------|---------|---------|-----|--------------|----------|---------|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| | | | 49,900 | | | | 38,200 | | | | 38,200 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|------------------|--|-------------------------------------|----------------------------|------------------------------|
| Total Personnel | 1 | | | } |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|--------------------------------------|-----------|----------|----------------------------|------------------------------|
| Information Technology Modernization | | | 3,000 | |
| Total Non-Personnel | | | 3,000 | |

| | Pos | Agt/Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total | FY 2017 Net Annualization |
|------------------|-----|----------|-----|----------------------|------------------------------|--------|------------------------------|
| Current Services | | | | | 38,200 | 38,200 | |
| Increases | | | | | 3,000 | 3,000 | |
| Grand Total | | | | | 41,200 | 41,200 | |

Item Name:

Immigration Judge Teams

Budget Decision Unit:

EOIR

Strategic Goal & Objective:

3.7: Adjudicate all immigration cases promptly and

impartially in accordance with due process.

Organizational Program:

Immigration Adjudications

Program Increase: Positions 330 Agt/Atty 83 FTE 165 Dollars \$60,000,000

Description of Item

This increase will enable EOIR to add 55 new Immigration Judge Teams to help effectively manage and adjudicate the pending caseload.

Justification

With the current volume of receipts, this caseload will continue to grow well into the future. At the same time, EOIR's attrition rate continues to outpace our ability to backfill all positions including immigration judge positions. This program increase, together with the increase in the 2015 appropriation, will allow EOIR to adjudicate more cases annually and better address the caseload.

Impact on Performance (Relationship of Increase to Strategic Goals)

This initiative ties directly to Strategic Objective 3.7 and to the Congress' and Administration's immigration priorities. The volume and geographic concentration of the additional caseload will depend upon DHS' enforcement strategies. However, the new enforcement priorities outlined by the Executive branch will undoubtedly impact EOIR's dockets. Because these and other priority case types are docketed on short time lines or adjudicated in detention or prison settings, they will have to be handled expeditiously. At the same time, EOIR must also address the growing pending caseload, requiring additional adjudicative resources.

Base Funding

| FY 2014 | | | | FY 2015 Enacted | | | | FY 2016 Current Services | | | |
|---------|--------------|-------|---------|-----------------|--------------|-------|---------|--------------------------|--------------|-------|---------|
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| 1,582 | 530 | 1,355 | 312,200 | 1,793 | 583 | 1,460 | 347,154 | 1,793 | 583 | 1,566 | 357,611 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|--|--|-------------------------------------|----------------------------|------------------------------|
| Attorney (0905) | 496 | 55 | 27,280 | |
| Information & Arts (1000-1099) | 106 | 55 | 5,830 | |
| Clerical and Office Services (0300-0399) | 92 | 110 | 12,394 | |
| Paralegal/Other Law (0900-0999) | 126 | 55 | 6,930 | |
| Attorney (0905) | 168 | 28 | 4,704 | |
| Paralegal/Other Law (0900-0999) | 106 | 27 | 2,862 | |
| Total Personnel | 1,094 | 330 | 60,000 | |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|-----------------------|-----------|----------|----------------------------|------------------------------|
| Total Non-Personnel | | | | |

| | Pos | Agt/Atty | FIE | Personnel (\$000) | Non- Personnel (\$000) | Total | FY 2017 Net Annualization |
|------------------|-------|----------|-------|----------------------|------------------------------|---------|------------------------------|
| Current Services | 1,793 | 583 | 1,566 | 215,174 | 142,437 | 357,611 | |
| Increases | 330 | 83 | 165 | 60,00 | 0 | 60,000 | |
| Grand Total | 2,123 | 666 | 1,731 | 275,174 | 142,437 | 417,611 | |

Item Name: Legal Orientation Program

Budget Decision Unit: <u>EOIR</u>

Strategic Goal & Objective: 3.7: Adjudicate all immigration cases promptly and

impartially in accordance with due process.

Organizational Program: <u>Immigration Adjudications</u>

Program Increase: Positions O Agt/Atty OFTE O Dollars \$10,000,000

Description and Justification of Item

This requested increase will expand the successful LOP and continue to improve efficiencies in immigration court proceedings for detained aliens by increasing their awareness of their rights and the overall immigration proceeding process. Evaluation reports have shown that LOP participants complete their immigration court cases in detention on an average of 12 days faster than detainees who do not participate in an LOP. The requested additional funding will respond to elevated demand at existing DHS sites and enable LOP to add 40 additional sites to the 37 sites we expect to be operating by the end of FY 2015, 35 of which are in detention centers.

Impact on Performance (Relationship of Increase to Strategic Goals)

This initiative ties directly to Strategic Objective 3.7 and to the Congress' and Administration's immigration priorities. This program increase would enhance immigration court efficiencies, allowing EOIR to adjudicate cases in a more timely fashion, especially the high priority detained cases.

Base Funding

| FY 2014 | | | | | FY 2015 Enacted | | | | FY 2016 Current Services | | | |
|---------|--------------|-----|---------|-----|-----------------|-----|---------|-----|--------------------------|-----|---------|--|
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | |
| | | | 8,610 | | | | 11,434 | | | | 11,434 | |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|------------------|--|-------------------------------------|----------------------------|------------------------------|
| Total Personnel | | | | 1 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|---------------------------------|-----------|----------|----------------------------|------------------------------|
| Legal Orientation Program (LOP) | | | 10,000 | |
| Expansion Total Non-Personnel | | | 10,000 | |

| | Pos | Agt/Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total | FY 2017 Net Annualization |
|------------------|-----|----------|-----|----------------------|------------------------------|--------|------------------------------|
| Current Services | | | | | 11,434 | 11,434 | |
| Increases | | | | | 10,000 | 10,000 | |
| Grand Total | | | | | 21,434 | 21,434 | |

Base Funding - EOIR

| FY 2014 | | | | FY 2015 Enacted | | | | FY 2016 Current Services | | | |
|---------|--------------|-------|---------|-----------------|--------------|-------|---------|--------------------------|--------------|-------|---------|
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| 1,582 | 530 | 1,355 | 312,200 | 1,793 | 583 | 1,460 | 347,154 | 1,793 | 583 | l,566 | 357,611 |

Personnel Increase Cost Summary

| 'ype of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|---|--|-------------------------------------|----------------------------|------------------------------|
| ttorney (0905) | 496 | 55 | 27,280 | |
| 1formation & Arts (1000-1099) | 106 | 55 | 5,830 | |
| lerical and Office Services (0300-0399) | 92 | 110 | 12,394 | |
| aralegal/Other Law (0900-0999) | 126 | 55 | 6,930 | |
| storney (0905) | 168 | 28 | 4,704 | |
| aralegal/Other Law (0900-0999) | 106 | 27 | 2,862 | |
| .ttorney (0905) | 84 | 15 | 1,262 | 1,320 |
| otal Personnel | 1,178 | 345 | 61,262 | 1,320 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization |
|--|-----------|----------|----------------------------|------------------------------|
| ilot - Innovative Ideas/Legal epresentation of Children | | | 50,000 | |
| iformation Technology Modernization | | | 3,000 | |
| egal Orientation Program (LOP) xpansion | | | 10,000 | |
| fiscellaneous Adjustment | | | | |
| otal Non-Personnel | | | 63,000 | |

| | Pos | Agt/Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total | FY 2017 Net Annualization |
|-----------------|-------|----------|-------|----------------------|------------------------------|---------|------------------------------|
| urrent Services | 1,793 | 583 | 1,566 | 215,174 | 142,437 | 357,611 | |
| icreases | 345 | 98 | 173 | 31,264 | 92,998 | 124,262 | 1,320 |
| ecreases | 0 | 0 | 0 | 0 | 0 | 0 | |
| rand Total | 2,138 | 681 | 1,739 | 246,438 | 235,435 | 481,873 | 1,320 |

Item Name:

Clemency Initiative

Strategic Goal:

Goal 2: Prevent Crime, Protect the Rights of the American

People, and Enforce Federal Law

Strategic Objective:

Objective 2.6: Protect the federal fisc and defend the

interests of the United States

Budget Decision Unit:

Office of the Pardon Attorney

Organizational Program:

Executive clemency advisory program

Program Increase: Positions 24 Agt/Atty 16 FTE 12 Dollars \$2,012,000

Description of Item

This request to fund 24 additional positions, consisting of 16 attorneys, 6 paralegals, and 2 administrative support positions, is crucial to OPA's effort to review and prepare recommendations concerning the elemency requests of thousands of federal inmates who have and are expected to seek commutation of sentence pursuant to the Clemency Initiative announced by the Deputy Attorney General in 2014.

Justification

The requested program increase for FY 2016 is essential to OPA's effort to meet the challenging task set by the Department's implementation of the 2014 Clemency Initiative. Given the historic numbers of commutation applicants who have already applied for clemency and who have indicated their desire to do so with the assistance of *pro bono* counsel, OPA will be unable to keep pace with the expected influx of petitions during the next two fiscal years unless it receives significant additional resources. OPA is obliged to process all clemency petitions it receives from persons who are eligible to seek clemency from the President. Even with the benefit of the additional resources appropriated in FY 2015, the Office's staffing level is currently inadequate to manage the expected increase in the commutation caseload, conduct the necessary review of so many petitions, and supervise the preparation of recommendations for the thousands of petitions that will be filed. It is crucial that the Office's attorney and paralegal resources be increased to address the challenge of processing the thousands of clemency applications that have been and will be filed so as to identify and present for the President's consideration candidates for commutation of sentence who meet the criteria of the Initiative.

Impact on Performance

OPA's mission supports Strategic Goal 2.6, which encompasses the Department's responsibility "to support the Attorney General in his role as legal adviser to the President" including "advising the President concerning the appropriate disposition of applications for executive elemency." As of the end of FY 2014, OPA is faced with a historic workload that resulted in the Office beginning FY 2015 with a huge backlog of cases that undoubtedly will grow in FY 2016. During the past two administrations, the President's final year in office witnessed a significant spike in the numbers of elemency petitions filed. The same effect is certain to be seen in FY 2016 and it will likely begin even earlier, in FY 2015, as thousands of commutation petitioners seek consideration under the Clemency Initiative. These factors will inevitably lead to a continuing backlog of cases. The size of the backlog by the end of FY 2016 depends in great part on the level of resources made available to OPA to meet this challenge.

OPA will continue to track its performance by monitoring the number of petitions it processes and the number of petitions that remain pending. With additional attorney and paralegal resources, the office expects to be able to increase significantly its productivity and efficiency in processing petitions. Once all of the requested additional positions are filled and new personnel are fully trained, OPA projects that it would be able to increase its case processing target to 3,500 cases for FY 2016. It will take several years, however, to work through the backlog that will only increase as the thousands of inmates who have sought pro bono legal assistance begin submitting their elemency petitions for consideration.

Funding

Base Funding - OPA

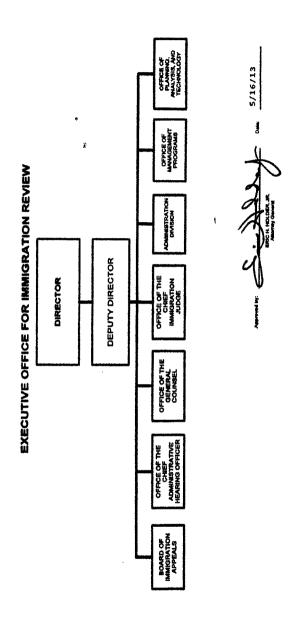
| | FY | 2014 E | inacted | | FY | 2015 Er | acted | | FY 20 | 16 Curre | nt Services |
|-----|--------------|--------|---------|-----|--------------|---------|---------|-----|--------------|----------|-------------|
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| 15 | 7 | 13 | 2,800 | 22 | 11 | 18 | 3,918 | 22 | 11 | 21 | 4,496 |

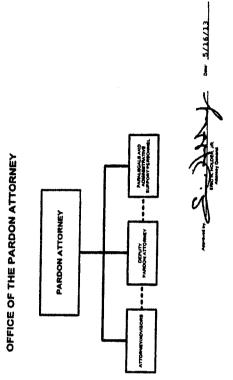
Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|--|--|-------------------------------------|-------------------------------|--|
| Clerical and Office Services (0300-0399) (GS-6) | \$39 | 2 | \$78 | \$4 2 |
| Attorneys (0905) (GS-15) | \$103 | 16 | \$1,640 | \$1,304 |
| Paralegals / Other Law (0900-0999) (GS-9) | \$49 | 6 | \$294 | \$186 |
| Total Personnel | | 24 | \$2,012 | \$1,532 |

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|-----------|-----|--------------|-----|----------------------|------------------------------|------------------|---|
| Current | | | | | | - | |
| Services | 22 | 11 | 21 | \$4,496 | \$0 | \$4,496 | <u> </u> |
| Increases | 24 | 16 | 12 | \$2,012 | \$0 | \$2,012 | \$1,532 |
| Grand | | | | | | | |
| Total | 46 | 27 | 33 | \$6,508 | \$0 | \$6,508 | \$1,532 |







Summary of Requirements Administrative Review and Appeals Salaries and Expenses (Dollars in Thousands)

| | <u> </u> | FY 2016 Request | |
|---|------------------|-----------------|---------|
| | Direct Positions | Estimate FTE | Amount |
| 2014 Enacted | 1,597 | 1,326 | 315,000 |
| 2015 Enacted | 1,815 | 1,478 | 351,072 |
| Technical Adjustments | | | |
| DHS Immigration Examination Fee Account | 0 | | 4,000 |
| Total Technical Adjustments | 0 | • | 4,000 |
| Base Adjustments | | | |
| Transfers: | | | |
| DHS Immigration Examination Fee Account | 0 | 0 | 4,000 |
| Pay and Benefits | _ | 109 | 16,027 |
| Domestic Rent & Facilities | 0 | 0 | -5,074 |
| Other Adjustments | 0 | 0 | 82 |
| Total Base Adjustments | 0 | 109 | 15,035 |
| Total Technical and Base Adjustments | 0 | 109 | 11,035 |
| 2016 Current Services | 1,815 | 1,587 | 362,107 |
| Program Changes | | | |
| Increases: | | | |
| Immigration Court Support - Coordination with DHS Enforcement Initiatives | 15 | 88 | 1,262 |
| Legal Representation of Children | 0 | 0 | 20,000 |
| IT Modernization | 0 | | 3,000 |
| Immigration Judge Teams | 330 | 165 | 60,000 |
| Legal Orientation Program (LOP) Expansion | 0 | | 10,000 |
| Clemency Initiative | 24 | | 2,012 |
| Subtotal, Increases | 369 | 185 | 126,274 |
| Total Program Changes | 369 | 185 | 126,274 |
| 2016 Total Request | 2,184 | 1,772 | 488,381 |
| 2015 - 2016 Total Change | 369 | 294 | 137,309 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

B. Summary of Requirements

Summary of Requirements
Administrative Review and Appeals
Salaries and Expenses
(Dollars in Thousands)

| Program Activity | | 2014 Enacted | ted | Ā | 2015 Enacted | ted | 2016 T | Pechnical and Adjustments | 2016 Technical and Base Adjustments | 2016 | 2016 Current Services | ervices |
|---|----------------|--------------|---------|----------------|--------------|---------|----------------|------------------------------|--|----------------|-----------------------|---------|
| | Direct Pos. | Actual | Amount | Direct Pas. | Est. FTE | Amount | Direct Pos. | ži E | Amount | Direct Pos. | Est. FTE | Amount |
| Executive Office for Immigration Review | 1,582 | 1,313 | 312,200 | 1,793 | 1,460 | 347,154 | Ö | 106 | 10,457 | 1,793 | 1,566 | 357,611 |
| Office of the Pardon Attorney | 15 | 13 | 2,800 | 22 | 18 | 3,918 | 0 | 3 | 578 | 22 | . 21 | 4,496 |
| Total Direct | 1,597 | 1,326 | 315,000 | 1,815 | 1,478 | 351,072 | 0 | 109 | 11,035 | 1,815 | 1,587 | 362,107 |
| Total Direct with Rescission | | | 315,000 | | | 351,072 | | | 11,035 | | | 362,107 |
| Reimbursable FTE | | 0 | | | O | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 1,326 | | | 1,478 | | | 109 | | - | 1,587 | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | | | 0 | |
| Overtime | | ٥ | | | 5 | | | 5 | | | 0 | |
| Grand Total, FTE | | 1,326 | | | 1,478 | | | 109 | | | 1,587 | |

| |)7 | 2016 Increases | ses | | 2016 Offsets | ets | _ | 2016 Request | Jest |
|---|--------|----------------|---------|--------|--------------|--------|--------|--------------|---------|
| Program Activity | Direct | Est | Amount | Direct | 먑 | Amount | Direct | Ë | Amount |
| | Pos. | 빌 | | Pos. | FTE | | Pos. | FE | |
| Executive Office for Immigration Review | 345 | 173 | 124,282 | 0 | 0 | ° | 2,138 | 1,739 | 481,873 |
| Office of the Pardon Attorney | 24 | 12 | 2,012 | 0 | 0 | 0 | 48 | 33 | 6,508 |
| Total Direct | 369 | 185 | 126,274 | 0 | 0 | 0 | 2,184 | 1,772 | 488,381 |
| Total Direct with Rescission | | | 126,274 | | | ٥ | | | 488,381 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Relmb. FTE | | 185 | | | 0 | | | 1,772 | |
| offer gree | | | | | | | | 0 0 | |
| LEAP | | C | | | C | | | → C | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 185 | | | o | | | 1772 | |

FY 2016 Program Increases by Decision Unit Administrative Review and Appeals Salaries and Expenses (Dollars in Thousands)

| Program Increases | Location of Description in | | _ | EOIR | | | Total | Total Increases | |
|---|-------------------------------|----------------|----------------|------------------------|---------|----------------|-------|-----------------|---------|
| | Narrative | Direct Pos. | Agt./ Atty. | Agt / Est. FTE Atty | Amount | Direct Pos. | Agt./ | Est. FTE | Amount |
| Immigration Court Support | page 32 | 15 | 15 | æ | 1,262 | 15 | 15 | 80 | 1.262 |
| Legal Representation of Children | page 34 | 0 | 0 | 0 | 50,000 | • | 0 | ō | 50.000 |
| IT Modernization | 92 абва | 0 | 0 | 0 | 3,000 | 0 | 0 | 0 | 3.000 |
| Immigration Judge Teams | page 38 | 330 | 83 | 165 | 000'09 | 330 | 83 | 165 | 60,000 |
| Legal Orientation Program (LOP) Expansion | page 40 | 0 | 0 | 0 | 10,000 | 0 | 0 | 0 | 10,000 |
| Clemency initiative | page 43 | 24 | 16 | 12 | 2,012 | 24 | 16 | 12 | 2.012 |
| Total Program Increases | | 369 | 114 | 185 | 126,274 | 369 | 114 | 185 | 126,274 |

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective Administrate Wilders and Appeals Administrate Wilders and Appeals Soaries and Expenses (Colean in Traceacts)

| Stretonin Zool and Stretonin Oblantius | 201 | 2014 Enacted | 2045 | 2016 Enacted | 2016 Cum | 2016 Current Services 2016 Increases | 2016 1 | 1creases | 2018 | 2016 Offsets | 2016 To | 2016 Total Request |
|---|---------|--------------|----------|--------------|----------|--------------------------------------|---------|----------|--------|--------------|---------|--------------------|
| PATIENTO LIBERTO DUO DOO CORRETO | Direct/ | Direct | Direct/ | Direct | Direct | Direct | Direct/ | Direct | Direct | Direct | Direct | Direct |
| | Relimb | | Page 3 | Amount | Reimb | Amount | Reimb | Amount | Reimb | Amount | Relmb | Amount |
| Goal 2 Prevent crime, protect the rights of the American people, and enforce federal taw. | | | | | | | | | | | | |
| 2.8 Protect the federal fisc and defend the interests of the United | | | | | | | | | | | | |
| States. | 13 | | 9 | 3,918 | 21 | 4,496 | 12 | 2,012 | 0 | ٥ | 8 | 6,508 |
| Subtotal, Goal 2 | \$ | | = | 3,918 | 77 | 864.4 | 12 | 2,012 | 0 | ¢ | ຮ | 6,508 |
| Goal 3 Ensure and Support the Fair, Impartial, Efficient, and | | | | | | | Γ | | | | | |
| Transparent Administration of Justice at the Federal, State, | | | | | | | | | | | | |
| Local, Tribal and International Levels. | | | | | | | | | | | | |
| 3.7 Adjudicate all immigration cases promptly and impartially in | _ | | | | | | _ | | | | | |
| accordance with due process, | 1,313 | | | 347,154 | | | 173 | | ~ | • | 1,738 | |
| Subtotal, Goal 3 | 1,313 | 312,200 | 1,450 | 347,184 | 1,566 | 357,611 | 173 | 124,252 | - | ٥ | 1,739 | • |
| TOTAL | 1,326 | 315,000 | 1,478 | 351,072 | 1,587 | 362,107 | 185 | 128,274 | • | ٥ | 1,772 | 488,381 |

Justifications for Technical and Base Adjustments Administration Fromey and Appeals States and Expenses Colores in Tourist

| Technical Adjustments Technical Adjustments Technical for the Party of the PARTY | | 2 | |
|--|-----|-----|-------|
| THE ISSUE OF THE PROPERTY OF T | | 'n | 100°T |
| Subtotal, Technical Adjustments | , | 0 0 | 4,00 |
| Transfers 1 OHS transparion Exambation Fee Account | | ć. | 4,00 |
| Subtotal, Transfers | | 0 | 100,4 |
| Pay and Banaffa | | L | |
| 2005 BP (2008). This request provides for a proposed 1.3 percent pay ratie to be effective in Lemany of 2016. The amount requested, \$1,847,000, represents the pay amounts for 34 of the Stop year plus appropriate benefits (\$1,319,000 for pay and \$227,000 for benefits). | | | 1,847 |
| Acrusication of 2016 Pay Relies. The pay entrustration represents first querier encurits (October through December) of the 2016 pay increase of 1.0% included in the 2015. | | | |
| The factor of the process of the pro | | | 754 |
| The presental for the arrandization of 211 new positions appropriated in 2016. Arrandization of new positions extends up to 2 years to provide the private for the present present presents of the present presents of the present presents of the present presents of the present presents of 151,000.00 to 164,years protect our second on the present public protection of 151,000.00 to 164,years protect our second on the present presents of 151,000.00 to 164,years protect our second on the present presents of 151,000.00 to 164,years protect our second on the present present presents of 152,000.00 to 164,years protect our second | | | |
| Non-versional. This request includes a decrease of \$4,035,000 for one-time times associated with the new positions, for a red of *\$240,000. This request includes a decrease of \$4,035,000 for one-time times associated with the new position. Amountained for 2010 the Present for 2010 | | 108 | 12. |
| of 211 new Postations 14,892 | | - | |
| 75% | | : | |
| Not companisation | | : | |
| Associated Emphayer benefits and Total Personnel Cost 6,678 11822 | | _ | |
| 243 | | | |
| Transportation of Things | | | : : |
| Communicational/Wilde | | _ | |
| | : | | |
| Other Contractual Services | | _ | |
| 1,748 | ; | | |
| Soods and Services from Government Accounts | | | |
| \$2 | | | |
| and Maintenance of Equipment 1,348 1, | | | |
| d Meterials 197 | ; | | |
| Equipment 2,636 3,869 3,000 Total Non Boundarie Coast 7,800 3,000 | | : | : |
| | : 1 | | |
| Annalization of their Designar approper in 2015 - Office of the Parion Alborino. This provises for annualization of their positions appropriated in 2016, Annalization of their positions extends to bio 2 years to provide entry | • | : : | |
| level funding in the fist year, with a 1 or 2-year progression to a journeymen fevel. For 2015 increases, this request includes an increase of 1. It is not the flower naving materialists with these scientifical modification. | | _ | |

Exhibit E - Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments Admissions Reveward Appeas Select and Common Common Common Common (Common)

E. Justification for Technical and Base Adjustments

| | Direct Pos. | Estimate | Amount |
|---|----------------|----------|--------|
| Charce is Constructed and for one content of the PT 2016 is calculated by dividing the PT 2016 estimated personnel compensation and specially entering by 262 compensation days. | | | 789 |
| 6 Embores Comediates for Eng. The 813.000 decrease refacts anticipated changes in perments to the Department of Labor for Injury benefits under the Federal Employee Comparisation Act. | | | ţ |
| O EESS Reg, broates. Effect and control of the new spacey control of 13.7% (up from the curren 13.2%, or an increase of 0.5%) and Short for bother 1, 2015 (F7.2016) the new spacey control of 18.8%, or an increase of 1.3%). The amount impressed, \$500.00, represents the Linda meeted to cover the transier. | | | |
| establishming. Sight is nomponent controlled in process heads independ heads insurance transceas by 6.6 percent. Applied against the 200 estation, the additional empart or required is \$200,000. | | | 200 |
| 9 Editional conflictions increase as employees under CSRS when and are replaced by FERS imployees. Based in U.S. Department of Justice Agency settinates, we project that the DOD landschool will convent time CSRS by FERS at this of till percent per year, for the LEQ based in the parts for an CDL instrument data. The inspirate professe of \$100,000 is instead by the convention. | | | |
| Sobiotal, Pay and Benefits | 6 | 109 | 16,027 |
| Domestic first and teatibles. GEAN dOCTION to Darge mark installation (SQL) flags. GEAN dOCTION to Darge mark installation (SQL) flags. GEAN dOCTION to Darge mark installation (SQL) flags. FOUND for requested formers at \$1,000 floor in required to meet our commission (SQL). And could associated which shall see that we have a memorated person, which inset we leave the memorated person which inset with seen the second section of the se | | | |
| S GAMEN Services. | | | 3,026 |
| That includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across to country. The requested increase of \$70,000 is required to meet these commisments. Second Lasses Departments. | | | 70 |
| GSA frequest provides to pay relocation costs associated with lease expansions. This nequest provides for the costs associated with new office relocations caused by the explation of leases in PY 2016. | | | -8.170 |
| payments to the Office of Personnel Management for security investigati | | | |
| b) VECTORES IN EXPLOSION. The purpose of the NGC 2005. The NGC 2005. </td <td></td> <td></td> <td></td> | | | |
| Sufficial Other Adjustments | | - | 76 |
| TOTAL DIRECT TECHNICAL and BASE ADJUSTIMENTS | ٥ | 109 | 11,035 |

Crosswalk of 2014 Availability Administrative Review and Appeals Salaries and Expenses (Dollars in Thousands)

| Document Activity | | 2014 Enacted | cted | Repro | Jujumuni | Reprogramming/Transfers | Carryover | Recoveries/ Refunds | | 2014 Actual | jen. |
|-----------------------------|----------------|--------------|---------|----------------|---------------|-------------------------|-----------|------------------------|----------------|-------------|---------|
| | Direct Pos. | Actual | Amount | Direct Pos. | Actual FTE | Amount | Amount | Amount | Direct Pos. | Actual | Amount |
| EOIR | 1,582 | 1,313 | 308,200 | 0 | 0 | 10,420 | 0 | 0 | 1,582 | 1,313 | 318,620 |
| VdO | 15 | 13 | 2,800 | 0 | 0 | 280 | 0 | 0 | 15 | 13 | 3,080 |
| Total Direct | 1,597 | 1,326 | 311,000 | ٥ | ٥ | 10,700 | 0 | • | 1,597 | 1,326 | 321,700 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb. FTE | | 1,326 | | | 0 | ; | | | | 1,326 | |
| Other FTE: | | | | | | | | | | | |
| LEAP | | Ο. | | | 0 | . , | | | | 0 | • |
| | | ٥ | | | ٥ | | | | | 0 | |
| Grand Total, FTE | | 1,326 | | | 0 | | | | | 1,326 | |

Reprogramming/Transfer:
EOIR: Includes transfers of \$6.7 million from US Marshals Federal Prisoner Detention and \$4.0 million from DHS Immigration Examination Fee Account, as well as -\$280K reatlocated from EOIR to OPA

OPA: Includes +280K reallocated from EOIR to OPA

Crosswalk of 2015 Availability
Executive Office fearinmigration Review
Salaries and Expenses
(Dollars in Thousands)

| December Assiste | 14. | FY 2015 Enacted | acted | Repros | gramming | Reprogramming/Transfers Carryover | Carryover | Recoveries/ Refunds | ž | 2015 Availability | ability |
|------------------------------|--------|-----------------|---------|--------|---------------|-----------------------------------|-----------|------------------------|--------|-------------------|---------|
| Lingian Actually | Direct | 1- | Amount | Direct | Direct Estim. | Amount | Amount | Amount | Direct | Direct Estim. | Amount |
| | Pos. | Ë | | Pos. | 벁 | | | | Pos. | 표 | |
| . EOIR | 1,793 | 1,460 | 347,154 | 0 | 0 | 0 | 0 | 0 | 1,793 | 1,460 | 347,154 |
| OPA | 22 | 18 | 3,918 | 0 | 0 | 0 | 0 | 0 | 22 | 18 | 3,918 |
| Total Direct | 1,815 | 1,478 | 351,072 | ٥ | 0 | ō | 0 | 0 | 1,815 | 1,478 | 351,072 |
| Balance Rescission | | | ō | | | | | | | | 0 |
| Total Direct with Resclssion | | | 351,072 | | | | | | | | 351,072 |
| Reimbursable FTE | | 0 | | | 0 | | 0 | | | 0 | |
| Total Direct and Relmb. FTE | | 1,478 | | | 0 | | 0 | | | 1,478 | |
| Other FTE: | | | | | , | | | | | | |
| LEAP | | 0 | | | 0 | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | 0 | | | 0 | |
| Grand Total, FTE | | 1.478 | | | c | | 0 | | | 1.478 | |

Summary of Reimbursable Resources Administrative Reyiew and Appeals Salaries and Expenses (Dollars in Thousands)

| | | 2014 Actual | len | | 2015 Planned | ned | | 2016 Request | lest | Ĕ | increase/Decrease | screase |
|-----------------------------------|--------|---------------|--------|--------|---------------|--------|--------|--------------|--------|--------|-------------------|------------------|
| Collections by Source | Reimb. | Reimb. Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. | - | Amount | Reimb. | Reimb. Reimb. | Amount |
| | Pos. | 1 | | Pos. | ı. L | | Š | בונ | | 202 | 4 | |
| Department of Justice - Working | | | _ | | | | | | | | , | |
| Capital Fund | 0 | 0 | 2,000 | 0 | o | | ٥ | 0 | ٥ | ٦ | 7 | |
| CNCS | 0 | 0 | 115 | 0 | 0 | ٥ | ٥ | ٥ | ٩ | | 9 | |
| Department of Justice - Bureau of | | | | | | | | | | | | , |
| Justice Statistics | 0 | ō | 0 | 0 | 0 | 50 | | 0 | ٥ | ٥ | | -20 |
| Department of Justice - General | | | | | | | | | _ | | | |
| Administration | 0 | 0 | 0 | 0 | 0 | 280 | ٥ | ٥ | | ٦ | 5 | 087 - |
| Budgetary Resources | 0 | 0 | 5,115 | • | • | 330 | • | 0 | 0 | 0 | 0 | -33 |

| | | 2014 Actual | ual | | 2015 Planned | ped | | 2016 Request | uest | Juj | Increase/Decrease | crease |
|---------------------------------|--------|-------------|--|----------------|---------------|--------|----------------|---------------|--------|----------------|-------------------|--------|
| Obligations by Program Activity | Reimb. | Reimb. | Reimb. Reimb. Amount Reimb. Amount Reimb. Amount Reimb. Re | Reimb. Pos. | Reimb. FTE | Amount | Reimb. Pos. | Reimb. FTE | Amount | Reimb. Pos. | Reimb. FTE | Amount |
| FOIR | 0 | o | 2,495 | 1 | ō | 0 | 0 | 0 | O | 0 | 0 | 0 |
| OPA | 0 | ō | 0 | 0 | 0 | 330 | 0 | 0 | 0 | 0 | 0 | -330 |
| Budgetary Resources | 0 | o | 2,495 | 0 | 0 | 330 | 0 | 0 | ٥ | 0 | o | -330 |
| | | | | | | | | | | | | |

Exhibit H - Summary of Reimbursable Resources

Exhibit I - Details of Pe It Positions by Category

Detail of Permanent Positions by Category Administrative Review and Appeals Salaries and Expenses (Dollars in Thousands)

I. Detail of Permanent Positions by Category

| Category | 2014 E | 2014 Enacted | 2015 E | 2015 Enacted | | | 2016 Request | | |
|--|-------------|--------------|-------------|--------------|------|-----------|---------------|--------------|--------------|
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Reimb. |
| Miscellaneous Operations (040 000) | 5 | - | | | | increases | Offsets | Pos. | Pos. |
| Consider Consider (000) | 56 | 5 | 29 | 0 | 0 | 0 | 0 | 69 | 0 |
| Decouply Specialists (USU) | _ | 0 | 7 | 8 | 0 | 0 | 0 | 7 | 0 |
| Charles management (200-299) | 15 | 0 | 15 | 0 | 0 | 0 | 0 | 15 | 0 |
| Clerical and Office Services (300-399) | 506 | 8 | 276 | o | 0 | 110 | 0 | 386 | 0 |
| Apparation and Reduce (500-500) - OPA | n (| 0.0 | 4 | 0 | 0 | 2 | • | 9 | 0 |
| Attombre (905) | 0 | 5 | 9 | 0 | 0 | 6 | • | 9 | 0 |
| Attorneys (905) - OPA | 280 | 0 0 | 283 | 0 | 0 | 86 | • | 681 | 0 |
| Paralegals / Other Law (900-998) | , 24 | 5 6 | - 5 | 5 | 0 | 9 | | 27 | 0 |
| Paralegats / Other Law (900-998) - OPA | - | 0 0 | 210 | 5 6 | 5 | 82 | 0 | 594 | Φ. |
| Information & Arts (1000-1099) | 9 | 0 | 101 | - | > 0 | غ ه | | 13 | • |
| Business & Industry (1100-1199) | 3 4 | , c | 7 | 9 6 | 9 0 | n c | 0 0 | 176 | 6 70 |
| Library (1400-1499) | | C | - | 5 6 | 5 6 | 5 6 | - | 4 | 5 6 |
| Supply Services (2000-2099) | ~ | 0 | | 5 6 | 0 | 5 6 | > c | | 5 |
| Information Technology Mgmt (2210) | 8 | Ö | 200 | 5 6 | o c | 5 6 | | 7 6 | 5 6 |
| Ungraded | 187 | 0 | 187 | c | c | | | 2 5 | 5 |
| Total | 1.597 | • | 1,815 | 0 | | 389 | | 2 184 | |
| Headquarters (Washington, D.C.) | 299 | 0 | 595 | o | 0 | 2 | | 689 | |
| C.S. Fedd | 1,045 | 0 | 1,220 | 0 | ō | 275 | 0 | 1,495 | 0 |
| - | 0 | 0 | 0 | Ö | 0 | Ö | 0 | | • |
| Total | 1,597 | 0 | 1,815 | 0 | 9 | 369 | | 2 184 | , - |
| | | | | | • | | • | | • |

28

yals of Program Changes J. Finan

Clemency initiative Legal Orlentation Ogram (LOP) Expansio Direct Pos. inmigration Judge Teams Financial Analyses or virogram Changes Admissiaths Review and Appeals Salaries and Experses (Delar in Douanots) knangration Court Support 68-16
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25, 50 20, 7, 08 20, 68 20, 76 20,

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class Administrative Review and Appeals Salaries and Expenses (Delars in Thousands)

| | Ŕ | 2014 Actual | 2015 | 2015 Availability | 2016 | 2016 Request | increas | ncrease/Decrease |
|---|--------|-------------|--------|-------------------|--------|--------------|---------|------------------|
| Object Class | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | Ë | | FE | | FE | | 11 | |
| 11.1 Full-Time Permanent | 1.181 | 127,713 | 1,333 | 142,414 | 1,627 | 178,898 | 294 | 36,484 |
| 11.3 Other than Full-Time Permanent | 145 | 9,834 | | 10,524 | 145 | 11,152 | 0 | 628 |
| 11.5 Other Personnel Compensation | 6 | 2,828 | 0 | 1,861 | 0 | 1,874 | 0 | 13 |
| 11.8 Special Personal Services Payments | ٥ | φ | ō | 0 | ō | 0 | ٥ | 0 |
| Total | 1,326 | 140,369 | 1,478 | 154,789 | 1,772 | 191,924 | 294 | 37,125 |
| Other Object Classes | | | | | | | | |
| 12.1 Personnel Benefits | | 40.440 | | 47.458 | | 59.229 | | 11,771 |
| 13.0 Benefits for former personnel | | 139 | | 123 | | 123 | | 0 |
| 21.0 Travel and Transportation of Persons | | 1.483 | | 2.988 | • | 4.025 | | 1,037 |
| 22.0 Transportation of Things | | 1,635 | | 1,786 | | 2,431 | | 645 |
| 23.1 Rental Payments to GSA | | 33,246 | | 34,868 | | 37,894 | | 3,026 |
| 23.2 Rental Payments to Others | | 30 | | 17 | | 18 | | - |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 5,481 | | 6,243 | | 8,549 | | 2,306 |
| 24.0 Printing and Reproduction | | 237 | | 271 | | 351 | | 80 |
| 25.1 Advisory and Assistance Services | | 8,842 | | 5,945 | | 56,023 | | 50,078 |
| 25.2 Other Services from Non-Federal Sources | | 37,200 | | 59,392 | | 86,798 | | 10,406 |
| 25.3 Other Goods and Services from Federal Sources | | 21,583 | | 11,735 | | 13,381 | | 1,656 |
| 25.4 Operation and Maintenance of Facilities | | 089 | | 2,007 | | 2,007 | | 0 |
| 25.6 Medical Care | | 181 | | 200 | | 277 | | 11 |
| 25.7 Operation and Maintenance of Equipment | | 12,957 | | 14,350 | | 20,514 | | 6,164 |
| 26.0 Supplies and Materials | | 1,693 | _ | 2,031 | | 2,696 | | 965 |
| 31.0 Equipment | | 14,343 | | 6,541 | | 19,111 | | 12,570 |
| 32.0 Land and Structures | | | : | 298 | | | | -298 |
| 42.0 Insurance Claims and Indemnities | | _ | - | 20 | | 20 | | 0 |
| Total Obligations | | 320,836 | | 351.072 | | 488.384 | | 137,309 |
| Subtract - Unobligated Balance, Start-of-Year | | 0 | - | C | - | C | | |
| Subtract - Transfers/Reprogramming | | -10,700 | | 0 | | - | | 0 |
| Subtract - Recoveries/Refunds | | 0 | | | | | | 0 |
| Add - Unobligated End-of-Year, Avallable | : | 0 | : | 0 | : | | | . 0 |
| Add - Unobligated End-of-Year, Expiring | | 864 | _ | | | 0 | | 0 |
| Total Direct Requirements | 6 | 311.000 | ö | 351.072 | - | 488.381 | 0 | 137.309 |

This amount excludes the \$4.0 million transfer from the DHS immigration Examination Fees account.



U.S. Department of Justice FY 2016 PERFORMANCE BUDGET

Office of the Inspector General Congressional Justification Submission

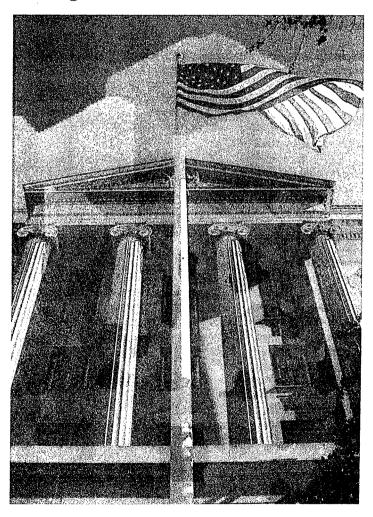


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Appendix A. OIG Statistical Highlights

I. Overview

1. Introduction

In FY 2016, the Office of the Inspector General (OIG) requests a total of \$93,709,000, 455 FTE, and 474 positions (of which 139 are Agents and 30 are Attorneys) to investigate allegations of fraud, waste, abuse, and misconduct by Department of Justice (Department) employees, contractors, and grantees and to promote economy and efficiency in Department operations. This request is an increase of \$5,132,000 (approximately 5.79%) over the FY 2015 enacted, and includes program increases for Contract Oversight of \$2,970,000, Council of Inspectors General on Integrity and Efficiency (CIGIE) Operations of \$580,000 and adjustments-to-base of \$1,582,000.

The OIG has identified seven challenges that represent the most pressing concerns for the Department. We will discuss a number of our work products as they relate to these challenges.

- 1. Addressing the Persisting Crisis in the Federal Prison System
- 2. Safeguarding National Security Consistent with Civil Rights and Liberties
- 3. Enhancing Cybersecurity in an Era of Ever-Increasing Threats
- 4. Effectively Implementing Performance-Based Management
- 5. Ensuring Effective and Efficient Oversight of Law Enforcement Programs
- 6. Upholding the Highest Standards of Integrity and Public Service
- 7. Protecting Taxpayer Funds from Mismanagement and Misuse

With these resources, the OIG will be able to sustain the number of quality audits, inspections, investigations, and special reviews it conducts to help assure Congress and the taxpayers that the substantial funding provided to support these Department priorities and infrastructure investments are used efficiently, effectively, and for their intended purposes.

Electronic copies of the Department of Justice Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm

2. Background

The OIG was statutorily established in the Department on April 14, 1989. The OIG is an independent entity within the Department that reports to both the Attorney General and Congress on issues that affect the Department's personnel or operations.

The OIG has jurisdiction over all complaints of misconduct against Department of Justice employees, including the Federal Bureau of Investigation (FBI); Drug Enforcement Administration (DEA); Federal Bureau of Prisons (BOP); U.S. Marshals Service (USMS); Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF); United States Attorney's Offices (USAO); Office of Justice Programs (OJP); and other Offices, Boards and Divisions. The one exception is that allegations of misconduct by a Department attorney or law enforcement personnel that relate to the exercise of the Department attorney's authority to investigate, litigate, or provide legal advice are the responsibility of the Department's Office of Professional Responsibility.

The OIG investigates alleged violations of criminal and civil law, regulations, and ethical standards arising from the conduct of Department employees in their numerous and diverse activities. The OIG also audits and inspects Department programs and assists management in promoting integrity, economy, efficiency, and efficacy. Appendix A contains a table that provides statistics on the most recent Semiannual Reporting period. These statistics highlight the OIG's ongoing efforts to conduct wide-ranging oversight of Department programs and operations.

OIG Organization

The OIG consists of the Immediate Office of the Inspector General and the following five divisions and one office:

- <u>Audit Division</u> is responsible for independent audits of Department programs, computer systems, and financial statements. The Audit Division has regional offices in Atlanta, Chicago, Denver, Philadelphia, San Francisco, and Washington, D.C. Its Financial Statement Audit Office and Computer Security and Information Technology Audit Office are located in Washington, D.C. Audit Headquarters consists of the immediate office of the Assistant Inspector General for Audit, Office of Operations, Office of Policy and Planning, and Advanced Audit Techniques.
- Investigations Division is responsible for investigating allegations of bribery, fraud, abuse, civil rights violations, and violations of other criminal laws and administrative procedures governing Department employees, contractors, and grantees. The Investigations Division has field offices in Chicago, Dallas, Denver, Los Angeles, Miami, New York, and Washington, D.C. The Fraud Detection Office and the Cyber Investigations Office are located in Washington, D.C. The Investigations Division has smaller area offices in Atlanta, Boston, Trenton, Detroit, El Paso, Houston, San Francisco, and Tucson. Investigations Headquarters in Washington, D.C., consists of the immediate office of the Assistant Inspector General for Investigations and the following branches: Operations, Operations II, Investigative Support, Research and Analysis, and Administrative Support.
- <u>Evaluation and Inspections Division</u> conducts program and management reviews that involve on-site inspection, statistical analysis, and other techniques to review Department programs and activities and makes recommendations for improvement.
- Oversight and Review Division blends the skills of attorneys, investigators, program
 analysts, and paralegals to review Department programs and investigate sensitive
 allegations involving Department employees and operations.
- Management and Planning Division provides advice to OIG senior leadership on administrative and fiscal policy and assists OIG components in the areas of budget formulation and execution, security, personnel, training, travel, procurement, property management, information technology, computer network communications, telecommunications, records management, quality assurance, internal controls, and general support.

Office of the General Counsel provides legal advice to OIG management and staff. It
also drafts memoranda on issues of law; prepares administrative subpoenas;
represents the OIG in personnel, contractual, ethics, and legal matters; and responds
to Freedom of Information Act requests.

3a. Notable Reviews and Recent Accomplishments

Addressing the Persisting Crisis in the Federal Prison System

The Department continues to face two interrelated crises in the federal prison system. First, despite a slight decrease in the total number of federal inmates in FY 2014, the Department projects that the costs of the federal prison system will continue to increase in the years ahead, consuming a large share of the Department's budget. Second, federal prisons remain significantly overcrowded and therefore face a number of important safety and security issues. The following are some examples of the OIG's oversight efforts in this critical challenge area.

During April 2014 thru September 2014, the OIG opened 115 investigations and referred 25 allegations to the Bureau of Prisons Office of Internal Affairs (BOP) for action or investigation. At the close of the reporting period, the OIG had 216 open cases of alleged misconduct against BOP employees. The criminal investigations covered a wide range of allegations, including official misconduct; and force, abuse, and rights violations.

BOP's Residential Reentry Center Contract with Glory House, Inc.

In July 2014, the OIG audited a BOP contract with Glory House, Inc., to operate and manage the Residential Reentry Center (RRC) located in Sioux Falls, South Dakota. The contract had an estimated award amount of \$9,416,880. The audit disclosed that the Sioux Falls RRC did not comply with all the criteria outlined in the contract statement of work (SOW) for RRC operations. Specifically, the Sioux Falls RRC did not always: (1) update the Individualized Program Plans in a timely manner or with the detail required by the SOW; (2) submit inmate release plans and terminal reports in a timely manner; and (3) conduct monthly inmate vehicle searches.

BOP financial administrator charged with making false statements

In June 2014, a BOP financial administrator was arrested pursuant to criminal information charging him with making a false statement. The information alleged that the BOP administrator submitted to the BOP a false Financial Disclosure Report stating he had no reportable outside employment position when in fact he knew he had a business relationship with a for-profit BOP contractor that distributed medical products. The investigation was conducted by the OIG's Dallas Field Office.

International Prisoner Transfer Program

The OIG is examining the progress the Department has made to more effectively manage the International Prisoner Transfer Program, which allows selected foreign national inmates to serve the remainders of their sentences in their home countries' prison systems. The review will also further evaluate factors that limit the number of inmates ultimately transferred.

Ongoing BOP Reviews

BOP Aging Inmates

The OIG is examining the impact of the BOP's aging inmate population on inmate and custody management, including programming, housing, and costs. The review will also assess the recidivism rate of inmates aged 50 and older that were released from FY 2006 through FY 2013.

BOP Contract with Reeves County Detention Center

The OIG is auditing a BOP contract awarded to the Reeves County Detention Center located in Pecos, Texas. The preliminary objective is to assess the BOP's and contractor's compliance with contract terms and conditions in the areas of billings and payments, staffing requirements, and contract oversight and monitoring. The scope of this audit is focused on but not limited to contract performance from October 1, 2008.

Private Contract Prisons

The OIG is examining how the BOP monitors its private contract prisons; whether contractor performance meets inmate safety and security indicators requirements; and how contract facilities compare with similar BOP facilities in terms of inmate safety, security, and cost.

Safeguarding National Security Consistent with Civil Rights and Liberties

The Department's national security efforts continue to be a focus of the OIG's oversight work, which has consistently shown that the Department faces myriad challenges in its efforts to protect the nation from attack.

Boston Marathon Bombings

In April 2014, The Inspectors General for the Intelligence Community, the Department of Justice, the Department of Homeland Security (DHS), and the Central Intelligence Agency (CIA) issued a report on the handling and sharing of information prior to the April 15, 2013, Boston Marathon bombings. The review examined the information available to the U.S. government before the bombings and the information sharing protocols and procedures followed among the intelligence and law enforcement agencies. The OIGs concluded that the Federal Bureau of Investigation (FBI), CIA, DHS, and National Counterterrorism Center generally shared information and followed procedures appropriately. They identified a few areas where broader information sharing may have been required, such as FBI coordination with the CIA after receiving lead information in 2011, or where broader information sharing on Joint Terrorism Task Forces (JTTF) should be considered. The report included recommendations that the FBI and DHS clarify JTTF alert procedures and that the FBI consider establishing a procedure for sharing threat information with state and local JTTF partners more proactively and uniformly.

A Review of the FBI's Use of National Security Letters: Assessment of Progress in Implementing Recommendations and Examination of Use in 2007 through 2009. In August 2014, The OIG issued a report examining the FBI's progress in implementing recommendations from prior reports involving the use of national security letters (NSL) and the use of NSLs from 2007 through 2009. This report follows up on the OIG's March 2007 and March 2008 reports on the FBI's use of NSLs after the enactment of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (Patriot Act) in 2001, as well as the OIG's separate January 2010 report on the FBI's use of exigent letters and other informal methods to obtain telephone records. In sum, the OIG's latest report found that the FBI and the Department have devoted considerable resources toward implementing the recommendations made in the OIG's past reports and taking additional

measures to improve the FBI's compliance with NSL requirements. The OIG found that the FBI and the Department have fully implemented 31 of 41 recommendations made in the OIG's prior reports on these topics, and that 10 recommendations require additional information or attention. In addition, because the OIG identified challenges in certain areas during its compliance review, the OIG made 10 new recommendations to the FBI and the Department to further improve the use and oversight of NSLs. The FBI agreed with the recommendations.

Patriot Act

In September 2014, the OIG issued its most recent Patriot Act report, which summarized the OIG's Section 1001 activities from January 1 through June 30, 2014. The report described the number of complaints the OIG received under this section and the status of investigations conducted by the OIG and Department components in response to those complaints. Section 1001 of the Patriot Act directs the OIG to receive and review complaints of civil rights and civil liberties abuses by Department employees, to publicize how people can contact the OIG to file a complaint, and to send a semiannual report to Congress discussing the OIG's implementation of these responsibilities.

Use of Material Witness Warrants

In September 2014, the OIG issued a report examining the Department's use of the federal material witness statute in international terrorism investigations from 2000 through 2012. The OIG evaluated the cases of approximately 112 material witnesses detained during this period, from which the OIG identified 12 individuals whose arrests appeared to raise questions regarding whether the Department was misusing the statute. The OIG's in-depth review of the 12 individuals' cases did not find sufficient evidence to conclude that the Department misused the statute in international terrorism investigations. Specifically, the OIG review found no evidence that the Department's use of the statute in these 12 individuals' cases resulted in the arbitrary or indiscriminate detention of Muslim men, and it confirmed that the statute was used for its intended purpose—to secure relevant testimony from a witness who might flee—rather than as a pretext to preemptively detain and investigate individuals suspected of criminal offenses.

Enhancing Cybersecurity in an Era of Ever-Increasing Threats

In an era of ever-increasing cyber threats, the Department will be challenged to sustain a focused, well-coordinated cybersecurity approach for the foreseeable future. The Department must continue to emphasize protection of its own data and computer systems, while marshalling the necessary resources to combat cybercrime and effectively engaging the private sector. The OIG is prepared to address these cyber challenges.

Next Generation Cyber Initiative

The OIG is evaluating the FBI's implementation of its Next Generation Cyber Initiative, which is intended to enhance the FBI's ability to combat cyber intrusions. The audit will also assess whether the FBI has established outreach efforts to facilitate information sharing and collaboration with the private sector.

Insider Threat Prevention and Detection Program

The OIG has become part of the Department's Insider Threat Prevention and Detection Program (ITPDP), which is designed to deter, detect, and mitigate insider threats that would use their authorized access to do harm to the security of the U.S., including damage through espionage, terrorism, unauthorized disclosure of information, or through the loss or degradation of departmental resources or capabilities. The initial focus is Department classified information and networks; the plan is to expand to unclassified law enforcement sensitive information.

There are two parts to OIG's role in the DOJ ITPDP. One requires the OIG to work with the Department in its efforts to monitor user network activity relating to classified material and networks. The second part of the ITPDP involves the Investigations Division Cyber Investigations Office using a dedicated position that will act as a law enforcement liaison to the Department's security operations center relating to other cyber matters such as unauthorized access, network intrusion, child exploitation, and other potential violations of 18 USC 1030. The OIG intends to utilize this position to generate new cyber investigative leads and potential cases.

Effectively Implementing Performance-Based Management

Performance-based management has been a long-standing challenge not only for the Department but across the entire federal government. Office of Management and Budget (OMB) Circular No. A-11 and the Government Performance and Results Modernization Act (GPRA) place a heightened emphasis on priority-setting, cross-organizational collaboration to achieve shared goals, and the use and analysis of goals and measurements to improve outcomes. A significant management challenge for the Department is ensuring, through performance-based management, that its programs are achieving their intended purposes. The OIG will ensure that the Department is effectively implementing performance-based management and taking actions to meet the requirements of the GPRA Modernization Act.

Procurement of X-ray Equipment

In June 2014, the OIG issued an audit of the Bureau of Prisons September 2011 procurement of 65 pallet sized x-ray machines used to enhance its ability to detect contraband. The BOP purchased the x-ray machines in response to a thwarted attempt by an inmate to smuggle in contraband in August 2010. The OIG found significant concerns about the use of the pallet x-ray machines to assist with contraband detection, while trying to effectively identify contraband prior to moving goods into secure areas of the institutions. The audit confirmed that the machines were not effective for screening certain commodities commonly received by institution warehouses because those products are too dense to be effectively scanned. Additionally, prior to the audit, the BOP had no formal policy outlining the actual capabilities of the new x-ray machines and what additional measures should be in place for pallets that are too dense to be effectively scanned. The OIG identified three machines that were not in use as of January 2014, representing \$182,556 in expended funds for which no benefit has been actualized. The OIG made seven recommendations to the BOP to help ensure that the pallet x-ray machines are used effectively, and that the security concerns discussed in this report are mitigated as quickly as possible. The BOP agreed with the recommendations.

Public Safety Officers' Benefits Programs

Public Safety Officers' Benefits (PSOB) Programs provide education and death benefits to eligible survivors of federal, state, or local public safety officers, and disability benefits to eligible public safety officers, as the direct result of death or catastrophic personal injury sustained in the line of duty. The audit will assess the process used by the PSOB to make determinations for death and disability claims, paying particular attention to claims for which no initial determination had been made within 1 year of the claim's initiation.

Pre-Trial Diversion and Drug Court Programs

Pre-trial diversion and drug court programs are alternatives to incarceration that enable prosecutors, judges, and correctional officials to divert certain offenders from traditional criminal justice proceedings into programs designed to address the underlying cause for criminal behavior. This OIG audit will evaluate the design and implementation of the programs, variances

in the usage of the programs among the USAOs, and costs savings associated with successful program participants.

Ensuring Effective and Efficient Oversight of Law Enforcement Programs

The Department continues to be challenged in its oversight role of the vast variety of complex and evolving law enforcement issues. It is crucial that the Department ensure proper oversight of its programs while acting consistent with the protection of civil rights for American citizens.

FBI Laboratory Task Force

In July 2014, the OIG issued a follow-up report related to alleged irregularities by the FBI Laboratory. The OIG analyzed how a Department Task Force in operation from 1996 through 2004 managed the identification, review, and follow-up of cases involving the use in criminal prosecutions of scientifically unsupportable analysis and overstated testimony by 13 FBI Laboratory examiners. The OIG found serious deficiencies in the Department's and the FBI's design, implementation, and overall management of the case review process. The deficiencies included: (1) the Department did not treat capital cases with sufficient urgency; (2) the Department did not review all cases involving a problematic examiner; (3) the Department inappropriately eliminated multiple categories of cases from review; (4) the Department failed to ensure all disclosures were made; (5) the Department failed to adequately staff the Task Force that conducted the review; and (6) the Department was deficient in its communications with the prosecutors. The OIG made five recommendations to the Department and the FBI regarding additional review of cases and notification to defendants whose convictions may have been tainted by unreliable scientific analyses and testimony. The Department and FBI agreed with the recommendations.

The FBI's Sentinel Program

In September 2014, the OIG issued the 10th in its series of audit reports on Sentinel, the FBI's electronic information and case management system. Since Sentinel's initial development in 2006, the OIG issued to the FBI nearly 50 recommendations to help the FBI address significant issues in managing the development and implementation of Sentinel. Since its initial deployment in July 2012, Sentinel's budget has increased from \$451 million to \$551,4 million. Critical OIG recommendations resulted in FBI corrective actions, such as the FBI moving to an incremental approach to Sentinel development, tracking budget data consistently, implementing contingency planning, and ensuring adequate staffing for Sentinel support and end-user training. This OIG report examined Sentinel's effect on the FBI's daily operations, while also reviewing the project costs and updates made since July 2012. The FBI employees surveyed for this report indicated that Sentinel has had an overall positive impact on their work, yet some expressed dissatisfaction with two major functions of the system: search and indexing. The OIG found that only 42 percent of respondents who used Sentinel's search functionality often received the results they needed: 41 percent of survey respondents reported that they spent more time indexing in Sentinel than they did in the previous system. Over a third of the survey respondents also reported that Sentinel was missing features that they believed are critical to their duties, including features related to Sentinel's integration with other FBI IT systems. The FBI agreed with the OIG's three recommendations to address these findings.

Equitable Sharing Audits

Under the Department's Asset Forfeiture Program, state and local law enforcement agencies receive equitable sharing assets when participating directly with the Department's law enforcement components in joint investigations that lead to the seizure or forfeiture of cash and property. Equitable sharing revenues represent a share of the proceeds from the forfeiture of assets seized in the course of certain criminal investigations.

The OIG audited \$14,437,545 in Department equitable sharing revenues received by the New York Police Department (NYPD) for equitable sharing program activities for July 1, 2008 through June 30, 2011. The OIG determined that the NYPD did not submit its Agreement and Certification Forms in a timely fashion, potentially inhibiting the Criminal Division Asset Forfeiture and Money Laundering Section's management and oversight. The audit also found that the equitable sharing database could not be updated when the NYPD received equitable sharing receipts because the requisite identification numbers were not always properly entered into the system. The OIG made two recommendations to the Criminal Division to assist in its oversight of the NYPD's equitable sharing program. Both the Criminal Division and the NYPD agreed with the recommendations.

The OIG audited \$1,393,971 in Department equitable sharing revenues received by the Arlington Heights Police Department (Arlington Heights PD) equitable sharing program activities for May 1, 2010, through April 30, 2012. While the OIG determined that the Arlington Heights PD expended equitable sharing funds in accordance with the guidelines, the Arlington Heights PD did not separately account for equitable sharing receipts in the official accounting records, incorrectly categorized several expenditures, inaccurately reported non-cash assets received, and did not separately account for interest income earned on Department equitable sharing funds. Further, it neither maintained copies of all equitable sharing requests, nor maintained the request log in the form required by the 2009 Equitable Sharing Guide. The OIG made four recommendations to the Criminal Division to assist in its oversight of the Arlington Heights PD's equitable sharing program.

Upholding the Highest Standards of Integrity and Public Service

Charged with enforcing the nation's laws and defending its interests, the Department's senior officials and employees are expected to uphold the highest standards of integrity. Meeting this expectation is a key component in fulfilling the Department's crucial role in public service.

Improper Hiring Practices

In November 2014, the OIG released a report examining allegations of improper hiring practices by senior officials in the DOJ Executive Office for Immigration Review (EOIR). The OIG's investigation focused on possible violations of the federal nepotism prohibition and other personnel rules arising from the hiring of four students who were relatives of the three most senior officials in the organization – EOIR Director, Chairman of the Board of Immigration Appeals, and a Chief Immigration Judge. We also found that the practice of hiring relatives of employees into Student Temporary Employment Program positions in EOIR generally was widespread, constituting 16% of hires into the program from 2007 through 2012.

Deputy U.S. Marshal charged with intent to defraud and mislead

In September 2014, a Deputy U.S. Marshal was arrested and pled guilty to criminal information filed in the U.S. District Court for the Northern District of California charging him with two counts of introduction and delivery in interstate commerce of unapproved drugs with intent to

defraud and mislead. According to the guilty plea, on or about November 2010 and July 2012, the U.S. Marshals Service (USMS) employee knowingly caused the manufacture and distribution in interstate commerce of two purported dietary supplements, Methastadrol and Lipodrene, both which contained drugs that were not approved by the Food and Drug Administration. Both products were knowingly labeled as dietary supplements but, in fact, could not be defined as dietary supplements. The active ingredient in Methastadrol was a Schedule III anabolic steroid, and the active ingredient in Lipodrene was the unapproved drug Ephedrine. This joint investigation was conducted by the OIG's New York Field Office, the DEA, and the Food and Drug Administration's Office of Criminal Investigations.

Conspiracy to defraud the Internal Revenue Service

In September 2014, a former FBI Special Agent and his spouse were arrested and pled guilty to a one count criminal information charging conspiracy to defraud the Internal Revenue Service (IRS). According to court filings and statements, the defendants conspired to divert monies from their jointly-owned pharmacy by using various financial institutions and, in addition, filed false tax returns for tax years 2004 through 2011. The former Special Agent also admitted to filing false financial disclosure statements with the FBI for the years 2007 through 2011. According to the criminal information to which the defendants entered their guilty pleas, the amount diverted totaled approximately \$1.5 million, and the total tax loss from the fraud was between \$200,000 and \$400,000. The employee resigned from his FBI position effective July 23, 2013, as a result of the investigation. Sentencing was scheduled for December 2014. The investigation was conducted by the OIG's New Jersey Area Office and the IRS.

Off-duty conduct of employees on official travel or assignment in foreign countries

The OIG will be examining the Department and five components' policies, guidance, and training governing the off-duty conduct of employees on official travel or assignment in foreign countries. The five components in the review are ATF, Criminal Division, DEA, FBI, and USMS.

BOP employee charged with submitting false documents

In July 2014, a BOP psychology technician was sentenced in the Northern District of Georgia pursuant to her guilty plea to one count of making a false official certificate or writing. The former BOP employee was sentenced to 12 months' probation and ordered to pay restitution of \$42,822.47. In pleading guilty, the employee admitted to submitting documents that falsely stated she was performing duties that met the requirements for a federal student loan repayment program, thereby fraudulently obtaining over \$40,000 in student loan repayments. The employee resigned from her position as a result of this investigation. The investigation was conducted by the U.S. Department of Health and Human Services and the OIG's Atlanta Area Office.

Protecting Taxpayer Funds from Mismanagement and Misuse

The OIG's recent oversight work assists the Department in its efforts to ensure that taxpayer funds are protected from fraud, mismanagement, and misuse. It is essential that the Department continue to manage its resources wisely and maximize the effectiveness of its programs even as the Department's current budget environment improves.

Annual Risk Assessment of Department Charge Card Program

In September 2014, the OIG issued a report assessing the risk of misuse of Department charge cards that identified specific issues relating to purchasing methods and recommended actions to reduce the risk of illegal, improper, or erroneous purchases and payments. The report covered four types of purchasing methods used by the Department: purchase cards (generally centrally

billed accounts used to buy items and services), travel cards (usually individually billed accounts used by employees to pay for costs associated with official travel), integrated cards (used only by ATF and combine the features of purchase and travel cards in a single account), and convenience checks (written from specially-designated purchase or integrated card accounts to pay for goods and services from vendors that do not accept charge cards).

In FY 2013, Department employees purchased a total of more than \$900 million in goods and services, representing 9,298 active purchase card accounts with over \$705 million in activity, 33,249 active travel card accounts with over \$194 million in activity, and 3,984 active integrated card accounts with over \$38 million in activity. In addition, 85 Department employees had the authority to use convenience checks and wrote 1,000 checks valued at more than \$513,000. Ninety-nine percent of these checks were issued by ATF and the FBI during FY 2013.

The report identified specific areas where the Department may need to take action. For example, the OIG found that 640 purchase, travel, and integrated card accounts recorded no charges for at least 180 days and therefore should be suspended or closed. In addition, the Department needs to ensure that charge card bills are reconciled properly and that card holders receive the required training regarding the use of their centrally billed accounts. Further, the OIG identified a limited number of instances where charge card accounts had not been closed after the employee had left the Department.

Although used much less frequently than other methods examined, the OIG determined that convenience checks present the highest risk of misuse Out of 50 high-dollar convenience checks sampled, the OIG identified 6 (12 percent of the sample) valued at \$11,679 that should not have been written because the employee either wrote a check to a vendor that accepted charge cards, converted a check to cash, or did not document that they had secured the necessary prior approval to use a convenience check. The OIG made four recommendations to the Department and its components to improve internal controls and help reduce the risk of fraud, waste, and misuse in this area. The Department agreed with the recommendations.

Department of Justice FY 2013 Compliance with the Improper Payments Information Act of 2002

In April 2014, the OIG examined the Department's FY 2013 compliance with the improper payments reporting requirements of the *Improper Payments Information Act of 2002*, as amended. The examination assessed the Department's compliance with OMB Circular A-123, *Management's Responsibility for Internal Control*, Appendix C, *Requirements for Effective Measurement and Remediation of Improper Payments*, and OMB Circular A-136, *Financial Reporting Requirements*, as they relate to the *Improper Payments Information Act of 2002*, as amended. The OIG concluded that the Department complied, in all material respects, with the above mentioned requirements for FY 2013.

Office of Violence Against Women grantee audits

The OIG audited an OVW grant totaling \$1,750,000 awarded to the Crisis Center for Domestic Abuse and Sexual Assault (Crisis Center) in Fremont, Nebraska. The audit found that the Crisis Center did not comply with essential grant conditions in the areas of internal controls, grant expenditures, and grant reporting. Specifically, the Crisis Center did not maintain timesheets for grant-funded personnel that showed the amount of time worked on the grant or documentation supporting the data reported in its progress reports. The audit also identified grant expenditures that were not supported by adequate documentation detailing the allocation of costs across multiple funding sources. Overall, the audit identified \$174,521 in questioned costs. The audit made three recommendations to OVW to address dollar related findings and five

recommendations to improve the management of Department grants. Both the grantee and OVW agreed with the recommendations.

The OIG audited two grants totaling \$1,409,822 awarded to the Coalition to Stop Violence Against Native Women (CSVANW) to provide resources for organizing and supporting efforts to end violence against Indian women. The audit found that the CSVANW did not comply with essential award conditions in several areas including internal controls, drawdowns, grant expenditures, budget management and control, financial reporting, program performance and accomplishments, post grant end-date activity, and special grant requirements. Specifically, the CSVANW did not have current or complete fiscal policies, drew down excess cash for each of its 82 drawdowns, and had \$79,026 in unallowable and unsupported expenditures. Additionally, the CSVANW did not submit accurate budget narratives to OVW for approval, and did not consistently submit accurate or timely financial reports, including the final financial report submitted during closeout. The audit made 13 recommendations to OVW to remedy questioned costs and address the issues noted during the audit. OVW agreed with the recommendations.

BOP contractor agrees to civil settlement

In September 2014, Galligan Wholesale Meat Company, formerly a Denver-based contractor supplying meat to the BOP, agreed to pay \$80,000 in a civil settlement with the United States. Galligan had contracted with the BOP to provide ground beef products that met the BOP contractual specification of 80 percent lean meat and 20 percent fat but, instead, fraudulently provided the BOP with ground beef products that contained less than 80 percent lean meat and higher percentages of fat. Prior to the settlement, Galligan had voluntarily surrendered its federal inspection license to produce federally inspected products and closed the business. The investigation was conducted by the U.S. Department of Agriculture Food Safety Inspection Service, the Affirmative Civil Enforcement Unit of the U.S. Attorney's Office for the District of Colorado, and the OIG's Denver Field Office.

Whistleblower Ombudsperson

The OIG's Whistleblower program continues to be an important source of information regarding waste, fraud, and abuse within the Department, and to perform an important service by allowing Department employees to come forward with such information. As publicity about retaliation against whistleblowers from across the federal government continues to receive widespread attention, it is particularly important that the Department act affirmatively to ensure that whistleblowers feel protected and, indeed, encouraged to come forward.

During the past 6 months, the OIG Whistleblower Ombudsperson Program has continued to focus its efforts on expanding outreach and training throughout the Department. In April 2014, the Deputy Attorney General sent a memorandum to all Department employees encouraging them to view the educational video prepared by the OIG entitled, "Reporting Wrongdoing: Whistleblowers and their Rights and Protections," and the OIG is working with the Department's components to assist them in integrating whistleblower education within their training programs. The BOP has made viewing this video mandatory for all employees, and the DEA has posted links to the video and the Deputy Attorney General's memorandum on its intranet. The OIG also is partnering with the FBI in the development of specialized training that will highlight the particular requirements applicable to FBI employees.

The OIG Ombudsperson program also continued its outreach to non-governmental organizations active in the whistleblower area, including hosting representatives of these organizations at the

Council of the Inspectors General on Integrity and Efficiency (CIGIE) Whistleblower Ombudsman working group meetings that the OIG continued to chair during the reporting period for the purpose of sharing information and best practices. The OIG Ombudsperson also was invited to speak about these issues to the Council of Federal Ombudspersons, at the annual conference of Inspectors General organized by the CIGIE, and at the National Government Ethics Summit organized by the United States Office of Government Ethics.

As a result of newly-developed tracking mechanisms within the OIG, the OIG Ombudsperson Program has enhanced its ability to ensure that these important matters are handled in a timely fashion. The OIG continuously enhances the content on its public website, www.justice.gov/oig.

The OIG has continued to refine its internal mechanisms to ensure that the OIG is promptly reviewing whistleblower submissions and communicating with those who come forward with information in a timely fashion. Finally, the OIG has committed to ensuring that appropriate language reflecting whistleblower rights and protections is included in its non-disclosure agreements to further ensure that employees are fully aware that the OIG strongly encourages them to come forward with evidence of wrongdoing and that the OIG will work to ensure that their rights and protections are fully observed.

Congressional Testimony

The Inspector General testified on four occasions, including before the U.S. Senate Committee on Appropriations, Subcommittee on Commerce, Justice, Science, and Related Agencies on April 3, 2014, regarding the Department's FY 2015 budget request; before the U.S. Senate Committee on Homeland Security and Governmental Affairs on April 30, 2014, regarding the U.S. government's handling and sharing of information prior to the Boston Marathon Bombings; before the U.S. House of Representatives Committee on the Judiciary on September 9, 2014, regarding the OIG's access to information in the Department's possession; and before the U.S. House of Representatives Committee on Oversight and Government Reform on September 10, 2014, regarding Inspectors' General access to information in their respective agency's possession.

3b. Support for the Department's Savings and Efficiencies Initiatives.

In support of the DOJ's SAVE initiatives, the OIG contributed to the Department's cost-saving efforts in FY 2014, including:

- Increasing the use of self-service online booking for official travel. The OIG's online booking rate for FY 2014 official travel was 91%, for estimated savings of \$19,845 over agent-assisted ticketing costs.
- Reducing commercial carrier shipping costs. In FY 2014, the OIG reduced its overnight
 commercial shipping costs by 15% compared to FY 2013 expenditures, saving more than
 \$5,000.
- Using non-refundable airfares rather than contract airfares or non-contract refundable fares (under appropriate circumstances). From February through September 2014, the OIG achieved cost savings of \$7,572 on non-refundable tickets.
- Increased use of video conferencing. Saved training and travel dollars, as well as
 productive staff time while in travel status, by utilizing increased video teleconferencing
 for all applicable OIG-wide training.

Getting the most from taxpayer dollars requires ongoing attention and effort. The OIG continues to look for ways to use its precious resources wisely and to examine how it does business to further improve efficiencies and reduce costs.

4. Challenges

Like other organizations, the OIG must confront a variety of internal and external challenges that affect its work and impede progress towards achievement of its goals. These include the decisions Department employees make while carrying out their numerous and diverse duties, which affects the number of allegations the OIG receives, Department support for the OIG's mission, and financial support from the OMB and Congress.

For the OIG to conduct effective oversight, it must have complete and timely access to all records in the Department's possession that the OIG deems relevant to its review. Most of the OIG's audits and reviews are conducted with full and complete cooperation from Department components and with timely production of material. However, there have been occasions when the OIG has had issues arise with timely access to certain records due to the Department's view that access was limited by other laws. For a review to be truly independent, an Inspector General must have the authority to determination about what agency records are relevant and necessary. The recent legislative changes in the 2015 Appropriations Act are expected to result in more timely production of all relevant materials from the Department to the OIG.

The limitation on the OIG's jurisdiction has also been an ongoing impediment to strong and effective independent oversight over agency operations. While the OIG has jurisdiction to review alleged misconduct by non-lawyers in the Department, it does not have jurisdiction over alleged misconduct committed by Department attorneys when they act in their capacity as lawyers — namely, when they are litigating, investigating, or providing legal advice. In those instances, the Inspector General Act grants exclusive investigative authority to the Department's Office of Professional Responsibility (OPR). As a result, these types of misconduct allegations against Department lawyers, including any that may be made against the most senior Department lawyers (including those in Departmental leadership positions), are handled differently than those made against agents or other Department employees. The OIG has long questioned this distinction between the treatment of misconduct by attorneys acting in their legal capacity and misconduct by others, and this disciplinary system cannot help but have a detrimental effect on the public's confidence in the Department's ability to review misconduct by its own attorneys.

The OIG's greatest asset is its highly dedicated personnel, so strategic management of human capital is paramount to achieving organizational performance goals. In this regard, the OIG must use all available recruitment tools and hiring flexibilities in a competitive job market to attract — and keep—top talent. Hiring up to its full staffing complement, then maintaining an optimal, committed, and engaged workforce is critical to the OIG's overall performance and ability to achieve desired results. The OIG's focus on ensuring that its employees have the appropriate analytical and technological skills for the OIG's complex mission will continue to bolster its reputation as a premier federal workplace and improve retention and results. The length of time it takes to conduct more complex audits, investigations, and reviews is directly impacted by the number of experienced personnel the OIG can devote to these critical oversight activities.

II. Summary of Program Changes

| Item Name | Deserip tion | | di Mari | | Page |
|---|--|------|---------|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Contract Oversight | Enhancement of contract oversight | 0 | 15 | 2,970 | 25 |
| Council of Inspectors General on Integrity and Efficiency (CIGIE) Operations | The OIG is requesting funding for its annual share of supporting the government efforts and operations of the Council of the Inspectors General on Integrity and Efficiency (CIGIE). | 0 | 0 | 580 | 29 |

III. Appropriations Language and Analysis of Appropriations Language

For necessary expenses of the Office of Inspector General, [\$88,577,000] \$93,709,000, including not to exceed \$10,000 to meet unforeseen emergencies of a confidential character.

Analysis of Appropriations Language No substantive changes

IV. Program Activity Justification

A. Office of the Inspector General

| OIG | Direct Pos. | Estimate | Amount |
|--|----------------|----------|--------------|
| 2014 Enacted | 474 | 440 | \$86,400,000 |
| 2015 Enacted | 474 | 440 | \$88,577,000 |
| Adjustment to base and Technical Adjustments | 0 | 0 | \$1,582,000 |
| 2016 Current Services | 474 | 440 | \$90,159,000 |
| 2016 Program Increases | 0 | 15 | \$3,550,000 |
| 2016 Request | 474 | 455 | \$93,709,000 |
| Total Change 2015-2016 | 0 | 15 | \$5,132,000 |

1. Program Description

The OIG operates as a single decision unit encompassing audits, inspections, investigations, and reviews.

2. Performance and Resource Tables

| PERFORMANCE AND RESOURCES TABLE (GOR! 1) | CE AND RES | OURCES TABI | E (Goal 1) | | | | | | | |
|--|----------------|----------------|----------------|-------------------|----------|-----------|----------------------------------|---|---------|-------------------|
| Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews | , and Review | s | | | | | | | | |
| DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States. | he federal fis | c and defend t | he interests | of the United Sta | tes. | | | | | |
| OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department. | ı programs aı | nd operations | within or finz | inced by the Dep | artment. | | | | | , |
| WORKLOAD/ RESOURCES | E . | Target | * | Actual | Proje | Projected | 2 | Changes | Request | Requested (Total) |
| | FY2 | FY 2014 | ä | FY 2014 | FY | FY 2015 | Current Adjustment Progran | Current Services Adjustment and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE | 11 | 000\$ | 919 | 000 | Ë | 000\$ | 310 | 0003 | Ħ | 000\$ |
| (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the mail) | , | \$86,400 | 4 | \$86,400 | 440 | \$88,577 | 15 | \$5,132 | 455 | \$93,709 |
| Parformance Report and Performance Plan | | | | | | | | | | |
| Number of Cases Opened per 1,000 DOJ employees: | | , | | | | | : | . 1 | 1 | |
| Fraud* | | * | | 0.67 | | * : | | | | |
| Bribery* | | *** | | .0.15 | | | | | | |
| Rights Violations* | | • | | 0.19 | | * | | | | |
| Sexual Crimes* | | • | | 0.43 | | * | | | | |
| Official Misconduct* | | • | | 1.34 | | * | | | | |
| Theft | | * | | 0.10 | | * | | | | |
| Workload | | | | | | | | | | |
| Investigations closed | | 264 | | 402 | | 310 | | 0 | | 310 |
| Integrity Briefings/Presentations | | | | | | | | | | |
| to DO3 employees | | 8 | | 16 | | 8 | | 0 | | 8 |
| DOJ employees at Integrity Briefings | | 3,080 | | 4,732 | | 3,500 | | 0 | | 3,500 |

*Indicators for which the OIG only reports actuals.

| | PERFORMANCE AND RESOURCES TABLE (Goal 1) (continued) | D RESOURCES T (continued) | FABLE (Goal 1 | • | | | | | |
|--|---|------------------------------|-------------------|-------------|------------|-----------|------------------------|----------|-------------------|
| Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews | restigations, and Review | 2 | | | | | | | |
| DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States. | t the federal fisc and de | fend the Inter | rests of the Unit | ed Stattes, | | | | | |
| OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department. | t in programs and opera | dons within o | r financed by th | e Departme | ıt. | | | | |
| WORKLOAD/ RESOURCES | Target | × | Actual | Proj | Projected | ਲੋਂ | Changes | Requeste | Requested (Total) |
| | | | | | | Curren | Current Services | | |
| | 3 | | | ì | | Adjustmen | Adjustment and FY 2016 | | FY 2016 Request |
| Total Costs and FTE | FTE \$000 | E | 2000 | E | \$000 | FIE | FTE \$000 | E | \$000 |
| (reimbursable FTE are included, but reimbursable | | | \$86,400 | 440 | \$88,577 | 15 | \$5,132 | 455 | \$93,709 |
| costs are bracketed and not included in the total) | [\$12,650] | | [\$12,650] | | [\$11,360] | | (\$50) | | [\$11,410] |
| Performance Report and Performance Plan | | | | | | z | . , | | |
| Intermediate Outcome | | | | | | | | | |
| Percentage of Investigations closed or referred for prosecution within 6 months ** | ŭ. | 75% | 7.00 | | 75% | | ŧ | | 7504 |
| Number of closed Investigations substantiated* | | .i | 243 | | * | | *. | | * |
| Arrests * | | * | * | . ' | • | 3 ·- | * | | |
| End Outcome | | | | | | | | | |
| Convictions * | | * | 88 | | * | | * | | * |
| Administrative Actions * | | * | 219 | | * | | * | | * |
| Response to Customer Surveys: | | | | | | | | | |
| Report completed in a timely manner (%) | %06 | * | 95% | | %06 | | %0 | | %06 |
| Issues were sufficiently addressed (%) | %06 | 8 | %66 | | %06 | | %0 | | 90% |

*Indicators for which the OIG only reports actuals.

^{**} Due to the composition and complexity of our cases in recent years, this has required more than 6 months in completing our caseload. Our caseload was approximately 70% BOP cases and those cases tended to be less complex and document-intensive, which lent itself to more timely resolution of these cases. Since then, we have been working to diversify our caseload by focusing more on developing cases in the other components and on developing contract and grant fraud cases, which are traditionally more complex and document-intensive and hence require more than 6 months to complete.

PERFORMANCE AND RESOURCES TABLE (Goal 1)

DOS Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.

OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department.

Data Definition, Validation, Verification, and Limitations

Data Definition: ď

á

The OIG does not project targets and only reports actuals for workload measures, the number of closed investigations substantiated, arrests, convictions, and administrative actions. The number of convictions and administrative actions are not subsets of the number of dosed investigations substantiated.

physical structure of the database, backup the database and transaction logs, handle index tuning, manage database alerts, and repair the database if necessary. The database administrator runs routine maintenance programs against the database. Database maintenance plans are in place to examine the internal Investigations Data Management System (IDMS) – consists of a computer-based relational database system that became operational in June 2005. Data Sources, Validation, Verification, and Limitations:

sent, with each completed investigative report to components and includes all historical data. The system captures descriptive information as well as questionnaire responses. Descriptive information includes the questionnaire form administered, distribution and receipt dates, and component and responding official. The database records responses Currently, the general database backup is scheduled nightly and the transaction log is backed up in 3 hour intervals. We have upgraded to a web based technology. .. and its outcome. Questionnaire responses are returned to Investigations Headquarters and are manually entered into the Tracking System by Headquarters personnel. No data validation tools, such as double key entry, are used though responses are entered through a custom form in an effort to ease input and reduce errors. to several open-ended questions seeking more information on deficiencies noted by respondents and whether a casa was referred for administrative action of the ROI lifecycle. The ROI and Abbreviated Report of Investigation (AROI) are the cuimination of OIG investigations and are submitted to DOJ components. These reports are typically drafted by an agent and go through reviews at the Fleid Office and at Headquarters levels before final approval by Headquarters. Improving the timeliness of the Division's reports. The ROI Tracking System also documents the administration of customer satisfaction questionnalities The ROI Tracking System reads data from IDMS. By providing up-to-the-minute ROI status information, the Tracking System is a key tool in investigations Division Report of Investigation (ROI) Tracking System - a web-based SQL-Server application that tracks all aspects

Investigations Division Investigative Activity Report - Most of the data for this report is collected in IDMS. The use of certain investigative techniques and integrity brefing activites are also tracked externally by appropriate Headquarters staff.

FY 2015 Performance Report: ن

require more in-depth financial and forensic analysis. The OIG is also diversifying its caseload to extend more investigative coverage to other Department components. For the workload measure "Investigations Clased," the OIG has plans to focus on more complex and document-intensive cases (e.g., grant and contract fraud) that

| PERFORMANCE MEASURE TABLE (Goal 1) | TABLE (GOE | 1(1) | | | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | |
|--|---------------|---------------|----------------|-----------------|---------------|---|---------|
| Decision Unit/Program: OIG/Audits, Inspections, Investigations, and Reviews | ns, Investiga | tions, and Re | views | | | | |
| DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States. | otect the fed | eral fisc and | defend the int | erests of the U | nited States. | | |
| OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department | duct in progr | ams and ope | rations within | or financed by | the Departm | ent. | |
| Performance Report | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
| Workload Number of Cases Opened per 1,000 DOJ employees: | Actuals | Actuals | Actuals | Actuals | Actuals | Target | Target |
| Fraud* | 0,50 | 0.58 | 0.51 | 0.63 | 0.67 | * | * |
| Bribery* | 0.24 | 0.21 | 0.20 | 0.16 | 0.15 | * | * |
| Rights Violations* | 0.11 | 0.10 | 0.13 | 0.17 | 0.19 | * | * |
| Sexual Crimes* | 0.29 | 0.40 | 0.37 | 0.35 | 0.43 | * | * |
| Official Misconduct* | 1.05 | 1.00 | 1.28 | 1.48 | 1.34 | * | * |
| Theft* | 0.17 | 0.22 | 0.22 | 0.22 | 0.1 | * | * |
| Investigations closed | 300 | 356 | 361 | 366 | 402 | 310 | 310 |
| Integrity Briefings and Presentations to DOJ employees | 91 | 6 6. | 134 | 82 | . 6 | 80 | 80 |
| DOJ employees attending Integrity Briefings | 4,527 | 3,551 | 7,200 | 3,710 | 4,732 | 3200. | 3500 |
| Intermediate Outcome | ì | : | | : | : | * . | |
| Percentage of Investigations closed or referred for prosecution within 6 months** | N/A | N/A | | 22 | . 17 | 75 | 75 |
| Number of closed Investigations substantiated (QSR Measure)* | 180 | 223 | 215 | 222 | 243 | * | , , |
| Arrests* | 114 | 113 | 06 | 98 | 84 | * | * |
| End Outcome | | | | | | | |
| Convictions* | 105 | 104 | 94 | 63 | 88 | * | * |
| Administrative Actions | 207 | 198 | 192 | 266 | 219 | * | * |
| Response to Customer Surveys: | | | | | | | |
| Report completed in a timely manner (%) | 100% | 100% | 100% | 100% | 92% | %06 | %06 |
| Issues were sumciently addressed (%) | 100% | 100% | 100% | %66 | %66 | %06 | %06 |

* Indicators for which the OIG only reports actuals.

**Indicators for which the OIG only reports actuals.

**Due to the composition and complexity of our cases in recent years, this has required more than 6 months in completing our caseload. Our asset per person of the composition of the composition of these cases and the companies which lent leself to more thinely resolution of these cases. Since then, we have been working to diversify our caseload by focusing more on developing cases in the other components and on developing contract and grant fraud cases, which are traditionally more complex and document-intensive and hence require more than 6 months to complete.

| | PERFORMANCE AND RESOURCES TABLE (Goal 2) | ND RESOUR | CES TABLE | (Goal 2) | | | | | |
|--|--|-------------|---------------|------------|--------------|---------|--|---------|-------------------|
| Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews | tions, and Reviews | | | | | | | | |
| DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States. | tect the federal fis | c and defen | d the intere | sts of the | United State | S | | | |
| OIG General Goal #2: Promote the efficiency and effectiveness of Department programs and operations. | d effectiveness of I | Department | programs a | nd operati | ons. | | | | |
| WORKLOAD/RESOURCES | Target | Ψ¢ | Actual | Pro | Projected | Cha | Changes | Request | Requested (Total) |
| | . , | | | | | Current | Current Services Adjustment and FY 2016 | FY 2016 | FY 2016 Request |
| | FY 2014 | FY 2 | FY 2014 | Ē | FY 2015 | Program | Program Changes | | |
| Total Costs and FTE (Reimpursable ETE are included but minduments | ETE \$5000 | Ħ | 000 \$ | H | \$000 | 盟 | . \$990 | Ħ | 000 3 |
| costs are bracketed and not included in the total.) | 440 \$86,400 | 440 | \$86,400 | 440 | \$88,577 | 15 | \$5,132 [\$50] | 455 | \$93,709 |
| Performance Report and Performance Plan Worldoad | | | | | 1 | | | | į |
| Audit and E81 assignments initiated | 68 | : | \$ | | 92 | : | | | . 6 |
| Percent of Audit CSITAO* resources devoted to Security reviews of major Dept. Information systems | 75% | | %86 | *** | %08 | | ; | | %08 |
| Percent of internal DOJ audit assignments that assess component performance measures | 18% | ł | 47% | : | 18% | | | | 18% |
| Percentage of E&I assignments opened and Inklated during the fiscal year devoted to Top Management Challenges | 45% | | %68 | • | % <u>0</u> 2 | | | | ; 70% |
| Percent of direct resources devoted to audit products related to Top Management Challenges, and GAO and JMD-identified High-Risk Areas | %08 | | %96 | | 80% | | | | %08 |
| Intermediate Outcome Audit and E&I assignments completed | 8 | | 100 | • | 87 | | | | .87 |
| *Compliter Security & Information Teachesters, Audit Office | l | | | | | | | | |

*Computer Security & Information Tecchnology Audit Office

| Decision unit: Oliginating. Inspections, Investigations, and Reviews DoS Strategies Dian: Strategies Objective 2.65; Protect the Rederal Rec. and defend the Interests of the United States. Oligi General Goal #2: Promote the efficiency and effectiveness of Department programs and operations. WORKLOAD/RESOURCES Target WORKLOAD/RESOURCES Total Costs and FIR WORKLOAD/RESOURCES Total Costs and FIR Tot | PERFORM | PERFORMANCE AND RESOURCES TABLE (Goal 2) | DRESOU | ACES TA | BLE (Goa | 12) | | | | | |
|--|---|--|----------|---------|-----------|------|------------|-----------|--|--------|------------------|
| Actual Project | Decision Unit: OiG/Audits, Inspections, Investigations, and Reviews | | CONKENDA | 772 | | | | | | | |
| Actual Project RY 2014 RY 20 | DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interest | is of the Un | Red Stat | es. | | | | | | | |
| FY 2014 FY 2014 FY 2014 ETE 8000 ETE 8000 440 (\$12,0500 ETE 8000 | OIG General Goal #2: Promote the efficiency and effectiveness of Department programs and | soperations | | | | | | | | | |
| FF 2014 FF 2014 FF 2014 FIE 8400 FF 8000 FF 8 | WORLOAD/RESOURCES | Targe | * | Acta | 1 | Proj | ected | ð | Changes | Reques | Requested (Total |
| FY 2014 FY 2014 FY 2014 FE | | | - | | | | | Curren | Current Services | L | |
| FIT SOLATA FIT SOLATA FOR THE \$1000 FOR \$10000 FOR \$10000 FOR \$10000 FOR \$1000 FOR \$1000 FOR \$1000 FOR \$1000 FOR \$1000 FOR \$1000 FOR \$10 | | | _ | | | | | Adjustmen | Adjustment and FY 2016 FY 2016 Request | FY 203 | 6 Perquest |
| HE 8400 FIF 8400 FIF 1000 FIF | | FY 201 | ٠, | FY 20 | 14 | ¥ | 2015 | Progra | Program Changes | | |
| 440 \$86,400 440 \$86,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 480,400 440 440 480,400 440 440 480,400 440 440 440,400 440 440 440,400 440 44 | Total Costs and FIR | ä | 0003 | ETE | 0003 | 爿 | 0003 | 日 | 7007 | 313 | 000 |
| (\$12,650) (\$12,650) (\$12,650) (\$1,000 | (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the | | 86,400 | | \$86,400 | 4 | \$88,577 | S | \$5,132 | 455 | \$93,709 |
| of grants and grant management # NA NA NA NA NA NA NA NA NA NA NA NA NA | tokel) | * | 12,650] | | \$12,650] | | [\$11,360] | | [\$20] | | [\$11,410] |
| 77 888 100% 54% 100% 100% 100% 100% 100% 100% 100% 10 | Performance Report and Performance Plan | | | - | | | | | | | |
| 77 88 35% 100% 100% 100% 100% | Intermediate Outcome | | - | - | | | | | | | |
| 35% 100% 100% 100% 100% 100% 100% 100% 10 | Percent of Audit resources devoted to reviews of grants and grant management | | 40% | | 88 | | 20% | | | | 20% |
| 35% 100% 88 100% 100% 100% 100% 100% 100% 100% | Percent of Audit resources devoted to reviews of contracts and contract management # | | | | ž | | ž | | 10% | | 10% |
| 35% 100% 35% 0% 35% 0% 50% 51% | Components receiving information system audits | | 15 | | ð | | Ŋ | | | | ĸ |
| 35% 100% 35% 0% 50% 51% 50% | Products issued to the Dept. containing significant findings or information for management decision-making by Audit & E&I | | 7 | | 8 | | 8 | | | | 8 |
| %05 %5E %15 %05 | Percent of less complex internal DO) reviews to be provided to the IGas a working draft within an average of 8 months | | 35% | | 100% | | 35% | | | | 35% |
| 50% 51% 35% 50% | Percent of more complex internal DOJ reviews to be provided to the IG as a working draft within an average of 11 months## | | 328 | | 36 | | 35% | | | | 35% |
| 35% | Percent of contract, grant, IGA, and other external audits to be completed in draft within 8 months | | 20% | | 51% | | 20% | | | | 20% |
| Demant of more convict thems I DOI sugite to be convicted as a model of mithing to | recent of ress complex internal LOS audits to be completed as a working graft within 8 months | | 35% | | 20% | | 40% | | | | 404 |
| Trenties of the company of the compa | Percent of more complex internal DOJ audits to be completed as a working draft within 13 months. | | 35% | | 63% | | 45% | | | | 45% |

This is a new performance messure.

* This is a new performance messure.

* This larger was not achieved at 1.1 months as the average was over 1.2 months. The missed target was due to insufficient internal staffing and difficulty in obtaining dear from components.

| | M. | RFORMANCE A | PERFORMANCE AND RESOURCES TABLE (Goal 2) (continued) | TABLE (Goal 2 | 0 | | |
|---|---|-------------------------------------|---|---------------------------------------|---|-----------------------------------|--------------|
| ă | Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews | and Reviews | | | | | |
| 8 | DOS Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the Interests of the United States. | I fisc and defend | the interests of the | United States. | | | |
| ĕ | OIG General Goal #2: Promote the efficiency and effectiveness of Department programs and operations. | ss of Department | programs and oper | ations. | | | |
| | Data Defi | nition. Validati | Data Definition. Validation. Verification, and Umitations | nd Umitations | | | |
| 4 | A Pate Definitions | | | | | | |
| ŧ | . Data Denimuon: "Assignment" covers all audits (including internals, CFO Act, and externals, but not Single Audits), evaluations, and inspections. "Assignments" may also include activities that do not result in a report or product (e.g., a memorandum to file rather than a report); or reviews initiated and then cancelled. | FO Act, and exte | rnals, but not Sin im to file rather th | gle Audits), evalu | ations, and inspections, reviews initiated and the | "Assignments" may n cancelled. | also include |
| | | | | | | | |
| ó | Data Sources, Validation, Verification, and Limitations: Project Resolution and Tracking (PRT) system - PRT was implemented on April 18, 2011; this OIG system was | ms: as implementec | i on April 18, 2011 | .; this OIG systen | n was | | |
| | designed to track audits, evaluations, and reviews from initiation to completion, including the status of recommendations. The system provides senior management with the data to respond to information | om initiation to agement with th | completion, includ | ing the status of d to information | | | |
| | and to track and report on current status of work activities. | ivities. | | | | | |
| | and Inspection Tracking System (ITS). | : ; | ; | ; · | * * | : | |
| ċ | C. FY 2015 Performance Report: N/A | | | | | ; | : 1 |
| i | | | . | | | | |

| OUS General Goal #2: Promote the efficiency and effectiveness of begannen floorings and operations, where the efficiency and effectiveness of begannen floorings and operations. Workfulland R. Stationers in this extension of the efficiency and effective the efficiency of Audit CSITYON TO resolutes devoted to security. Percent of Neuron Cost, or solute sequences of the efficiency of the efficiency of the efficiency of the efficiency of the efficiency and the sequences of the efficiency of the efficiency and the sequences of the efficiency of the efficiency of the efficiency and the efficiency an | Department programs and operations. FY 2016 FY 2011 FY 2012FY 2013FY 2014FY 2015 Actuals Actua | Trame and | | | | |
|--|--|-----------|-----------|---------------------|-----|---------|
| priments instated devoted to security that O resources devoted to security to the time that assuments that assuments manual manu | ole Actual | | operation | ۇ | - 5 | |
| _ | | a Actuals | Actuals | FY 2014: Actuals | | FY 2016 |
| _ | 142 17 | 124 116 | E | 2 | 85 | 92 |
| _ | | | | | | |
| | 82% 92 | 92% 97% | 75% | 98% | 80% | 80% |
| _ | | | | | | |
| Percentage of E&I assignments opened and intigated during the fiscal year devoted to Ton Management Challenges.* | 20% 20 | 20% 42% | 46% | 47% | 18% | 18% |
| | | | | | | |
| | W. | AM AM | AN | 808 | 70% | 700% |
| iated | | | | • | : | 2 |
| | | | | | | |
| | 89% 86 | 86% 93% | 81% | ¥ | ¥ | ž |
| Percent of direct resources devoted to audit products related | | | | | | |
| nges, and GAO and JMD- | | | | | ; | |
| 185. | 89% 86 | 86% 93% | , 26% | 896 | £ | 80% |
| | | | | | | |
| | 128 | 99 109 | 117 | 5 | 87 | 87 |
| ed to reviews of | | | | | | |
| | 49% 39 | 39% 42% | 40% | ŧ | Š | 50% |
| evoted to reviews of contracts | | | | | | |
| | | _ | Z | ≨ | ž | 10% |
| Components receiving information system audits | | # # | 9 | D) | m | ¥7 |
| Products issued to the Dept. containing significant findings or | | | | | | |
| HIGH HEAD IN MANAGEMENT DECISION-MAKING BY AUGIT | | | | | 8 | |
| - | | ٦, | | | 3 | 3 |
| | | | | ≨. | ¥. | ž |
| • | 40% 25 | 25% NA | 7 25% | ≨ | ž | ž |
| Percent of less complex Internal DO3 reviews to be provided | | | | | | |
| | Ala Ala | 42 | ** | 10000 | 350 | 350 |
| • | | | | | 2 | 2 |
| provided to the 1G as a working draft within an average | , | | | | | |
| | RA P | NA NA | ≨ | ž | 35% | 35% |
| Percent of contract, grant, IGA, and other external audits to | | | | | • | |
| | 64% 54 | 54% 34% | 22% | ¥ | ž | Ž |
| | | | | | | |
| | £ | NA NA | 49% | 51% | Š | ŧ, |
| pheted | | | | | | |
| as a working draft wathin 8 months. [New Measure] Percent of Internal DOT andler to be completed in draft within 1 | e E | ¥ ¥ | ¥ | 20% | 404 | 40% |
| | ¥. | NA NA | 40% | ¥ | ž | N. |
| Percent of more complex Internal DO3 audits to be | | | | | | |
| completed as a working draft within 13 months (New | | | | | | |

"This measure will no longer be used. "It may or may not be replaced by a refined measure."
measures are based on sequestration, subsequent budgetary cuts, and reduced faiting levels.
#This is a new performence measures.
#4 This is new performence measures.
#5 This is new performence and it months but rather the average was 1.28 months. This issued baryet was alumbubble to urplamed events related to difficulty obtaining also from components and staffing challenges.

3. Performance, Resources, and Strategies

a. Performance Plan and Report for Outcomes

As illustrated in the preceding Performance and Resources Tables, the OIG helps the Department achieve its strategic goals and promotes efficiency, integrity, economy, and effectiveness through conduct of its audits, inspections, investigations, and reviews. For the Department's programs and activities to be effective, Department personnel, contractors, and grantees must conduct themselves in accordance with the highest standards of integrity, accountability, and efficiency. The OIG investigates alleged violations of criminal and civil laws, regulations, and ethical standards arising from the conduct of the Department's employees in their numerous and diverse activities.

The OIG continues to review its performance measures and targets, especially in light of the changing nature of the cases it investigates and the Department programs it audits and reviews. Today's work is much more complex and expansive than it was only a few years ago. The number of documents to be reviewed, the number of people to interview, the amount of data to examine, and the analytical work involved in many OIG products are significantly greater than in prior years. The OIG ensures sufficient time and resources are devoted to produce high-quality, well-respected work.

b. Strategies to Accomplish Outcomes

The OIG will devote all resources necessary to investigate allegations of bribery, fraud, abuse, civil rights violations, and violations of other laws and procedures that govern Department employees, contractors, and grantees, and will develop cases for criminal prosecution and civil and administrative action. The OIG will use its audit, inspection, and attorney resources to review Department programs or activities identified as high-priority areas in the Department's Strategic Plan and devote resources to review the Department's Top Management and Performance Challenges.

V. Program Increases by Item

A. Item Name: Enhanced Contract Oversight

Strategic Goal: 2.6 Protect the federal fisc and defend the interests of the

United States

Strategic Objective: Supporting the Mission: Efficiency and Integrity

in the Department of Justice

Budget Decision Unit: Audits, Inspections, Investigations, and Reviews

Organizational Program: OIG

Program Increase: Positions 0 FTE 15 Dollars \$2,970,000

Description of Item

The OIG is requesting a Program Increase of \$2,970,000 for the enhancement of contract oversight. Our request is comprised of 15 FTE (0 positions) which includes 10 auditors and 5 agents to be located in selected Audit and Investigations field offices nation-wide.

Justification

Anytime taxpayer funds are distributed to third parties, such as grantees and contractors, there is an increased risk of mismanagement and misuse. Throughout the federal government, procurement has historically been prone to fraud and waste. Improving management in this area, while minimizing loss, continues to be a daunting challenge. Contract spending at the Department of Justice (DOJ or Department) for each of the past five years has been approximately \$7 billion, according to USASpending.gov, which represents over 25 percent of DOJ's discretionary budget. This program increase will allow the OIG to expand oversight to this high-risk area. For instance, DOJ reported \$15.4 million in improper commercial payments in FY 2013. The requested program increase will allow the OIG to audit higher risk contract expenditures, investigate allegations of waste and fraud for possible criminal or civil violations, evaluate the Department's development and implementation of prudent procurement policies and procedures, assess compliance with Department procurement policies and the Federal Acquisition Regulations (FAR), and review the Department's suspension and debarment activities.

OIG intends to model the enhanced contract oversight program similar to the grant oversight program, which has seen much success and positive results from both audits and investigations. For example, over the prior 5 fiscal years (FY 2010 to FY 2014), the Department has awarded approximately \$13 billion in grants. During this same time period, the OIG issued more than 200 grant-related audit reports containing about 1,000 recommendations and nearly \$100 million of "dollar-related" findings, which have included both questioned costs and funds that could have been put to better use. In addition, from FY 2009 to FY 2013, the OIG opened 109 grant-related investigations that resulted in 12 convictions, and more than \$1.6 million in recoveries. Most recently, OIG reported in its Semiannual Report to Congress (covering the six month period from April 1, 2014 – September 30, 2014) approximately \$13.4 million in questioned

costs, \$8.0 million in unsupported costs, and \$0.7 million in funds put to better use related to grant funding.

The OIG can recruit and hire individuals that have the requisite contract expertise in the Federal Acquisition Regulation and experience in contract auditing and fraud investigations. The ten auditors will be dispersed across the Audit Division's regional audit offices, giving the offices the necessary skills and ability to enhance contract oversight. The five investigators will be assigned to the OIG Investigations Division Fraud Detection Office (FDO). With the requested increase, the OIG will be able to expand our contract oversight without sacrificing our cost effective grant and program activity oversight. Currently, FDO is comprised of ten agents, one forensic auditor, and one investigative specialist. FDO agents and auditors possess significant contract and grant fraud experience.

The OIG Investigations Division established the FDO to provide centralized detection and investigation services to the Department components for contracts, grants, programs, and operations. In addition, the FDO assists other OIG offices by providing investigative and forensic audit support to fraud investigations undertaken by them. The FDO has nationwide responsibility for the management of the fraud program.

In the past, the FDO has successfully developed a grant fraud initiative that includes outreach to grant giving components on a quarterly basis, liaison with State Administering Agencies receiving grant funds, provision of training to agents related to grant fraud, nationwide grant fraud investigations, and collaboration with the Audit Division on fraud indicators. The OIG is a leader in the grant fraud community. OIG representatives speak at nationwide conferences, as well as in the IG community to further grant fraud investigations. As a participant in the Financial Fraud Enforcement Task Force, specifically leading the Grant Fraud Subcommittee, OIG has worked with the IG community to improve internal controls over and transparency of grant funds. The OIG was an active participant with the Council on Financial Assistance Reform (COFAR) to make recommendations for improvements to the OMB Circular reforming the federal grant process (December 2013).

As mentioned above, the Department spent approximately \$7 billion in contracts for FY 2014. BOP is the largest component awarding funds with \$2.2 billion in contracts; followed by the FBI with \$1.5 billion; and Offices, Boards, and Divisions with \$1.4 billion. Given the FDO's present staffing levels, the OIG was only able to investigate a small portion of the billions of dollars spent in procurements each year.

Providing the OIG with the requested additional resources for contract oversight will greatly assist with the formalization of a robust contract fraud initiative, while allowing OIG to continue its significant grant fraud efforts. Currently, the OIG maintains a contract fraud program which consists of outreach, liaison, training, and investigations. However, the OIG believes that this program can be made more robust with additional agents. The ten auditors and five additional agents with contract fraud experience would enable OIG to focus its contract fraud initiatives in the areas such as Information Technology contracts, medical billing for inmates and detainees, drug treatment counseling, and small business certifications.

Funding this important program increase will further support the OIG's ongoing efforts to rebuild staff and oversight capabilities back to pre-sequestration levels. Furthermore, the program increase request is consistent with Department leadership interest in the OIG providing increased oversight of potential waste, fraud, and abuse in contract matters. The OIG takes very seriously its commitment to taxpayers, Congress, and other stakeholders to continue providing quality reports and results. The OIG believes that this request will significantly enhance its ability to provide the high level of quality work that stakeholders expect.

Impact on Performance

Additional resources would allow the OIG to provide more rigorous oversight of the Department's contract activities. At current staffing levels, agents divide their time between grant fraud and contract fraud matters. However, contract oversight and fraud investigations require specialized knowledge and expertise. The OIG continuously reassesses our efforts to ensure the proper amount of oversight is attributed commensurate with the level of assessed risk. As grant funding continues to be an area in need of critical oversight (DOJ reported \$9.7 million in improper grant expenditures in FY 2014), it would be imprudent to redirect existing OIG resources from grant oversight to another program area and run the risk of diminished coverage in this equally important and high-profile program area.

All personnel requests are in direct support of the Department's Strategic Goals and Objectives. The OIG is a key player in meeting the Department's Strategic Goals and Objectives by providing leadership in integrity, efficiency and effectiveness, and management excellence. We propose adding a performance measure:

Strategic Objectives 2.6: Protect the federal fisc and defend the interests of the United States.

General Goal #2: Promote the efficiency and effectiveness of Department programs and operations.

<u>Intermediate Outcome goal</u>: Percent of Audit resources devoted to reviews of contracts and contract management. Our target level for this new performance measure is 10 percent.

Funding

Base Funding

| | FY 20 | 14 Enaci | ed | | FY.20 | 15 Enac | ted | | FY 2016 | Current | Services |
|-----|--------------|----------|---------|-----|--------------|---------|---------|-----|--------------|---------|----------|
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| 0 | 0/0 | 0 | 0 | 0 | 0/0 | 0 | 0 | 0 | 0/0 | 0 | 0 |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested (FTE's) | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--------------------------------------|--|--|-------------------------------|--|--|
| Accounting and Budget (0500-0599) | 175 | 10 | 1,750 | 779 | 0 |
| Criminal Investigative Series (1811) | 244 | 5 | 1,220 | 500 | 0 |
| Total Personnel | - | 15 | 2,970 | 1,279 | 0 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|--|
| Current Services | 0 | 0 . | 0 | 0 | 0 | 0 | 0 | 0 |
| Increases | 0 | 0 | 15 | 2,202 | 768 | 2,970 | 1,279 | 0 |
| Total | 0 | 0 | 15 | 2,202 | 768 | 2,970 | 1,279 | 0 |

V. Program Increases by Item

B. Item Name: Funding for Council of Inspectors General on Integrity and Efficiency

(CIGIE)

Budget Decision Unit(s):

Audits, Inspections, Investigations, and Reviews

Strategic Goal(s) & Objective(s): Supporting the Mission: Efficiency and Integrity

In the Department of Justice

Organizational Program:

OIG

Program Increase: Positions +0 Agt/Atty +0/+0 FTE +0 Dollars +\$580,000

Description of Item

The OIG is requesting \$580,000 to fund its support of the government-wide efforts of the Council of Inspectors General on Integrity and Efficiency (CIGIE).

Justification

This funding will support the coordinated government-wide activities that identify and review areas of weakness and vulnerability in federal programs and operations with respect to fraud, waste, and abuse.

Funding (Dollars in Thousands)

Base Funding

| | FY 2014 | Enacte | d. | | FY 2015 Er | acted | 22. | N. T | Y 2016 Cur | rent Se | rvices |
|-----|----------|--------|-------|-----|------------|-------|-------|------|------------|---------|--------|
| Pos | Agt/Atty | FTE | \$0 | Pos | Agt/Atty | FTE | \$0 | Pos | Agt/Atty | FTE | \$0 |
| 0 | 0/0 | 0 | \$468 | 0 | 0/0 | 0 | \$468 | 0 | 0/0 | 0 | \$468 |

Personnel Increase cost Summary

| Type of Position | Modular cost per Position (\$000) | Number of Positions Requested | FY 2016 Requested (\$000) | FY 2017 Nef Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|------------------|--|-------------------------------------|---------------------------------|--|---|
| | \$0 | 0 | \$0 | \$0 | \$0 |
| Total Personnel | \$0 | 0 | \$0 | \$0 | \$0 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---|--------------|----------|-------------------------------|---|---|
| Funding for Council of Inspectors General on Integrity and Efficiency (CIGIE) | 1 | 11 | \$580 | \$0 | \$0 |
| Total Non-Personnel | 1 | 111 | \$580 | \$0 | \$0 |

Total Request for this item

| | Pos | Agt/Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) |
|---------------------|-----|----------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 0 | 0/0 | 0 | \$0 | \$468 | \$468 | \$0 | \$0 |
| Increases | 0 | 0/0 | 0 | \$0 | \$580 | \$580 | \$0 | \$0 |
| Grand Total | 0 | 0/0 | 0 | \$0 | \$1,048 | \$1,048 | \$0 | \$0 |

APPENDIX A

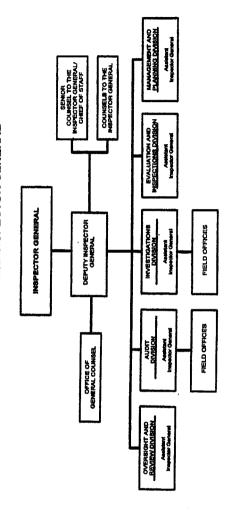
Statistical Highlights

April 1, 2014 - September 30, 2014

The following table summarizes Office of the Inspector General (OIG) activities discussed in our most recent *Semiannual Report to Congress*. As these statistics and the following highlights illustrate, the OIG continues to conduct wide-ranging oversight of Department of Justice (Department) programs and operations.

| Source of Allegations | |
|-----------------------------------|-------------|
| Hotline (telephone, mail, and e- | |
| mail) | 2,438 |
| Other Sources | 3,669 |
| Total allegations received | 6,107 |
| Investigative Caseload | |
| Investigations opened this | |
| period | 206 |
| Investigations closed this period | 218 |
| Investigations in progress as of | 445 |
| 9/30/14 | |
| Prosecutive Actions | |
| Criminal indictments/ | |
| informations | 48 |
| Arrests | 52 |
| Convictions/Pleas | 50 |
| Administrative Actions | |
| Terminations | 19 |
| Resignations | 55 |
| Disciplinary action | 56 |
| Monetary Results | |
| Fines/Restitutions/Recoveries/ | |
| Assessments/Forfeitures | \$4,581,477 |
| Civil Fines/Restitutions/ | \$205,000 |
| Recoveries/Penalties/Damages/ | • |
| Forfeitures | |

A: Organizational Chart



OFFICE OF THE INSPECTOR GENERAL

Summary of Requirements
Office of the inspector General
Salaries and Expenses
(Dolan in Thousands)

| | | 조 | FY 2016 Request | |
|---|------------------|-------|-----------------|-----------|
| | Ofract Positions | thons | FTE | Amount |
| 2014 Enacted | L | 47.4 | 393 | 86,400 |
| Total 2014 Enacted (with Rescission) | | 2 | 383 | 86,400 |
| 2016 Erapoted | | 7.5 | 419 | 113,517 |
| Total 2015 Enacted (with Rescisation) | | 474 | 419 | 88,577 |
| Base Adjustments | | _ | | |
| Pay and Benefits | | 0 | 8 | 1,444 |
| Domestic Rent and Facilities | | 0 | 0 | ř |
| | | 0 | 6 | 17 |
| Total Base Adjustments | | 6 | - | 1,682 |
| Total Technical and Base Adjustments | | 0 | 0 | 1,582 |
| 2018 Current Sarvices | | 474 | 419 | 90,159 |
| Program Changes | . : | _ | | |
| increases: | , | _ | | |
| Contract Oversight | | 0 | 15 | 2,970 |
| Council of Inspectors General on Integrity and Efficiency (CIGIÉ) | 7. | 0 | 0 | 28 |
| Total Program Changes | | • | 15 | 3,580 |
| 2016 Total Request | | 474 | 434 | 83,709 |
| 2016 Balance Rescission | | _ | | |
| 2016 Total Request (with Resolvation) | | 474 | 434 | 93,709 |
| 2015 - 2016 Total Chande | | 0 | 16 | 6,132 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

B. Summary of Requirements

Summary of Requirements
Office of the Inspector General
Salaries and Expenses
(Dollars in Thousands)

| Amount | | | 90,159 | 21 440 | 0.0 |
|----------------|---|--|---|--|--|
| igwdap | | | | | |
| Direct Pos. | | | O 61 | | |
| Amount | 1,582 | 1,582 | 1,582 | | |
| Est. FTE | 0 | Ô | | 00 | 00 |
| Direct Pos. | 0 | 0 | | | |
| Amount | 772'88 | 88,577 | 0 775,88 | | |
| Est. FTE | | 419 | | 21 | - 00 |
| Direct Pos. | | | | | |
| Amount | 86,400 | 86,400 | 96,400 | | |
| Actual FTE | | | | 21 414 | 0.0 |
| Direct Pos. | 474 | ļ | | | |
| | Audits, Inspections, Investigations and Reviews | Total Direct | Bakance Rescission Total Direct with Rescission | Reimbursable FTE Total Direct and Reimb. FTE | Other FTE: LEAP |
| | Actual Amount Direct Est. Amount Direct Est. Amount Direct Est. Pos. FTE Pos. FTE | Direct Actual Annount Actual Direct Pos. FTE Annount Pos. Annount Pos. Annount Pos. Annount Pos. Annount Pos. Annount Pos. | Direct Actual Amount Direct Est. Amount PTE FTE Amount PTE Amount PTE Amount PTE Amount Am | Direct Actual Amount Direct Est. Amount Direct Es | Direct Actual Amount Direct Est. Amount Direct Es |

| | 7 | 2016 Increases | ases | 2 | 2016 Decreases | 98868 | | 2016 Request | uest |
|---------------------------------------|--------|----------------|--------|--------|----------------|--------|--------|--------------|--------|
| Program Activity | Direct | Est. | Amount | Direct | Est. | Amount | Direct | Est. | Amount |
| | Pos. | FE | | Pos. | FTE | | Pos. | EE. | |
| Audits, Inspections, Investigations a | 0 | 15 | 3,550 | 0 | 0 | 0 | 474 | 434 | 93,709 |
| Total Direct | 0 | 15 | 3,550 | 0 | ٥ | ٥ | 474 | 434 | 93,709 |
| Balance Rescission | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 3,550 | | | 0 | | | 93,709 |
| Reimbursable FTE | | 0 | | | ٥ | | | 21 | |
| Total Direct and Reimb, FTE | | 15 | | | 0 | | | 455 | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 15 | | | 0 | | L | 455 | |

C. Program Changes by Decision Unit

FY 2016 Program Changes by Decision Unit
Office of the Inspector General
Selatins and Expenses
(Dolars in Thousands)

| Program (newsess | Location of | | | 왕 | |
|---|-------------|----------------|------|------------------------|--------|
| | Narrative | Direct Pos. | Agt. | Agt/ Est. FTE Atry. | Amount |
| Contract Oversight | 22 | 0 | 0 | 15 | 2,970 |
| Council of Inspectors General on Inlegrity and Efficiency (CIGIE) | 29 | 0 | 0 | 0 | 580 |
| Total Program Increases | | 0 | 0 | 15 | 3,650 |

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective Office of the Impector General Sabries and Expenses (Ostex in Transards)

| | I | | | | | | İ | | | | | |
|---|------------------|--------------|-------------------------|---|-----------------|------------------|--------------|------------------|-----------------|--------------------|-----------------|--------------------|
| 2. (2. a. a. a. a. a. a. a. a. a. a. a. a. a. | 2014 | 2014 Enacted | 2015 | 2015 Enected 2016 Current Services 2016 increases | 2016 Curr | int Services | 2016 § | ncreates | 2018 D | 2016 Decreases | | 2016 Total Request |
| sampaing raise and make and | Direct/ Reimb | Direct | Direct/ Relmb FTE | Direct Amount | Direct Reimb | Direct Amount | Reimb FIE | Direct Amount | Birect Reimb | . Direct Amount | Piract Reimb | Direct Amount |
| Goal 2 Prevent Crime, Protect the Rights of the American People, and enforce Federal Law 2.6 Protect the isolaral face and defend the interests of the United States. States. | 41.4 | 86.400 | 44 | 68,577 | \$ 3 | 90,159 | £ £ | 3,550 | 0.6 | | 455 | 93,709 |
| TOTAL | 414 | | | 88,577 | 440 | | 2 | 3,550 | 0 | | 468 | 83,709 |

Mofe: Excludes Batance Resclasion and/or Supplemental Appropriations.

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments Office of his repector General Galese and Epowes Other is Thomsesh

| Annual A | | 5 | <u>\$</u> | 223 | * | Ŧ | 9 | 1,444 | 4 | | | <u> </u> | - (|
|----------|---|---|--|--|--|--|--|---------------------------|---|---|--|---|-----|
| Estimate | | | | | | | | | | | | | |
| 1 | ļ | | | | | | | | | | | | |
| | for and included. The next included to a propertion by these to be effective is hereby of 250s. The smooth request, \$50s.COS, represent the terms to this first included to the properties the effect (COS) to be read in 150s. The smooth of the cost | Socialization (2015 to blast. Ann primaries and second of the second (October Hough) Committed for 2015 por browness of CS to Acaded to the Property and the second second (194100), represented to they committed to 1444 the Social part the operated to beach (194100) for | Construction of the construction of the construction of the construction of the construction of the PY 2015 The browned on the construction of the PY 2015 Construction compressed the CONSTRUCTION OF THE CONSTRUCTION OF T | of Edit Result at Editocontil Material Corticles. The State of the St | SEGMENT CONTINUES L'EXIST. The Stroot describes effects articles d'exiges le populate to the Department of Labor for they benefits under the Federal Dimbhya. Compensation Ad. | (<u>Insell Insertors</u> Effective America (2010 D. Hostopean's confliction to Februaria employee's health (natures terranes by 3.3% percent. Applied applied the Effective American (2.100 D. Hostopean percent report is \$100.000. | Indicators: The control of the control of the control of the control of the control of TRI employed. But is 1,3 Depretend of Land Agree species as project it the 100 the refer to CEG to the CEG as the CEG to | Statedal, Pay and Beseffa | (Comment from a not featible and the second of the second | Olitical Sections. This includes the control formation's Security (Disc) Federal Protection Service diagna, Landon Protection's Service diagna and other security services across the controlled on country. The requested formation of LEC (DOD is required to consider the controlled and and includes across the controlled and and includes. | Obser Adequated to the Control of th |) (beath interpolation The Ruck transment rifers) poyment to the Other of Personal Management for security referentiables for employee negating security determine. | |

Crosswalk of 2014 Avaitability
Office of the Inspector General
Salaries and Expenses
(Dollars in Thousands)

| Program Activity | iL. | FY 2014 Enacted | acted | Reprogramming/Transfers | ming/Tra | rafers | Carryover | Carryovar Recovaries/ | 2014 | 2014 Avallability | 2 |
|--|----------------|-----------------|--------------------|-------------------------|---------------|----------------------|-----------|-----------------------|----------------------------------|-------------------|--------|
| | Dinect Pos. | Estim. FTE | Amount | Olrect Pos. | Estim. FTE | Estim. Amount FTE | Amount | Amount | Amount Direct Pos. Estim. Amount | Estim. FTE | Amount |
| Audits, Inspections, Investigations and Reviews | 474 | 88 | 86,400 | 0 | • | 0 | 0 | 0 | 474 | 1 | R6 400 |
| Total Direct | 47.4 | 383 | 88,400 | 0 | 0 | ٥ | 0 | 0 | 474 | | |
| Balance Rescission Total Direct with Rescission | | | 98,400 | | | | | | | | ı |
| Reimbursable FTE. Fotal Direct and Reimb, FTE | | 414 | | | 00 | | 00 | | | 21 | 8 |
| Other FTE: LEAP Ounding | | 0.0 | - 1.1 Mar 1.1 Mar. | | 0.0 | | 0 | | | 0. | |
| Grand Total, FTE | | 414 | | | 0 | | 0 | | | 414 | |

G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability
Office of the Inspector General
Salaries and Expenses
(Dolars in Thousands)

| | L | | | | | | | | | | l |
|--|----------------|-----------------|----------|-------------------------|---------------|------------------------|-----------|------------------------|-------------|-------------------|----------|
| Program Activity | | FY 2015 Enacted | acted | Reprogramming/Transfers | ming√Trar | afers . | Carryover | Recoverles/ Refunds | | 2015 Availability | >- |
| | Direct Pos. | Estim. | Amount | Direct Pos. | Estim. FTE | Estim. Amount FTE | Amount | Amount | Direct Pos. | Estim. | Amount |
| Audits, inspections, investigations and Reviews | 727 | ļ | 8 | | Í | | | | | 1 | 1 |
| Total Direct | | 419 | | | 1 | 2 | ٦ | 9 | 474 | 4 4 | 20,00 |
| Balance Rescission Total Direct with Rescission | | | 0 88 577 | | | | | | | 1 | 0 88 577 |
| Reimbursable FTE Total Direct and Reimb, FTE | | 440 | | | 00 | | 00 | | | 21 440 | 200 |
| Other FTE: LEAP | | 67 | | | 0 | | 0 | | | 0 | |
| Grand Total, FTE | | 440 | Ì | | 50 | | | | | 440 | |

Exhibit H - Summary of R

Summary of Reimbursable Resources Office of the inspector General Statistics and Expenses (Octabre in Trousands)

H. Summary of Reimbursable Resources

| Collections by Source Reimb. Reimb. | Amount 1,746 4,691 | Reimb. Reimb. Pos.* FTE 0 2 | Amo | | | | | TC BESSON DECTRES | |
|--|--------------------------|-----------------------------------|--------|--------|--------|--------|-------------|-------------------|--------|
| Pos | 8 8 6 | | 1,302 | Keldo. | Reimb. | Amount | Reimh Reimh | Reimh | Amount |
| Federal Bureau of Investigation 0 2 Officest, Boards, and Divisions 0 5 Assat Forfetture Fund 0 2 Federal Bureau of Pirsons 0 2 Federal Prison Industries 0 2 United States Maratalas Sanvices 0 2 Working Caretal Fund (TTSS) 0 7 | 2 1,746 5 4,691 | 0 | 1,302 | Pos. | Ŀ | | 4 | H | |
| Offices, Boards, and Divisions 0 5 Asset Forhithure Thrond Federal Burrau of Prisons 0 2 Federal Burrau of Prisons 0 2 Federal Prison Industries 0 2 Working Carefal Fund (TTSS) 0 7 | 4,691 | | | 1 | · | 1 222 | | | |
| Asset Forfeiture Fund 0 2 Federal Bureau of Prisons 0 2 Federal Prison Industries 0 2 United States Meanths Service 0 2 Worklinn Candari Fund (1755) | 1 100 | - | 5 171 | | 1 44 | 2021 | - | 5 6 | ę i |
| Federal Bureau of Prisons Federal Prison Industries United States Marshalas Service Workinn Caretar Fund (TTSS) | | - | 1 0.47 | , , | | 100 | > 6 | 5 6 | 2 : |
| Federal Pison Industries United States Marshals Service Working Cardial Fued (TISS) | 1125 | 0 6 | 000 | 5 6 | 4 6 | 1,001 | 5 6 | 5 6 | 4 |
| relutes Frach Industries 0 2 United States Members Service 0 2 Working Cardial Fund (TSS) 0 7 | | 3 (| 2 | 5 | 7 | 970 | 5 | 3 | 87 |
| United States Marshals Service 0 2 Working Cardral Fund (TSS) | 1,014 | 6 | 1,020 | ō | N | 1.034 | 0 | C | 14 |
| Working Cardial Fund (ITSS) | 1.130 | • | _ | ~ | - | | | | |
| | 7 1.798 | c | 1 846 | - | 7 | 7 00 7 | - | > < | , |
| G Criminal Investigator Academy 01 0 | 0 | | | • | | 200'+ | > < | 5 0 | ₹, |
| Council of Inspectors General on Integrity | | ,— | , | • | > | 5 | > | 5 | ₽ |
| and Efficiency (CIGIE) Legal Services 0 0 | 0 | - | 65 | - | - | a V | - | | 5 |
| Budgetary Resources 0 21 | 12 ASD | - | 44 260 | ľ | į | 3 | 1 | 3 | 40 |

*Reimburseible Positions are not able to be split by Collection Source. ** The Columns will add to a different amount due to rounding.

i. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category Office of the Inspector General States and Expenses (Dodars in Thousans)

| Certagory | 2014 Es | 2014 Enacted | 2015 Er | 2015 Enacted | | | 2016 Request | | |
|--|-------------|--------------|-------------|--------------|------|---------|--------------|--------------|--------------|
| | Direct Pos. | Reimb, Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Reimb. |
| Personnet Management (200-299) | _ | 0 | 7 | 0 | 0 | ē | 6 | - | 0 |
| Clerical and Office Services (300-399) | 55 | 6 | 160 | n | 0 | 6 | 6 | 160 | . 67 |
| Accounting and Budget (500-599) | 88 | # | 95 | F | 0 | O | 6 | 36 | 1 |
| Attorneys (905) | 8 | 0 | ੜ | 0 | 0 | .0 | 6 | 98 | 0 |
| Paralegals / Other Law (900-998) | 10 | 6 | 'n | - | 0 | 0 | 6 | 50 | 0 |
| Operation Research Analyst (1515) | 2 | 6 | 8 | -6 | 0 | 0 | Ö | 2 | |
| Miscellaneous (nspectors Series (1802) | 6 | 0 | 6 | 6 | 5 | - | ō | 6 | |
| Criminal Investigative Series (1811) | 139 | 0 | 139 | 0 | 0 | 0 | Ö | 139 | 0 |
| Information Technology Mgmt (2210) | 18 | ~ | 18 | 7 | 0 | 0 | ő | 18 | _ |
| Security Specialists (080) | 8 | 0 | m | 0 | 0 | - | ō | m | |
| Miscellaneous Operations (010-099) | 9 | 0 | 9 | 0 | ō | 0 | ó | 9 | 0 |
| Total | 474 | 2 | 7.29 | 12 | 0 | 0 | 0 | 474 | 2 |
| Headquarters (Washington, D.C.) | 228 | 21 | 228 | 21 | 0 | 0 | 0 | 228 | 21 |
| U.S. Field | . 246 | 0 | 246 | 0 | 0 | • | ō | 246 | 0 |
| Foreign Field | 0 | 0 | 0 | - | ō | 6 | ő | 0 | |
| Total | 474 | 21 | 474 | 21 | 0 | 0 | ٥ | 474 | 21 |

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes Office of the inspector General Salaries and Expenses (Datus in Thousand)

| Spect Class Contract O Defect Class Defect Class Defect Class Contract O Defect Class Contract O Defect Class Contract O Defect Class Contract Class Contract Class Contract Class Class Contract Class Contract Class Contract Class Class Contract C | Contrac | | | | | |
|--|---------|-------------|-----------------------|--|-------------|-----------------------|
| Direct Pos. | | t Oversight | Seneral Efficience | Council of Inspectors General on Integrity and Efficiency (CRIE) | Total Prog | Total Program Changes |
| rsornel Non of Persons | Pos. | Amount | Direct Pos. | Amount | Direct Pos. | Amount |
| 12.0 Personnel Benefits 13.0 Benefits for former personnel 21.0 Travel and Transportation of Persons | | 1,855 | | 0 | 0 | 1,655 |
| 13.0 Benefits for former personnel 21.0 Travel and Transportation of Persons | | 547 | | 9 | • | 75 |
| 21.0 Travel and Transportation of Persons | | • | | 0 | ٥ | - |
| 1 | | £\$ | | 0 | ٥ | 45 |
| 22.0 Transportation of Trangs | | 15 | | ò | ٥ | 5 |
| 23.1 Rental Payments to GSA | | 0 | | 0 | ٥ | _ |
| 23.2 Rental Payments to Others | | 18 | | 0 | • | = |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 37 | | Ð | ٥ | 37 |
| 24.0 Printing and Reproduction | | 12 | | • | ۰ | 12 |
| 25.1 Advisory and Assistance Services | | • | | • | Φ | _ |
| 25.2 Other Services from Non-Federal Sources | | 242 | | • | • | 242 |
| 25.3 Other Goods and Services from Federal Sources | | 8 | | 280 | • | 179 |
| 25.5 Research and Development Contracts | | 0 | | • | 0 | _ |
| 25.6 Medical Cere | | 24 | | 0 | • | 24 |
| 25.7 Operation and Maintenance of Equipment | | 0 | | 6 | • | |
| 26.0 Supplies and Materials | | 27 | | • | - | 27 |
| 31.0 Equipment | | 55 | | 6 | 0 | 257 |
| Total Decrees Changes Danieste | ٩ | 2 976 | - | 490 | 9 | 3 650 |

K. Summary of Requirements by Object Class

Summary of Requiren.....s by Object Class Office of the Inspector General Salaries and Expenses (Codes in Trausands)

| | 201 | 2014 Actual | 2015 | 2015 Availability | 2016 | 2016 Request | Increase | ncrease/Decrease |
|---|--------|-------------|---------------|-------------------|--------------|--------------|----------|------------------|
| Object Class | Direct | Amount | Direct FTE | Amount | Diect The | Amount | Direct | Amount |
| 11.1 Full-Time Permanent | 93 | 41.374 | 419 | 45.285 | 434 | 48.142 | 155 | 2.857 |
| 11.3 Other than Full-Time Permanent | 0 | 1,024 | , | 1.102 | | 1.113 | 0 | 1 |
| 11.5 Other Personnel Compensation | 0 | 3,526 | 0 | 3,624 | 0 | 3,660 | 0 | 36 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | ٥ | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 Special Personal Services Payments | | 3 | o | 0 | | 0 | 0 | 0 |
| Total | 393 | 45,927 | 418 | 50,011 | \$ | 52,915 | 18 | 2,904 |
| Other Object Classes | _ | | | | | | | |
| 12.1 Civilian Personnel Benefits | _ | 16,392 | | 17,622 | | 19,046 | | 1,424 |
| 13.0 Benefits for former personnel | | 20 | _ | 200 | | 20 | | 0 |
| 21.0 Travel and Transportation of Persons | | 2,098 | | 2,000 | | 2,100 | | 100 |
| 22.0 Transportation of Things | | 135 | | 145 | | 145 | | 6 |
| 23.1 Rental Payments to GSA | | 8,597 | | 9,258 | | 9,199 | | 6Ç |
| 23.2 Rental Payments to Others | _ | 338 | | 461 | | 488 | | 27 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 1,658 | | 1,334 | | 1,420 | | 88 |
| 24.0 Printing and Reproduction | | 12 | | | | 60 | - | 6 |
| 25.1 Advisory and Assistance Services | | 2.444 | | 2.279 | | 2.279 | _ | 0 |
| 25.2 Other Services from Non-Federal Sources | | 1,892 | | 2,050 | | 2.050 | | 0 |
| 25.3 Other Goods and Services from Federal Sources | | 2,823 | | 2,164 | | 2,752 | | 588 |
| 25.4 Operation and Maintenance of Facilities | | 125 | | 20 | | 182 | | 162 |
| 25.5 Research and Development Contracts | | 0 | | • | | 0 | | 0 |
| 25.8 Medical Care | | 89 | | 156 | | 156 | | 0 |
| 25.7 Operation and Maintenance of Equipment | | 35. | | 392 | | 392 | | 0 |
| 25.8 Subsistence and Support of Persons | | ٥ | | 0 | | 0 | | ō |
| 28.0 Supplies and Materials | | 415 | | 244 | | 244 | | 0 |
| 31.0 Equipment | | 1,874 | | 413 | | 313 | | -100 |
| 32.0 Land and Structures | | 1,116 | | 0 | | 0 | | |
| 41.0 Grants, Subsidies, and Contributions | | 0 | | | | 0 | | ٥ |
| 42.0 Insurance Claims and Indemnifies | | 4 | | 0 | | 0 | | 0 |
| Total Obligations | | 86,310 | | 88,577 | | 93,709 | | 5,132 |
| Subtract - Unobligated Balance, Start-of-Year | | 0 | | 0 | | 0 | | 0 |
| Subtract - Transfers/Reprogramming | | 0 | | | | 0 | | 0 |
| Subgract - Kecoverlear/Kerunds | | 6 | | 0 | | 0 | | 6 |
| Add - Unobigated End-of-Year, Available | | 0 | | 0 | | 0 | | - |
| Total Direct Requirements | 393 | 86.400 | 419 | 88.577 | 434 | 93.709 | #2 | 5.132 |
| Reimbursable FTE | | | | | | | T | |
| Full-Time Permanent | 2 | | 2 | | 27 | | 0 | |
| | | | ١ | | | | ١ | |

L. Status of Congressionally Requested Studies, Reports, and Evaluations

Office of the Inspector General Salaries and Expenses (Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

- acilities operating under a contract with BOP to ensure that such facilities meet all appropriate standards. This review should 1. The Consolidated Appropriation Act FY 2013, CR Statement, page 37, the OIG is directed to conduct a review of prison also include a description of BOP's efforts to monitor the performance of contract prison facilities and recommendations for how BOP could improve such efforts. The OIG is in the initial stages of drafting the report, which is planned for release in
- 2. The Consolidated Appropriation Act FY 2014, CJS Statement of Managers, Title II, page 18, directs the OIG to engage an independent entity to conduct an assessment of the operation and management of the Department's Civil Rights Division (CRT). The report was released in January 2015.
- 3. The Consolidated Appropriation Act FY 2014, S. Report, Title II, page 89 OIG shall conduct audits and oversight of funds specific investments using funds made available in this program, and relay findings of their reviews to the Director of the NIJ provided under the Comprehensive School Safety Initiative. The OIG shall also review concerns raised by the public about and the Committees on Appropriations. NIJ and COPS have advised OIG that these initiatives will be funded in 2016.
- Appropriations not later than 180 days after the date of enactment of this Act on the impact of Section 218 of this Act, which is 4. The Consolidated Appropriation Act FY 2015, S. Report, Title II, page 73, directs the OIG to report to the Committees on designed to improve OIG access to Department documents and information. The OIG will issue its report in June 2015.
- enforcament of the Foreign Agents Registration Act (FARA). This is a new requirement that is being assessed and does not 5. The Consolidated Appropriation Act FY 2015, H. Report, Title II, page 42, directs the OIG to review the Department's

Exhibit M. Required Information for OiG Budget Submissions

M. Additional Required Information for OIG Budget Submissions

The Inspector General Reform Act of 2008 (P.L. 110-409) requires that the Department of Justice OIG submit the following information related to its requested budget for Fiscal Year 2016:

*the aggregate budget request for the operations of the OIG is \$93,709,000; *the portion of this amount needed for OIG training is \$640,000; The Inspector General of the Department of Justice certifies that the amount requested for training satisfies all OIG training needs for FY 2016.

U.S Department of Justice

FY 2016 Performance Budget Congressional Submission

United States Parole Commission



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- C. FY 2015 Program Changes by Decision Unit (Not Applicable)
- D. Resources by DOJ Strategic Goal/Objective
- E. Justification for Technical and Base Adjustments
- F. Crosswalk of 2014 Availability
- G. Crosswalk of 2015 Availability
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I. Overview for U.S. Parole Commission

The mission of the U.S. Parole Commission is to promote public safety and strive for justice and fairness in the exercise of its authority to release, revoke and supervise offenders under its jurisdiction.

For FY 2016, the President's Budget includes a total of \$13,547,000, 85 positions (7 attorneys) and 75 FTEs for the U.S. Parole Commission (USPC). This request includes adjustments to base totaling \$239,000, and no program changes.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm.

Organizational Structure

- The Chairman and Commissioners render decisions in National Appeals Board cases; create
 and maintain a national parole policy; grant or deny parole to all eligible federal and District of
 Columbia prisoners; establish conditions of release; modify parole conditions and/or revoke the
 parole or mandatory/supervised releases of offenders who have violated the conditions of
 supervision; and administer the USPC crime victim notification program.
- The Office of Budget and Management provides management and advisory services to the Chairman, Commissioners, management officials, and staff in the areas of human resources management, workforce development and training; budget and financial management; contracts and procurement; facilities and property management; telecommunications; security; and all matters pertaining to organization, management, and administration.
- The Office of Case Operations conducts parole hearings with federal and D.C. prisoners
 and parole revocation hearings with parole violators; plans and schedules parole hearing
 dockets.
- The Office of Case Services monitors the progress of prisoners and parolees through prerelease and post-release; prepares and issues warrants and warrant supplements; drafts letters of reprimand; requests and analyzes preliminary interviews; and issues parole certificates.
- The Office of Information Systems is responsible for delivering and supporting information technology systems and services; maintaining and reporting statistical workload data; and administering the records management program.
- The Office of the General Counsel advises the Commissioners and staff on interpretation of
 the agency's enabling statutes; drafts implementing rules and regulations; and assists U.S.
 Attorney's Offices in defending the Commission against lawsuits brought by prisoners and
 parolees. The office also oversees responses to requests submitted under the Freedom of
 Information Act and Privacy Act.

Jur isdiction

The U.S. Parole Commission has jurisdiction over the following types of cases:

All Federal Offenders who committed an offense before November 1, 1987;

All District of Columbia Code Offenders;

Uniform Code of Military Justice Offenders who are confined in a Bureau of Prisons' institution;

Transfer Treaty cases (U.S. citizens convicted in foreign countries, who have elected to serve their sentence in this country); and,

State Probationers and Parolees in the Federal Witness Protection Program.

In all of these cases, the Parole Commission has the responsibility for:

- making determinations regarding the initial conditions of supervision;
- · managing the offender's risk in the community;
- modification of the conditions of supervision for changed circumstances;
- early discharge from supervision, issuance of a warrant or summons for violation of the conditions of supervision; and
- revocation of release for such offenders released on parole or mandatory release supervision.

Federal Offenders (offenses committed before November 1, 1987): The Parole Commission has the responsibility for granting or denying parole to federal offenders who committed their offenses before November 1, 1987, and who are not otherwise ineligible for parole. Supervision in the community is provided by U.S. Probation Officers.

District of Columbia Code Offenders: The Parole Commission has the responsibility for granting or denying parole to D.C. Code offenders who committed their offenses before August 5, 2000, and who are not otherwise ineligible for parole. Supervision in the community is provided by Supervision Officers of the Court Services and Offender Supervision Agency (CSOSA) of the District of Columbia and U.S. Probation Officers.

Uniform Code of Military Justice Offenders: The Parole Commission has the responsibility for granting or denying parole to parole-eligible Uniform Code of Military Justice offenders who are serving a sentence in a Bureau of Prisons institution. Supervision in the community for military parolees is provided by U.S. Probation Officers.

Transfer-Treaty Cases: The Parole Commission has the responsibility for conducting hearings and setting release dates for U.S. citizens who are serving prison terms imposed by foreign countries and who, pursuant to treaty, have elected to be transferred to the United States for service of that sentence. The Parole Commission applies the federal sentencing guidelines promulgated by the U.S. Sentencing Commission in determining the time to be served in prison before release for offenders who committed their offenses after October 31, 1987. For those offenders who committed their offenses before November 1, 1987, the U.S. Parole Commission applies the parole guidelines that are used for parole-eligible federal and military offenders.

State Probationers and Parolees in Federal Witness Protection Program: In addition to its general responsibilities, the Parole Commission is also responsible for the revocation of release for certain state probationers and parolees who have been placed in the federal witness protection program. Supervision in the community is provided by United States Probation Officers.

Build a collaborative community approach to assisting victims and witnesses. Enhance
decision-making through cooperation with external partners in criminal justice to ensure that
the victim's input is considered prior to a decision. Develop policies and procedures to
incorporate video conferencing for victim and witness input.

The Parole Commission (1) provides services and programs to facilitate inmates' successful reintegration into society, consistent with community expectations and standards; (2) supervises, revokes, and releases federal and District of Columbia offenders; (3) establishes and applies sanctions that are consistent with public safety and the appropriate punishment for crimes involving sex offenders, gangs, crimes of violence with firearms, and domestic violence; (4) establishes and implements guidelines to reduce recidivism; and (5) works collaboratively with the Court Services and Offender Supervision Agency (CSOSA), Federal Prison System, U.S. Marshals Service, U.S. Attorneys (USA), U.S. Probation Office (USPO), Public Defender Services (PDS), D.C. Metropolitan Police Department, D.C. Superior Court, and others to facilitate strategies that support anti-recidivism programs.

The following is a brief summary of the role USPC plays in supporting the Department of Justice's Strategic Goal 3.

Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels

Strategic objective 3.4 – Reform and strengthen America's criminal justice system by targeting only the most serious offenses for federal prosecution, expanding the use of diversion programs, and aiding inmates in re-entering society.

- Develop and implement enhanced strategies to evaluate reentry and supervision that will
 ensure community safety, reduce serious violent crime, and reduce recidivism.
- Establish short term intervention sanctions for administrative violators.
- Establish and implement guidelines to reduce recidivism.
- Enhance current sanctions and develop new alternatives to incarceration to reduce recidivism
 for low-risk, non-violent offenders, such as the Reprimand Sanction Hearings, Short-term
 Intervention for Success, and Mental Health Sanction Hearings.
- Establish conditions of release. Develop risk assessment instruments and guidelines to
 identify high risk offenders to require intense supervision sanctions to reduce the chances of
 recidivism. The Parole Commission targets those offenders involved in gang activity, sex
 offenses, gun-related offenses, and domestic violence.
- Issue warrants in a timely fashion to remove violent offenders from the community.
- D.C. Jail and Corrections: Develop new procedures for conducting probable cause and revocation hearings for Technical Parole Violators.

1. Full Program Costs

The FY 2016 budget request for USPC is \$13,547,000, 85 full time permanent positions (including 7 attorneys) and 75 FTE. USPC's budget is integrated with its own priorities as well as the Department's Strategic Goals and Objectives, and therefore each performance objective is linked with the costs of critical strategic actions.

| FY 2014 Appropriation FY 2015 President's Budget | Positions 85 85 | <u>FTE</u> 70 70 | Amount (\$000s) 12,600 13,308 |
|--|-----------------------|------------------------|-------------------------------------|
| FY 2016 Adjustments-to-base FY 2016 Program Changes | 0 0 | 5 0 | 239 0 |
| FY 2016 Request | 85 | 75 | 13,547 |

The total costs include the following:

- The direct costs of all outputs
- Indirect costs
- · Common administrative systems

The performance and resource tables define the total costs of achieving the strategies the USPC will implement in FY 2016. The various resource and performance charts incorporate the costs of lower level strategies which also contribute to achievement of objectives, but which may not be highlighted in detail in order to provide a concise narrative. Also included are the indirect costs of continuing activities, which are central to the USPC's operations.

2. Environmental Accountability

The Parole Commission continues to be proactive in its environmental accountability and towards that goal is consistently taking measures such as purchasing from recycled paper and products, as well as recycling all used toner cartridges and participating with the building's green program.

3. Challenges

The challenges that impede progress towards achievement of agency goals are complex and ever changing.

External Challenges: There are many external challenges, outside of its control, that the USPC has to address to be successful in meeting its goals. A major task before the Parole Commission is to take immediate action on violent offenders, while reducing recidivism rates for low-risk, non-violent offenders. While the Parole Commission's workload depends heavily on the activities of its criminal justice partners, it has developed programs to reduce recidivism, reduce prison overcrowding, reduce violent crime, and promote the public's safety.

<u>Internal Challenges</u>: The USPC faces two significant internal challenges in the years ahead, one dealing with its aging workforce and the other with technology. Both challenges are intertwined and will require creative and resourceful solutions.

The caseload challenges are increasing, especially in the areas of mental health and sex offenses. There continues to be greater emphasis by the courts on the growing population with mental health disorders and the USPC needs to adjust internally by defining the special skill sets needed to address this growing workload and to develop its staff so we can address this particular workload. The staff must have the expertise to evaluate these disorders and set conditions of supervision that adequately address them. This is especially challenging because of USPC's small size. Innovation and creative, more flexible, recruitment options will have to be employed to meet this challenge.

A somewhat related and pressing second challenge is the Commission's need to expand its paperless process and take full advantage of technological innovation, especially in light of a potential "brain drain" over the next five years. In preparation for this eventuality, the Commission is implementing its Offender Management System (OMS). Moving to a paperless process will require sensitivity to a number of issues, including: access to case files; the need to meet statutory deadlines; the need to capture more reliable data; security concerns; working with multiple stakeholders, such as BOP, CSOSA, USPO, USA, and PDS; continuity of operation; and finally, having remote access at hearings.

II. Summary of Program Changes

No program changes

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

United States Parole Commission Salaries and Expenses

For necessary expenses of the United States Parole Commission as authorized, [\$13,308,000] <u>\$13,547,000</u>. (Department of Justice Appropriations Act, 2015.)

Analysis of Appropriations Language

No substantive changes proposed.

IV. Program Activity Justification

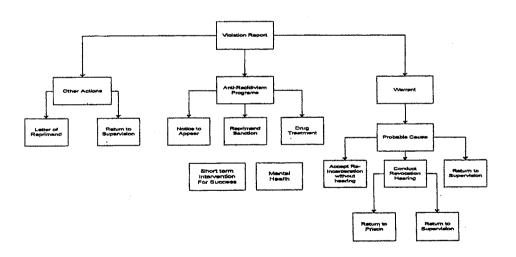
A. United States Parole Commission

| United States Parole Commission | Direct Pos. | Estimate FTE | Amount |
|---|----------------|-----------------|----------|
| 2014 Enacted | 85 | 70 | \$12,600 |
| 2015 Enacted | 85 | 70 | 13,308 |
| Adjustments to Base and Technical Adjustments | | 5 | 239 |
| 2016 Current Services | 85 | 75 | 13,547 |
| 2016 Request | 85 | 75 | 13,547 |
| Total Change 2015-2016 | | 5 | 239 |

1. Program Description

The USPC continues to collaborate with CSOSA to develop new performance measures that will identify the effectiveness of the Parole Commission's strategy to reduce recidivism.

In its effort to reduce recidivism, the Parole Commission has developed graduated sanctions to address non-compliant behavior thereby reducing the number of low-risk, non-violent offenders returning to prison. The flow chart below displays the process the Parole Commission follows after it receives a violation report and determines the best approach for a particular offender:



One major goal of the Parole Commission is to issue warrants for those that willfully violate the conditions of their release and for those with the most egregious behavior, typically tied to violence, child abuse, sex offenses, etc. This approach will keep our communities safe while also returning the more productive, low-risk offenders back to the community in a timely and cost efficient manner. The long-term goals and outcomes USPC plans to track include:

- the percentage of low-risk, non-violent cases that are provided drug treatment, quick hits, and warnings instead of incarceration,
- the percentage of offenders with low-level violations offered reduced sentences without a hearing, and
- the percentage of warrants approved and issued for offenders violating their conditions of release while under USPC supervision in the community.

For low-risk non-violent offenders, USPCs implementation of an "Alternatives to Re-Incarceration" agenda emphasizes the development of strategies, to decrease prison overcrowding by reducing the number of low-level, non-violent offenders revoked to reincarceration. USPC's efforts parallel the Attorney General's Smart on Crime Initiative by incorporating a fundamental principle founded in "not locking our way out of addressing low-level, non-violent offenders." Currently, we have six strategic processes occurring throughout the Commission to aide in our recidivism reduction efforts.

Reprimand Sanction Hearings:

Implemented in 2006, Reprimand Sanction Hearings are specialized hearings designed with the intent to reduce parole revocation hearings, reduce offender re-incarceration risk levels for offenders who have shown a pattern of noncompliance, and to improve offender compliance with release conditions. The hearing are conducted in person by the Chairman of the USPC, select members of the Commission and CSOSA with the offender. Suggestions for improving compliance are given to the offender to improve their chance of remaining on supervised release. The intent of the hearings are to limit the number of offenders the USPC revokes supervision. Revocation of supervision results in the offender being returned to prison. Hearings are scheduled once a week, the first week of the month, with approximately 5 offenders per meeting. Since 2006, USPC has held 719hearings. We continue to see significant reductions in positive drug test results and technical violation patterns among the offenders who have participated in this intervention.

Mental Health Docket: USPC created the Mental Health Sanctions Hearing Docket in early 2012, to identify the needs of the offenders with Mental Health diagnosis, provide greater collaboration with stakeholders in the acquisition of effective services, and increase the treatment engagement of program participants. This subset of offenders is one of the most challenging populations within the realm of Community Corrections, because of their irrational, anti-social thoughts and behaviors, oftentimes as a result of failed or absent medication management. To date, the USPC has held 325 hearings, with approximately 59 warrants issued for continued non-compliance.

Notice to Appear (NTA): In an effort to reduce hardship on offenders and their families by allowing the offender to remain in the community until revocation proceedings commence, USPC implemented Notice to Appear Hearings. These efforts resulted in a reduction in overall time in custody for the revocation process. To date, the USPC approved 159 hearings, with 108 violators continuing on supervision, 51 violators revoked.

Throughout this process, there has been a decrease in warrants for non-violent offenders, decreases in the number of non-violent offenders being re-incarcerated for minor violations, and decreases in the number of days violators are housed in the Department of Corrections (DOC) custody. Ultimately, there's a reduction in prison overcrowding which inevitably equates to significant costs savings The average wait time is 65 days for an offender to have a hearing and allowing these offenders to remain in the community while those hearings are pending results in

a substansial savings to The Department of Corrections. It costs approximately \$129 a day to house an inmate at the DC Jail. At that rate, USPC saved the DOC approximately \$427,635 for the average time period of 65 days of incarcerating 51 revoked offenders during the revocation process.

Residential Substance Abuse Treatment Program (RSAT) and Secure Residential Treatment Program (SRTP): RSAT and SRTP were implemented in 2009 to deliver substance abuse treatment in a correctional facility setting as an alternative for offenders who would otherwise face revocation for low-level violations related to drug addiction and community reintegration failures. Operating out of the DC Department of Corrections, the RSAT program has a capacity of 75 beds for males, 25 beds for women, and a program length of up to 120 days with 30 days community based inpatient or outpatient treatment. The SRTP supports a capacity of 32 beds for males and a program length of 180 days, with 90 days of transitional living, followed by 54 sessions of outpatient treatment.

Since 2009, approximately 923 offenders have served in the RSAT program with approximately 792 successfully completing the program.

The SRTP program served approximately 453 offenders with about 280 offender's successfully completing the program.

Short-Term Intervention of Success (SIS): In 2011 the SIS program was implemented to reduce recidivism by applying immediate short-term incarceration sanctions to administrative violators of supervision that demonstrate a commitment to modify their non-compliant behavior. To date, 986 offenders were approved to enter the SIS program and 49 offenders were denied entry. During this time 233 warrants were issued for offenders and the USPC subsequently revoked SIS program entry.

Performance and Resource Tables

| and not included in the total) | t (he total) | | | <u>:</u> | | | | | | L | |
|--------------------------------|------------------------|--|-----------|----------|------------|--|-----------|--------------------------------|--|----------|-----------------|
| | | | 70 12,600 | 009 | 70 12,600 | | 70 13,308 | 5 | 239 | 7.5 | 13,547 |
| TYPE | 8TRATEGIC OBJECTIVE | PERFORMANCE | FY 2014 | · . | FY 2014 | <u>. </u> | FY 2016 | Current Adjustmer 2016 P | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | | FTE \$ | \$000 | F.TE \$000 | 0 FTE | \$000 | FTE | 2000 | 11E | 900 |
| Program Activity | | | | <u> </u> | 1. 2. | | | | | | |
| | | | 70 12,600 | 009 | 70 12,600 | | 70 13,308 | O | 539 | 75 | 13.547 |
| Performance Messure | 3.4 | Werrents | 2 | 2,000 | 2,298 | . 98 | 1,780 | | , | | 1 780 |
| arformanca Semeure | 3.4 | Appeals | | 160 | 2. | 213 | 180 | | , | | 5 5 |
| Performance | 3.4 | Parole Hearings | 8 | 2,000 | 1,841 | -2 | 1,780 | | · | | 1 780 |
| artormance Jassure | 3,4 | Revocation Hearings | - | 1,500 | 1,728 | 82 | 1,330 | | | | |
| 'erformance Reseure | 3.4 | "Supervised Release | - | 1,500 | 1,728 | 82 | | | | | , |
| erformanca Isaaure | 3,4 | "*Alternatives to Re- incarceration | | ı | , | | 300 | | | | 300 |
| | | | | | | | | | | | |

* The USPC has discontinued the Supervised Release measure and therefore will not be reporting for 2015 or 2016.

** The USPC has added Alternatives to the Re-Incarceration performance measure. This measure includes Reprimand Sanction hearings. Mental Heelth Docket, Residential Substance Abuse Program (RSAT) and Secure Residential Treatment Program (SRPT)

| | | | PERFO | RMANCE | MEASU | PERFORMANCE MEASURE TABLE | ті | | | |
|------------------------|---|---|---------------------------|----------------------------|--------------------------|---------------------------|--------------------------|-------------------|-------------|---------|
| | Decision Unit: | United States Parole Commission | e Comm | ission | | | | | | |
| | Performance Re | Performance Report and Performance | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2 | FY 2014 | FY 2015 | FY 2016 |
| Strategic Objective | <u>e</u> | Plan i argets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.4 | Performance Measure | Warrants | 2,356 | 2,352 | 2,364 | 2,000 | 2,000 | 2,296 | 1,780 | 1,780 |
| 3.4 | Performance Measure | Appeals | 141 | 165 | 223 | 160 | 160 | 213 | 160 | 160 |
| 3.4 | ď | Parole Hearings | *3422 | 2,194 | 2,210 | 2,000 | 2,000 | 1841 | 1,780 | 1,780 |
| 3.4 | Performance Measure | Revocation Hearings | 1,365 | 1,285 | 1,758 | 1,500 | 1,500 | 1,728 | 1,330 | 1,330 |
| 3.4 | Performance Measure | Supervised Release | 1,883 | 1,639 | 1,651 | 1,500 | 1,500 | 904 | | |
| 3.4 | Performance Measure | **Alternatives to Re- Incarceration | , | , | ı | | - | | 300 | 300 |
| | * includes terminations, tr pre-hearing assessments ** The USPC has added A | * Includes terminations, transfer treaty cases, parole hearings, reprimand sanction hearings, pre-hearing assessments ** The USPC has added Alternatives to the Re-incarceration performance measure. This measure includes Reprimand | cases, parties the Re-Inc | role hearin sarceration | gs, reprim. performan | and sanctic | on hearing e. This me | S, asure incli | ides Reprir | nand |
| | Sanction hearings. Mental Treatment Program (SRPT) | Sanction hearings. Mental Health Docket, Residential Substance Abuse Program (RSAT) and Secure Residential Treatment Program (SRPT) | cet, Reside | ntial Subsi | ance Abus | e Program | (RSAT) ar | d Secure F | lesidential | |

| PERFORMAN | PERFORMANCE MEASURE TABLE PROPOSED* | | | | | | |
|--------------|---|------|------|------|------|----------------|------|
| | | | | | | | _ |
| Decision Uni | Decision Unit: U.S. Parole Commission | | | | | | |
| | | FY | | FY | FY | | F |
| | | 2012 | 2013 | 2014 | 2014 | FY 2015 | 2016 |
| | | | | | | | |
| Performance | Performance % of offenders with low-level violations eligible for reduced | N/A | N/A | N/A | N/A | Developing TBD | TBD |
| Measure | sentences without a hearing. | | | | | Baseline | |
| | | | | | | | |
| | Increase in the percentage of offenders offered reduced sentences | N/A. | N/A | N/A | N/A | Developing | TBD |
| Outcome | without a hearing. | | | | | Baseline | } |
| | | | | | | | I |

*The USPC is working to establish baselines for these measures and will report for FY 2015 in the FY 2017 President's Budget.

2. Performance, Resources, and Strategies

The USPC contributes to the Department's Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels. Within this Goal, USPC's resources specifically address one of the Department's Strategic Objectives: 3.4 – provide for the safe, secure, humane, and cost-effective confinement of detainees awaiting trial and/or sentencing, and those in the custody of the federal prison system.

On August 12, 2013, the Attorney General in a speech before the American Bar Association's (ABA) House of Delegates, announced a modification of the Justice Department's charging policies so that certain low-level, nonviolent drug offenders who have no ties to large-scale organizations, gangs, or cartels will no longer be charged with offenses that impose draconian mandatory minimum sentences. He noted that: "...by reserving the most severe penalties for serious, high-level, or violent drug traffickers, we can better promote public safety, deterrence, and rehabilitation — while making our expenditures smarter and more productive."

The United States Parole Commission (USPC) is committed to providing alternatives to incarceration in an attempt to make low level, non-violent offenders, including drug offenders, more productive in our communities. Evidence from a number of state initiatives, such as those in Kentucky and Texas, has shown that investments in drug treatment for nonviolent offenders and other changes to parole policies cannot only reduce prison populations, saving taxpayers millions of dollars, but can also reduce recidivism rates. Spending our dollars wisely can result in a return on investment that we can all be proud of – declining rates of recidivism, safer communities, and more productive citizens.

The USPC has undertaken a number of initiatives that support the Administration's position on lowering the rates of recidivism, including a number of alternatives to incarceration. These alternatives include increasing the numbers of offenders referred to the Secured Residential Treatment Program and Residential Substance Abuse Treatment Program in the District of Columbia. Other alternatives include expanding the Reprimand Sanction Hearings Program to increase the number of offenders referred to the USPC for violating the administrative conditions of their release. Frequent and early intervention by the USPC has improved the offender compliance in the community and reduced the need for re-incarceration. Also, the expansion of the mental health dockets will increase the treatment engagement of mentally ill offenders to reduce their risk in the community, and reduce the cost of incarceration.

The USPC has expand ed its Short-Term Intervention for Success (SIS) program, which is designed to provide for shorter periods of imprisonment for technical violators in exchange for potentially longer periods of incarceration. tThe success of the pilot program suggests a decrease in the re-arrest rates for those participating and has ultimately reduced overall prison costs. The USPC approves approximately 318 offenders per year to participate in the SIS program.

The Attorney General, in his August 12, 2013 remarks to the ABA, noted: "Even though this country comprises just five percent of the world's population, we incarcerate almost a quarter of the world's prisoners," adding that "...almost half of them are serving time for drug-related crimes, and many have substance use disorders." Finally, the Attorney General commented that "...roughly 40 percent of former federal prisoners — and more than 60 percent of former state

prisoners – are rearrested or have their supervision revoked within three years after their release, at great cost to the American taxpayers and often for technical or minor violations of the terms of their release."

As noted above, the USPC has developed programs to reduce recidivism, reduce prison overcrowding, reduce violent crime, and promote the public's safety. It complements the Department's efforts to reduce rates of recidivism among Federal and District of Columbia (D.C.) offenders and supports Departmental priorities, including:

- · Reducing prison overcrowding as recently emphasized by the Attorney General:
 - Reduce escalating and crippling costs for the federal and D.C. governments to house offenders while waiting for delayed hearings and stays of release, as well as untimely incarceration decisions

· Lowering recidivism rates:

- o Greater emphasis on reentry strategies, such as substance abuse, mental health, housing, and employment
- Measuring the effectiveness of the conditions imposed on offenders in the community
- o Establish graduated sanctions that permit the Parole Commission to address noncompliant behavior without returning the offender to prison

· Promoting alternatives to incarceration:

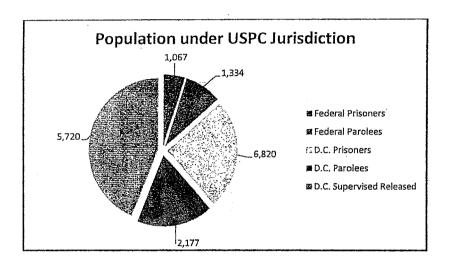
- o Identifying and implementing directives and/or special conditions to assist offenders in maintaining success under supervision
- o Developing and implementing a program to send offenders to treatment programs
- o Establish graduated sanctions that permit the Parole Commission to address noncompliant behavior without returning the offender to prison
- Reducing violent crime, especially crime perpetuated with guns or by gangs:
 - Significantly reduce delays in the issuance of warrants needed to apprehend violent offenders
 - Sharing information and collaborating with other federal, state, and local law enforcement partners

a. Changes in Population and Workload

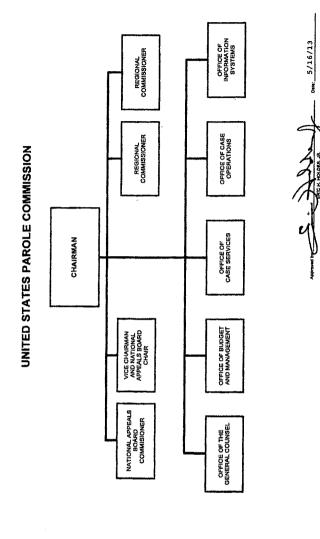
In FY 2014, the Parole Commission's total prisoner and parolee population, federal and D.C., including D.C. supervised releases, was 17,118. The D.C. population under the Parole Commission's jurisdiction is 14,717, including 6,820 prisoners and 7,897 parolees and supervised releases. There was an overall 14% decrease of prisoners from the previous year. The remaining 2,401 individuals consist of federal offenders (including federal prisoners, parolees, transfer treaty, and military justice offenders) and state probationers and parolees in the Federal Witness

Protection Program. There was a slight decrease of 108 individuals from this small section of the population.

Much of the D.C. caseload is driven by the management and evaluation of the progress of offenders in the community; the tracking of those at risk; the imposition of additional sanctions or conditions to ensure public safety; and finally, requests for warrants as a result of violations of the terms and conditions of parole. When a warrant is issued, a request for a preliminary interview follows, and a hearing follows. The decrease in the population can be attributed to the overall decrease in criminal activity in DC. However, it is possible to not realize a decrease in workload due to the number of offenses still being generated by the remaining offenders.



Local revocation hearings are held at facilities in the locality where a parolee has been arrested, and they require much more work because the hearings are adversarial. An offender may contest the charges and is entitled to representation by an attorney, along with the ability to call witnesses. Additionally, these hearings are more costly to the Parole Commission, because they often involve travel to a remote location, where the examiner is only able to handle a particular case. In an institutional hearing, the parolee has admitted to the charges or been convicted of new criminal activity, and the issues to be heard involve the degree of responsibility and the length of additional incarceration. Institutional hearings are less costly, because the examiner can handle several cases during one docket. The Parole Commission has determined that local revocations are about 2-3 times as labor intensive as institutional hearings:



Summary of Requirements
U.S Parole Commission
Salaries and Expenses
(Colers in Thousands)

| | | | | | | | Ì. | FY 2016 Request | 35 |
|--------------------------------------|---|---|---|-----|---|--------------|------------------|-----------------|--------|
| | | | | | | Direc | Direct Positions | 36 | Amount |
| 2014 Enacted | | | | | | | 98 | 7 | 12,800 |
| 2013 Balance Rescission | | | | | | | | : | : |
| Total 2014 Enacted (with Rescission) | | | | : : | | | 28 | 7 | 12,600 |
| | | | | | | _ | | : : | |
| 2015 Enacted | | | | | | : | 92 | * | 13,308 |
| Zula bakance rescasion | - | : | 3 | | | _ | | | |
| Total 2015 Enacted (with Rescission) | | | | | | | ¥ | 14 | 13,30 |
| Base Adjustments | | | | | | | | | : |
| Pay and Benefits | | | | | | \$ - - | : | : | 2 |
| Domestic Rent and Facilities | | | | | | : | | _ | : |
| Position / FTE Adjustments | | | | | | <u>.</u> | | | |
| Total Base Adjustments | | • | | | • | | | _ | |
| Total Technical and Base Adjustments | | | | · | 1 | | | | |
| 2016 Current Services | | | | | | | 100 | - | 74.67 |
| | | | : | | | | ; | : | 5 |
| 2016 Total Request | | | : | | : | : | | ٦, | 43.65 |
| 2016 Balance Rescission | | : | | | : | -: | | • | O C |
| 2016 Total Request (with Rescission) | | | | | | L | 28 | 75 | 13,547 |
| 2015 - 2016 Total Change | | | | | | | _ | _ | 238 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

Exhibit B - Summary of Requirements

B. Summary of Requirements

Summary of Requirements
U.S Parole Commission
Salaries and Expenses
(Dollars in Thousands)

| Program Activity | | 2014 Enacted | cted | •• | 2015 Enacted | cled | 2016 | Technical and Adjustments | 2016 Technical and Base Adjustments | 2016 | Current | 2016 Current Services |
|------------------------------|----------------|---------------|----------------------------------|----------------|--------------|--------|--------|------------------------------|--|--------|---------|-----------------------|
| • | Direct Pos. | Actual FTE | Direct Actual Amount Pos. FTE | Direct Pos. | # E | Amount | Direct | EST | Amount | Direct | Est | Amount |
| U.S Parole Commission | 88 | 2 | 12,600 | 88 | 70 | 13.308 | 1 | 1 | 230 | 3 | 7,5 | 19 54 |
| Total Direct | 85 | 70 | 12,600 | 88 | 70 | 13,308 | 0 | u: | 239 | | | 42.54 |
| Baiance Rescission | | | 0 | | | 0 | | | Ĉ | | 2 | 5 |
| Total Direct with Rescission | | | 12,600 | | • | 13,308 | | ; | 238 | | - | 72 644 |
| Retmbursable FTE | | 0 | | | 0 | | | C | | | c | 5 |
| Total Direct and Reimb. FTE | | 2 | | | 2 | | | - 40 | | | 7 0 | : |
| Grand Total, FTE | | 70 | | | 2 | | | 2 | | | 75 | |

| Program Activity | .4 | 2016 Increases | 9386\$ | | 2016 Offsets | sets | | 2016 Request | nest |
|------------------------------|----------------|----------------|--------|----------------|--------------|--------|--------|--------------|--------|
| | Direct Pos. | Est | Amount | Direct Pos. | Est | Amount | Direct | E Est | Amount |
| U.S Parole Commission | 0 | 0 | 0 | 0 | 0 | 0 | 88 | 75 | 13.547 |
| Total Direct | 0 | 0 | 0 | 0 | 0 | 0 | 8 | 22 | 13.547 |
| Balance Rescission | | | ō | | | 0 | | | |
| Total Direct with Rescission | | | ō | | _ | ō | | | 13.547 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 75 | |
| Grand Total, FTE | | . 0 | | | ٥ | | | 75 | |

Resources by Department of Justice Strategic Goal/Objective
U.S Parele Commission
Staticle and Expenses
(Dotter & Thousand)

| Stratonie Goal and Stratonie Objective | 2014 | 2014 Enacted | 2016 | Enacted | 2016 Cun | 2015 Enacted 2016 Current Services 2016 Incresses | 2016 | ncreases | 2016 | 2016 Offsets | 2016 To | 2016 Total Request |
|--|----------------|--------------|-------------------------|------------------|------------------|---|-------|------------------|------------------|--------------------|------------------|--------------------|
| | Refined FTE | Direct | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb | Direct | Reimb | Direct Amount | Direct/ Reimb | . Direct Amount | Olrect/ Reimb | Direct |
| See! 3 Ensura and Support the Firt, Impartial, Efficient, and Transparant Administration of Justices at the Federal, State, Local, Tribel and Infernational Levus. 3.4 Reform and stereption Arractics's criminal justice system by tangeting only the most services of settiness for deepal prosecution, expanding the use of otherwistin programs, and editing immates in | | | | | | | | : | | : | | |
| reentering society. | ٤ | 12,600 | 2 | 13,308 | 75 | 13,547 | -6 | 0 | Ġ | -6 | 75 | 13 547 |
| Subtotal, Gord 3 | 2 | 12,800 | 70 | 13,308 | 75 | 13,547 | - | | | | * * | 140,041 |
| TOTAL | 2 | 12,800 | 20 | 13,308 | 75 | 13,547 | 9 | ٥ | Ö | ٦ | 7.4 | 13 647 |
| | | | | | | | | | | • | | |

Note: Excludes Balance Resclesion and/or Supplemental Appropriations.

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments
US Perior Commission
Salvies and Express
(Content in Incesses)

| | | | | | | | | | | | | _ | |
|----------------|--|--|--|--|--|---|--|--|----------------------------|--|---|---------------------------------------|--|
| Amount | | : | 8 | | 9 . | ņ | = | | | | 5 | - | 238 |
| Eattmate | | | | | | | | | | : | | 8 | = |
| Direct Pos. | | | : | | • | | :: | | | : : : : : : | | 0 | 0 |
| | Pay and Benefits. 2016 but negues provided 1.3 percent pay use to be olitective th January of 2016. The amount request, \$100,000, represents be pay amount for 34 of the Social year paycopride benefits (590,000 for pay and \$20,000 for benefits.) | Annekaligon & 2015 EVE fields. The pay entails after increment for contra viscous (October brough Cheanber) of the 2015 pay increme of 1,5% included in the 2015 Appropriate. The entrots requested \$23,000, represents the pay amounts for 14 of the laced year place appropriate benefits (\$20,000 for | CHORDA IL CORDORINARIO DOLC. The horseast conference compression day in PT 2010 (2021) compression (1901) is occupated by defining the PT 2010 (2021) as occupated by defining the PT 2010 (2021) as occupated by the defining the PT 2010 (2021) as occupated by the defining the PT 2010 (2021) as occupated by the defining the PT 2010 (2021) as occupated by the defining the PT 2010 (2021) as occupated by the definition of PT 2010 (| ESSES IRRAIGNE ESCROOMEN LIBRORIAN CLOSOBORIAN CONTROL OF THE STATE OF | Embigner Communation Eurob. The \$4,200 represents which push of hunges in payments to the Department of Lebor for Pylory benefits under the Federal Employee Compression And. | Habitingscool. Elizabe 1904. The component acaditation to Faderal unidopset health insurance brossures by 7.8 percent. Applied aginest the Figure 1904 and 1904. The exceptional amount register is \$15,000. | Reference. Approxyment conflusion forses as employees under CBSB natus and are replaced by FEBS employee. Based on U.S. Approxyment of Judica Approxymentures, we protect that the DOJ wondonce will convert from CSBB to FEBS as in site of 1.3 sectors you make in The requested forsess on 24,000 is received to meet our foresteed or from the conversion. | a PositionETE Adultizatio. The adjustment provides the national or for FTEs medical to operate the USPC at its na exhortest position level. | Subtotal, Pay and Benefits | Domintic Retail and Featilise. Social Excitate Additional (EASA) Butt. Social Excitate Additional (EASA) Butt. Social Excitate Excitation (EASA) Butt. Social Excitation (EASA) Butt. Social Excitation (EASA) Butt. Social Excitation (EASA) Butt. Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social Excitation (EASA) Social EXCITATION (EASA) Social Excitation (EASA) S | inicas. Ser Department of Homeland Geouffy (DHS) Federal Projective Servico chenges, Justico Pi services across the county. The requested horsess of 80,000 to required to meek these con | Subtotal, Domeste Rent and Facilities | ALLINE SOLDER THE THOUSAND CONTROL OF THE PROPERTY OF THE PROP |

Exhibit F - Crosswalk of 2014 Availability

Crosswalk of 2014 Availability
U.S Parole Commission
Salaries and Expenses
(Dofata in Thousands)

| Program Activity | ш. | FY 2014 Enacted | пастад | Reprogramming/Transfers | ming/Trar | ısfers | Carryover | Recoverles/ Refunds | 2014. | 2014 Availability | |
|------------------------------|----------------|-----------------|--------|----------------------------------|--------------|--------|-----------|------------------------|--------------------|-------------------|--------|
| | Direct Pos. | Estin. FTE | Amount | Direct Pos. Estim. Amount FTE | EBUM. FTE | Amount | Amount | Amount | Direct Pos. Estim. | Estim. | Amount |
| U.S Parole Commission | 85 | 70 | 12,600 | 0 | 0 | 0 | | ē | 85 | 1 | 42.600 |
| Total Direct | 35 | 70 | 12,800 | O | - | 0 | 0 | - | 34 | Ş | 42 800 |
| Balance Resclasion | | | 0 | | | | | | | 1 | 2017 |
| Total Direct with Rescission | _ | | 12,600 | | | | | | 1 | | 13 830 |
| Reimbursable FTE | | ٥ | | | 0 | | C | | | 1 | 2000 |
| Total Direct and Relmb, FTE | | 2 | | | 0 | _ | C | | | 2 | |
| Grand Total FTF | Ĺ | ç | | | ٥ | | - | | | | |

Ē

Crosswalk of 2015 Availability
U.S Parole Commission
Salaries and Expenses
(Dollers in Thousands)

| | L | | | | | | | | | | |
|------------------------------|----------------|---------------------------|--------|-------------------------|---------------|----------------------|-----------|------------------------|----------------------------------|-------------------|--------|
| Program Activity | Ĺ. | FY 2015 Enacted | acted | Reprogramming/Transfers | ming/Trar | sfers | Carryover | Recoveries/ Refunds | 2015 | 2015 Availability | > |
| • | Direct Pos. | Direct Estim. Pos. FTE | Amount | Direct Pos. | Estim. FTE | Estim. Amount FTE | Amount | Amount | Amount Direct Pos. Estim. Amount | Estim. FTE | Amount |
| U.S Parole Commission | 85 | 70 | 13,308 | 0 | 0 | 0 | 0 | 0 | 85 | 70 | 13,308 |
| Total Direct | 1 85 | 70 | 13,308 | 0 | ٥ | 0 | 0 | 0 | 85 | 70 | 13,308 |
| Balance Rescission | | | 0 | | | | | | | | 0 |
| Total Direct with Reactssion | | | 13,308 | | | | | | | _ | 13,308 |
| Reimbursable FTE | | 0 | | | 0 | | : | | | ō | |
| Total Direct and Reimb. FTE | | 2 | | | 0 | | 0 | | | 70 | |
| Grand Total FTE | | 20 | | | 6 | | 6 | | | 2 | |

Summary of Reimbursable Resources
U.S Pardo Commission
Salaries and Expenses
(Dollers in Thousands)

| | | 2014 Actual | | | 2015 Planned | ned | | 2016 Request | Jest | Ĕ | Increase/Decrease | Crease |
|---------------------------------|----------------|---------------------------|--------|----------------|---------------------------|--------|----------------|---------------|--------|--------|-------------------|--------|
| Collections by Source | Relmb. Pos. | Relmb. Reimb. Pos. FTE | Amount | Reimb. Pos. | Reimb. Reimb. | Amount | Reimb. Pos. | Reimb. FTE | Amount | Reimb. | Reimb. Reimb. | Amount |
| Office of Victims of Crimes | ٥ | 0 | 80 | 0 | 0 | 90 | 0 | 0 | 45 | L | 100 | 45 |
| Budgetary Resources | 0 | 0 | 80 | ٥ | ٥ | 09 | ٥ | 0 | 45 | 0 | c | 4 |
| | | 2014 Actual | iual | | 2015 Planned | peu | | 2016 Request | rest | Ĕ | Increase/Decrease | crease |
| Obligations by Program Activity | Reimb. Pos. | Reimb. Reimb. Pos. FTE | Amount | Reimb. Pos. | Reimb. Reimb. Pos. FTE | Amount | Reimb. Pos. | Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount |
| U.S Parole Commission | 0 | 0 | 0 | ō | 0 | 0 | 0 | 0 | 15 | L | | 15 |
| Budgetary Resources | 0 | 0 | 0 | 0 | ٥ | 0 | 0 | 0 | 15. | | ٦ | 2 4 |

Exhibit I - Details of Permanning Positions by Category

Detail of Permanent Positions by Category
U.S Parole Commission
Salaries and Expenses
(Colleas in Trousants)

I. Detail of Permanent Positions by Category

| Category | 2014 E | 2014 Eneclad | 2015 E | 2015 Enacted | | | 2016 Request | | |
|--|-------------|-------------------------|-------------------------|--------------|------|----------------------|--------------------|----------------------|--------------|
| | Direct Pos. | Direct Pos. Reimb. Pos. | Direct Pos. Relmb. Pos. | Relmb. Pos. | ATBs | Program Increases | Program Offsets | Total Direct Pos. | Total Reimb. |
| Commissioners (185) | 5 | 0 | 5 | 0 | 0 | 0 | 0 | 9 | 0 |
| Clerical and Office Services (300-399) | 8 | 0 | 8 | 0 | ō | 0 | Ö | 34 | |
| Accounting and Budget (500-599) | 2 | - | 7 | o i | ō | | · | 23 | 0 |
| Attorneya (905) | ~ | 6 | ~ | 5 | o. | 5 | o T | 7 | |
| Case Analysts (101) | 18 | 6 | 8 | 6 | o | | 0 | 18 | Ġ. |
| Hearing Examiners (101) | 12 | | 22.1 | | : | 0.0 | 0 | 12 | 0 |
| Information Technology Mgmt (2210) | 158 | 0 | 85 | 0 | | 0 | 0 | 7 | |
| Headquarters (Washington, D.C.) | 86 | 0 | 98 | 0 | o | D | 0 | 85 | |
| L.S. Fleid | 6 | <u> </u> | 6 | 0 | ō | 0 | ō, | o | : |
| Forelan Field | 0 | 0 | 0 | 0 | ٥ | 0 | 0 | 0 | 0 |
| Total | 85 | ٥ | 85 | 0 | 0 | 0 | 0 | 85 | 0 |

Summary of Requirements by Object Class
U.S. Panio Commission
Salaries and Expenses
(Poliars in Thousands)

| | 2014 | 2014 Actual | 2015 | 2015 Availability | 2016 | 2016 Request | Increase | Increase/Decrease |
|---|----------------|-------------|---------------|-------------------|--------|--------------|-------------------|-------------------|
| Object Class | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| 11.1 Full-Time Permanent | 2 | 5 741 | and a | A ROO | 112 | 0740 | <u>.</u> | 1 |
| 11.3 Other than Full-Time Permanent | 4 | 427 | } * | 430 | - 4 | 047 | | 2.0 |
| 11.5 Other Personnel Compensation | C | 484 | ć | 220 | | 9 4 | 3,0 | 9:5 |
| Overline | | 22 | , c | 3 5 | > 0 | 200 | ۰, د | 3 |
| Other Compensation | 0.0 | 412 | 9 6 | 5 5 | 5 6 | 9.6 | 5 6 | 9. |
| 11.8 Special Personal Services Payments | . 0 | 0 | : | | | 5.0 | 5; c | |
| Total | 63 | 6,652 | 2 | 7,250 | 75 | 7.450 | 1 | 200 |
| Wher Object Classes | <u></u> | | | | : | | • | : |
| 12.1 Civitan Personnel Benefits | : | 2.163 | | 2.518 | : | 2636 | | 4 |
| 13.0 Benefils for former personnel | | 68 | • | Ç | | 1 | | |
| 21.0 Travel and Transportation of Persons | : | 12B | | 130 | | 3.5 | : | - (|
| 22.0 Transportation of Things | - | 24 | | 20.0 | • | 3.4 | : | >. |
| 23.1 Rental Payments to GSA | | 1 038 | • | 270 | | 2 1 | _ | > , |
| 23.2 Renial Payments to Others | : | 300 | : | 200 | | 00. | : | 2. |
| 23.3 Communications, Utilities, and Miscellaneous Charges | : | 107 | | 110 | | 3.5 | : | 'n |
| | | 26 | | 26 | | 2 6 | | · C |
| 25.1 Advisory and Assistance Services | : - | 63 | | | : | 3 6 | : | : |
| 25.2 Other Services from Non-Federal Sources | - | 288 | | 290 | | 280 | ; | • |
| 25.3 Other Goods and Services from Federal Sources | | 334 | : | 335 | : | 335 | ; | |
| 25.4 Operation and Maintenance of Facilities | | | <u>:</u> : | : | : | : | | • • |
| 25.5 Research and Development Contracts | | 88 | | 06 | | . 6 | | o: C |
| 25.9 Audio Visual Services / Other Services | : | 238 | : | 240 | | 200 | : : | |
| 25.0 Supplies and Materials | | 38 | | \$ | | 9 | : | |
| 31,0 Equipment | | 202 | | 100 | | 20 | _ | 9 |
| Total Obligations | 7 | 12,455 | : | 13,308 | | 13,547 | | 239 |
| Add - Undbilgated End-ol-Year, Available | : | 145 | | 0 | | 6 | | 0 |
| i otal Direct Requirements | 0 | 12,600 | 0 | 13,308 | 6 | 13,547 | 0 | 239 |

U.S Parole Commission

Salaries and Expenses (Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

1. The United States Parole Commission Extension Act of 2013. Requires that no later than 90 Commission shall report for each subsequent fiscal year to the Committees on the Judiciary of the Senate and House of Representatives on the performance of the United States Parole days after the enactment of this Act, dated October 31, 2013 the United States Parole Commission's functions. FY 2016 Performance Budget Congressional Submission



NATIONAL SECURITY DIVISION

U.S. Department of Justice

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| H. Summary of Reimbursable Resources (Not Applicable) | |
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| J. Financial Analysis of Program Changes | |
| K. Summary of Requirements by Object Class | |
| L. Status of Congressionally Requested Studies, Reports, and Evaluations (Not | Applicable) |
| | - K |

I. Overview for National Security Division

A. Introduction

The National Security Division (NSD) is responsible for combating terrorism and other threats to the national security—the Department of Justice's (DOJ's) highest priority. To sustain mission needs, NSD requests for FY 2016 a total of 411 positions (including 270 attorneys), 359 FTE, and \$96.596.000.

B. Background

In recent years, NSD engaged in a comprehensive strategic assessment of the Division's current operations and future requirements. As a result of that assessment, NSD has outlined four areas of new or renewed focus that will guide its operations in the coming years. They are:

- Combating cyber threats to the national security and protecting national security assets;
- Enhancing NSD's intelligence-related programs and its intelligence oversight function;
- Continuing to bring an all-tools, integrated approach to NSD's work, while adapting to address the changing face of terrorism; and
- Reinvigorating NSD's development into a mature Division capable of keeping pace with its national security partners and outpacing the threats this nation faces.

All of the program increases reflected in NSD's FY 2016 request map to these strategic goals and priorities and will ensure that NSD remains best positioned to fulfill the Department's top priority mission in the face of increasing challenges and an evolving threat. NSD's assessment of the challenges it faces in fully realizing its goals in these areas are outlined more fully in section I.D.: Performance Challenges.

Division Structure

The NSD consolidates within a single Division the Department's primary national security elements outside of the Federal Bureau of Investigation (FBI), which currently are the:

- Office of Intelligence (OI);
- Counterterrorism Section (CTS);
- Counterespionage Section (CES):
- Office of Law and Policy (L&P); and,

¹ Within the totals outlined above, NSD has included a total of 14 positions, 14 FTE, and \$14,299,000 for Information Technology (IT).

Office of Justice for Victims of Overseas Terrorism (OVT).

This organizational structure strengthens the effectiveness of the Department's national security efforts by ensuring greater coordination and unity of purpose between prosecutors, law enforcement agencies, intelligence attorneys, and the Intelligence Community (IC).

NSD Major Responsibilities

Counterterrorism

- Promoting and overseeing a coordinated national counterterrorism enforcement program, through close collaboration with Department leadership, the National Security Branch of the FBI, the IC, and the 94 United States Attorneys' Offices (USAOs);
- Developing national strategies for combating emerging and evolving terrorism threats, including the threat of cyber-based terrorism and homegrown violent extremism;
- Overseeing and supporting the Anti-Terrorism Advisory Council (ATAC) program by:

 collaborating with prosecutors nationwide on terrorism matters, cases, and threat information;
 maintaining an essential communication network between the Department and USAOs for the rapid transmission of information on terrorism threats and investigative activity;
 managing and supporting ATAC activities and initiatives;
- Consulting, advising, and collaborating with prosecutors nationwide on international and domestic terrorism investigations, prosecutions, and appeals, including the use of classified evidence through the application of the Classified Information Procedures Act (CIPA);
- Sharing information with and providing advice to international prosecutors, agents, and
 investigating magistrates to assist in addressing international threat information and
 litigation initiatives; and
- Managing DOJ's work on counter-terrorist financing programs, including supporting the
 process for designating Foreign Terrorist Organizations and Specially Designated Global
 Terrorists, as well as staffing U.S. Government efforts on the Financial Action Task
 Force.

Counterintelligence and Export Control

- Supporting and supervising the investigation and prosecution of cases involving treason, sedition, espionage, economic espionage, and cyber threats to the national security through coordinated efforts and close collaboration with Department leadership, the FBI, the IC, and the 94 USAOs;
- Developing national strategies for combating the emerging and evolving threat of cyberbased espionage and state-sponsored cyber intrusions;
- Assisting in and overseeing the expansion of investigations and prosecutions into the unlawful export of military and strategic commodities and technology, including by

- assisting and providing guidance to USAOs in the establishment of Export Control Proliferation Task Forces:
- Coordinating and providing advice in connection with cases involving the unauthorized disclosure of classified information and supporting resulting prosecutions by providing advice and assistance with the application of CIPA; and
- Enforcing the Foreign Agents Registration Act of 1938 (FARA) and related disclosure statutes.

Intelligence Operations and Litigation

- Ensuring that IC agencies have the legal tools necessary to conduct intelligence operations while safeguarding privacy and civil liberties;
- Representing the U.S. before the Foreign Intelligence Surveillance Court (FISC) to obtain authorization under the Foreign Intelligence Surveillance Act (FISA) for government agencies to conduct intelligence collection activities;
- Coordinating and supervising intelligence-related litigation matters, including the evaluation and review of requests to use information collected under FISA in criminal and non-criminal proceedings and to disseminate FISA information; and
- Serving as the Department's primary liaison to the Director of National Intelligence and the IC.

Oversight and Reporting

- Overseeing certain foreign intelligence, counterintelligence, and other national security activities of IC components to ensure compliance with the Constitution, statutes, and Executive Branch policies to protect individual privacy and civil liberties;
- Monitoring certain intelligence and counterintelligence activities of the FBI to ensure
 conformity with applicable laws and regulations, FISC orders, and Department
 procedures, including the foreign intelligence and national security investigation
 provisions of the Attorney General's Guidelines for Domestic FBI Operations; and
- Fulfilling statutory, Congressional, and judicial reporting requirements related to intelligence, counterintelligence, and other national security activities.

Policy and Other Legal Issues

- Handling appeals in cases involving national security-related prosecutions, and providing views on appellate issues that may impact national security in other civil, criminal, and military commissions cases:
- Providing legal and policy advice on the national security aspects of cybersecurity policy and cyber-related operational activities;
- Providing advice and support on national security issues that arise in an international context, including assisting in bilateral and multilateral engagements with foreign

- governments, working to build counterterrorism capacities of foreign governments, and enhancing international cooperation;
- Providing advice and support on legislative matters involving national security issues, including developing and commenting on legislation, supporting Departmental engagements with members of Congress and Congressional staff, and preparing testimony for senior Division/Department leadership;
- Providing legal assistance and advice on matters arising under national security laws and
 policies, and overseeing the development, coordination, and implementation of
 Department-wide policies with regard to intelligence, counterintelligence,
 counterterrorism, and other national security matters;
- Handling issues related to classification and declassification of records, records management, and freedom of information requests and related litigation; and
- Developing a training curriculum for prosecutors and investigators on cutting-edge tactics, substantive law, and relevant policies and procedures.

Foreign Investment

- Performing the Department's staff-level work on the Committee on Foreign Investment in the U.S. (CFIUS), which reviews foreign acquisitions of domestic entities that might affect national security and makes recommendations to the President on whether such transactions are a threat;
- Responding to Federal Communications Commission (FCC) requests for the Department's views relating to the national security implications of certain transactions relating to FCC licenses; and
- Tracking and monitoring certain transactions that have been approved pursuant to these processes.

Victims of Terrorism

- Prioritizing within the Department the investigation and prosecution of terrorist attacks that have resulted in the deaths and/or injuries of American citizens overseas; and
- Ensuring that the rights of victims and their families are honored and respected, and that victims and their families are supported and informed during the criminal justice process.

NSD Recent Accomplishments (unclassified selections only)

- Continued to lead the nation's counterterrorism enforcement program through collaboration with Department leadership, the FBI, the IC, and the USAOs.
- Through the National Security Cyber Specialist Network, the FBI's National Cyber Investigative Joint Task Force, and a USAO, secured the first-ever indictment of members of a nation state's military for cyber-based corporate theft.
- Continued to support the IC by seeking authority under FISA with the FISC.

- Designated 198 international terrorism events to allow for U.S. victim compensation and reimbursement under the International Terrorism Victim Expense Reimbursement Program (ITVERP).
- Combated the growing threat posed by the illegal foreign acquisition of controlled U.S.
 military and strategic technologies through the National Export Enforcement Initiative.
- Successfully investigated and prosecuted national security threat actors specific examples detailed below.
- Managed an increased workload associated with the CFIUS.

C. Full Program Costs

The NSD has a single decision unit. Its program activities include intelligence, counterterrorism, counterespionage, and cyber security, which are related to DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law, and its four Objectives. The costs by program activity include the activity's base funding plus an allocation of management, administration, and L&P overhead costs. The overhead cost is allocated based on the percentage of the total cost comprised by each of the four program activities.

D. Performance Challenges

Protecting the nation's security is the top priority for the Department, and NSD's work is critical to that mission. However, as the threats facing this nation continue to grow and evolve, the challenges NSD must overcome also continue to increase. These challenges include:

- 1. the recent recognition of a significant growth of cyber threats to the national security;
- 2. the changing face of terrorism and the risks posed by homegrown violent extremists;
- 3. an increasing workload in intelligence oversight, operations, and litigation; and
- difficulties inherent in supporting the development of a Division in an ever-changing environment.

Among the most significant challenges that NSD continues to face is the rapid expansion and evolution of cyber threats to the national security. Representatives from the IC have assessed that the cyber threat may soon surpass that of traditional terrorism, and NSD must be prepared to continue to take lessons learned over the past decade and adapt them to this new threat. Cyber threats, which are highly technical in nature, require time-intensive and complex investigative and prosecutorial work, particularly given their novelty, the difficulties of attribution, challenges presented by electronic evidence, the speed and global span of cyber activity, and the balance between prosecutorial and intelligence-related interests in any given case. To meet this growing threat head on, NSD must continue to equip its personnel with cyber-related skills through additional training while recruiting and hiring individuals with cyber skills who can dedicate themselves full-time to these issues immediately. The window of opportunity for getting ahead

of this threat is narrow; closing the gap between our present capabilities and our anticipated needs in the near future will require significant resources and commitment.

The threat posed by terrorism has also evolved, having grown and splintered in recent years. Lone wolves and homegrown violent extremists, including foreign fighters, have grown in national prominence, and identifying and disrupting these isolated actors and their operations pose distinct challenges for investigators and prosecutors.

Additionally, in January, 2014, the President delivered a speech announcing reforms to the nation's intelligence programs; in it, he emphasized that "threats like terrorism and proliferation and cyber-attacks are not going away any time soon," and reiterated our need to combat these growing threats. He also tasked the Department with working on at least ten different lines of effort related to intelligence reform and oversight, the vast majority of which falls to NSD to implement. NSD requires permanent resources dedicated to implementing these taskings.

Finally, given the complexity—and range—of the Department's national security prosecutions and investigations, NSD has seen steady growth in the work driven by oversight obligations pertaining to national security activities — which ensure that congressional oversight committees are fully informed regarding such activities, as well as in the number of FISA applications filed before the FISC, and requests for assistance in criminal litigation involving FISA-derived information. This growth has outpaced attrition and has brought increased workloads, which are unlikely to diminish in the foreseeable future.

E. Environmental Accountability

NSD is committed to environmental wellness and participates in DOJ's green programs.

² Remarks by the President on Review of Signals Intelligence (January 17, 2014), available at http://www.whitehouse.gov/photos-and-video/video/2014/01/17/president-obama-speaks-us-intelligence-programs#transcript.

II. Summary of Program Changes

| the Name | Descriptio | in . | iv. | | Page |
|---|--|------|-----|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Combating Cyber Threats to National Security | Requesting additional resources for NSD's work related to combating cyber threats to national security | 12 | 6 | 1,745 | 40 |
| Intelligence Collection and Oversight | Requesting additional resources for NSD's work related to intelligence collection and oversight | 10 | 5 | 1,486 | 49 |
| Combating Terrorism including Homegrown Violent Extremism | Requesting additional resources for NSD's work related to combating terrorism | . 6 | 3 | 874 | 55 |
| Program Decreases | Program and/or Administrative Savings | 0 | 0 | (1,200) | 61 |
| TOTAL, NSD | | 28 | 14 | \$2,905 | |

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES, NATIONAL SECURITY DIVISION

For expenses necessary to carry out the activities of the National Security Division, [\$93,000,000] \$96,596,000, of which not to exceed \$5,000,000 for information technology systems shall remain available until expended: Provided, That notwithstanding section 205 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for the activities of the National Security Division, the Attorney General may transfer such amounts to this heading from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the preceding proviso shall be treated as a reprogramming under section 505 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

Analysis of Appropriations Language No change proposed.

IV. Program Activity Justification

National Security Division

| National Security Division | Direct | Estimate | Amount |
|---|--------|-------------------------|----------------|
| | Pos. | FTE | |
| 2014 Enacted | 383 | 336 | \$91,800,000 |
| 2015 Enacted | 383 | 345 | 93,000,000 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 691,000 |
| 2016 Current Services | 383 | 345 | 93,691,000 |
| 2016 Program Increases | 28 | 14 | 4,105,000 |
| 2016 Program Decrease | 0 | 0 | (1,200,000) |
| 2016 Request | 411 | 359 | 96,596,000 |
| Than Change Subject 100 and 2 | | * (2 / 2 / 1 4) | # \$253.596000 |

| National Security Division-Information Technology Breakout (of Decision Unit Total) | Direct Pos. | Estimate FTE | Amount |
|--|-------------|-----------------|--------------|
| 2014 Enacted April 2014 Enacted April 2014 Enacted Ena | 14 | 14 | \$15,419,000 |
| 2015 Enacted | 14 | 14 | 14,299,000 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 0 |
| 2016 Current Services | 14 | 14 | 14,299,000 |
| 2016 Program Increases | 0 | 0 | 0 |
| 2016 Program Decrease | 0 | 0 | 0 |
| 2016 Request | 14 | 14 | 14,299,000 |
| Total Change 2015-2016 | 0 :: | 0 | \$0 |

1. Program Description

The National Security Division (NSD) is responsible for overseeing terrorism investigations and prosecutions; handling counterespionage, counterproliferation, and national security cyber cases and matters; protecting critical national assets from national security threats, including cyber threats; and assisting the Attorney General and other senior Department and Executive Branch officials in ensuring that the national security-related activities of the U.S. are consistent with relevant law.

In coordination with the FBI, the IC, and the USAOs, NSD's primary operational function is to prevent, deter, and disrupt terrorist and other acts that threaten the U.S. The NSD also serves as the Department's liaison to the Director of National Intelligence, advises the Attorney General on all matters relating to the national security activities of the U.S., and develops strategies for emerging national security threats – including cyber threats to the national security.

NSD administers the U.S. Government's national security program for conducting electronic surveillance and physical search of foreign powers and agents of foreign powers pursuant to FISA, and conducts oversight of certain activities of the IC components and the FBI's foreign intelligence and counterintelligence investigations pursuant to the Attorney General's guidelines for such investigations. NSD prepares and files all applications for electronic surveillance and physical search under FISA, represents the government before the FISC, and — when evidence obtained or derived under FISA is proposed to be used in a criminal proceeding —obtains the necessary authorization for the Attorney General to take appropriate actions to safeguard national security. NSD also works closely with the Congressional Intelligence and Judiciary Committees to ensure they are apprised of Departmental views on national security and intelligence policy and are appropriately informed regarding operational intelligence and counterintelligence issues.

In addition, NSD advises a range of government agencies on matters of national security law and policy, participates in the development of national security and intelligence policy through the National Security Council-led Interagency Policy Committee and Deputies' Committee processes, and represents the DOJ on a variety of interagency committees such as the Director of National Intelligence's FISA Working Group and the National Counterintelligence Policy Board. NSD comments on and coordinates other agencies' views regarding proposed legislation affecting intelligence matters, and advises the Attorney General and various client agencies, including the Central Intelligence Agency, the FBI, and the Defense and State Departments concerning questions of law, regulations, and guidelines as well as the legality of domestic and overseas intelligence operations.

NSD also serves as the staff-level DOJ representative on the CFIUS, which reviews foreign acquisitions of domestic entities affecting national security. In this role, NSD evaluates information relating to the structure of transactions, any foreign government ownership or control, threat assessments provided by the IC, vulnerabilities resulting from transactions, and ultimately the national security risks, if any, of allowing a transaction to proceed as proposed or subject to conditions. In addition, NSD tracks and monitors transactions that have been approved subject to mitigation agreements and seeks to identify unreported transactions that may require CFIUS review. On behalf of the Department, NSD also responds to FCC requests for Executive Branch determinations relating to the national security implications of certain transactions that involve FCC licenses. NSD reviews such license applications to determine if a proposed communication provider's foreign ownership, control, or influence poses a risk to national security, infrastructure protection, law enforcement interests, or other public safety concerns sufficient to merit mitigating measures or opposition to the transaction.

Finally, OVT ensures that the investigation and prosecution of terrorist attacks against American citizens overseas are a high priority within the Department of Justice. Among other things, OVT is responsible for monitoring the investigation and prosecution of terrorist attacks against Americans abroad, working with other Justice Department components to ensure that the rights of victims of such attacks are honored and respected, establishing a Joint Task Force with the Department of State to be activated in the event of a terrorist incident against American citizens

overseas, responding to Congressional and citizen inquires on the Department's response to such attacks, compiling pertinent data and statistics, and filing any necessary reports with Congress.

Performance Tables

۲į

| | PER | FORMANC | E AND R | PERFORMANCE AND RESOURCES TABLE | 48LE | | | | | | |
|--|---|----------------|-------------|---------------------------------|---------------|-------------|----------------|--|--|-------------------|-----------------|
| Decision Unit: National Security Division | ity Division | | | | | | | | | | |
| DOJ Strategic Goal/Objective: 1.1 | DOJ Strategic Goal/Objective: 1.1 Prevent, disrupt, and deleat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated | erations be | fore they o | ccur by integra | ting intellig | ence and | law enforce | ment effor | ts to achier | /e a coord | nated |
| response to terrorist threats; 1.2 | response to terrorist threats; 1.2 Prosecute those involved in terrorist acts; 1.3 Investigate and prosecute sepionage activity against the U.S., strengtisn partnerships with polantial | s; 1.3 Inves | stigate and | prosecute espi | onage acti | vity agains | at the U.S., a | trenathen | partnershi | with po | entia |
| targets of intelligence intrusions, | targets of Intolligence intrusions, and proactively prevent insider threats; and 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private | and 1.4 Cor | mbat cyber | -based threats | and attack | through | the use of a | il available | tools, stro | ng public- | orivate |
| partnerships, and the investigatic | partnerships, and the investigation and prosecution of cyber threat actors | | | | | | | | | | |
| WORKLOAD/ RESOURCES | | Target | Jet | Actual | | Pro | Projected | 중 | Changes | Requested (Total) | d (Total) |
| | | FY 2014 | 914 | FY 2014 | 4 | Æ | FY 2015 | Current Adjustme 2016 P Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2018 | FY 2018 Request |
| Workload | | | | | | | | | | | |
| Cases Opened | | 142 | 2 | 129 | | - | 127 | | | 1 | 132 |
| Cases Closed ² | | 122 | 2 | 162 | | - | 112 | | | - | 112 |
| Matters Opened | | 72,524 | 24 | 85,178 | | 72 | 72,561 | | | 727 | 72,561 |
| Matters Closed | | 72,411 | 11 | 85,111 | | 72 | 72,458 | | ٥ | 72, | 72,458 |
| EISA Annikastone Eilad | | CV 2014: 2 200 | | CV 2014: 2 200 | | 2 | CV 2016: 2 200 | | | 70 | . 900 |
| Maintain Security Decision of Company | Apprilations | CV 2044- 200 | Τ | - 10C V | 133 | 5 | V 2045 205 | | | C1 2010. 2,200 | 2, 2,200 |
| National Socurity Keylews of Foreign Acquistions | 1 Acquistions | 5 | 36. | CT 2014: 233 | 33 | 5 | 0.25 | | | CY 2016: 225 | 6: 225 |
| Total Costs and FTE | | E | 2005 | 31 | 8 | Ë | 900 | 뿐 | \$000 | 표 | 000\$ |
| (reimbursable FTE are included, but i | reimbursable FTE are included, but reimbursable costs are bracketed and not | | | | | | | | | | |
| included in the total) | | 38 | 91,800 | 336 | 91,800 | 345 | 93,000 | 14 | 14 2,596 | 328 | 95,596 |
| | | FY 2014 | 410 | FY 2014 | 4 | È | FY 2015 | Current Adjustmen 2016 P Char | Current Services Adjustments and FY 2018 Program Changes | FY 2016 Request | Request |
| 1 | ecterillata) | FTE | \$000 | FTE | \$000 | FTE | \$000 | ᆵ | \$300 | 3 | 90 93 |
| Frogram Activity | Pario Rimoni | 3 0 | 62,396 | 707 | 62,936 | 202 | 60,087 | -14 | -14 (12,534) | 188 | 47,553 |
| Output Measure | Intelligence Community Oversight Reviews | CY 2014: B9 | 14: 89 | CY 2014: 109 | 109 | CY2 | CY 2015: 97 | | 0 | CY 2016: 97 | 16: 97 |

Workload measures are not performance targets, rather they are estimates to be used for resource planning. In addition, these measures do not take into Note: The FTE and funding data provided for 2016 changed from 2014 and 2015 due to the internal reallocation of resources between the NSD Sections.

Beginning FY 2014, the Counterterrorism Section will count each defendent as a case to more accurately reflect workload as cases often times have multiple defendants. This will also be consistent with the way the Counterespionage Section counts cases for the cases opened and closed measures. consideration potential policy changes.

FISA applications filed data is based on historical averages and do not represent actual data, which remains classified until the public report is submitted to the Administrative Office of the U.S. Courts and the Congress in April for the preceding calendar year.

| | *************************************** | | | | | | | | | | |
|---|--|--------------|--------------|---------------------------------|--------------|-----------|-------------------------|--|--------------------------------|-----------------------|-------------------|
| Decision Unit: National Security Division | | KLOKMAN | CE AND R | PERFORMANCE AND RESOURCES TABLE | 98 | | | | | | |
| | | | | | | | | | | | |
| DOU Strategic Goal/Objective: coordinated response to terror | UCU Strategic Goal/Objective: 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats: 1.2 Prosecute three involved in terrorist and achieve a coordinated response to terrorist threats: 1.2 Prosecute three involved in terrorist and achieve a | rorist opera | tions before | re they occur | by integra | ting inte | ligence an | d law enfo | rcement e | forts to | achieve a |
| partnerships with potential tar | partnerships with potential targets of Intelligence intrusions, and proactively prevent Insider threats; and 1.4 Combat cyber-based threats and attacks through the use | proactively | prevent in | sider threats; | and 1.4 C | ombat c | replonage /ber-based | activity ag threats ar | amer me id attacks | U.S., stre through | ngmen the use |
| d Brone feron alexandra | or an armination where you was product you was particularly and the investigation and prosecution of cyber threat actors | nvestigation | and pros | ecution of cyt | ver threat (| ctors | | | | | - |
| WORKLOAD/ RESOURCES | | Target | ¥ | Actual | | g | Projected | Changes | Ses | Request | Requested (Total) |
| | | FY 2014 | 314 | FY 2014 | 4 | È | FY 2015 | Current Services Adjustments and FY 2016 Program Chances | Services ts and FY ognam | FY 2016 | FY 2016 Request |
| Program Activity | Countertemoriem | ᆵ | 2005 | FIE | \$000 | Ë | \$000 | 36 | 900\$ | E | 90% |
| | | 98 | 18,934 | 88 | 18,934 | 88 | 18,235 | 67 | 4,829 | 8 | 23.064 |
| Efficiency Measure | Percentage of OVT responses to victims within 3 business days of victim request for information from OVT | %08 | se. | 100% | | | %08 %08 | క | | 8 | % 08 |
| Outcome Measure | Percentage of services/rights OVT successfully provided to victims of new | | | | | | | | | | |
| | amecks | 95% | ٠, | %68 | | 57 | 95% | ž | | öi | 85% |
| Outcome Measure | Percentage of CT defendants whose cases were favorably resolved | %06 | J. | . %26 | | | %06 %06 | 0 | | 8 | %6 |
| Outcome Measure | Percentage of CT cases where classified information is safeguarded (according to CIPA requirements) without impacting the judical process | %66 | 9 | 100% | | | % 86 | 0 | _ | či | %66 |
| Program Activity | Compensationage | 빒 | \$000 | H | 000\$ | FIE | \$000 | 뱶 | 903 | FTE | 900\$ |
| , | Benederin | 38 | 7,816 | 36 | 7,816 | 39 | 11,989 | 52 | 9,591 | æ | 21,580 |
| Outcome Measure | Percentage of CE defendants whose cases were favorably resolved | %06 | ,,9 | %86 | | 0, | %06 | 0 | _ | 85 | %06 |
| Outcome Measure | Percentage of CE cases where classified information is safeguarded (according to CIPA requirements) without impacting the judical process | %6 5 | | 100% | | | %86 86 | ٥ | | 56 | %66 868 |
| Output Measure | FARA inspections completed | 12 | | 12 | | | 44 | 0 | | , | 14 |
| Output Measure | High priority national security reviews completed | CY 2014: 30 | 8:3 | CY 2014; 32 | 32 | CY2 | CY 2015: 35 | 0 | | C & | CY 2016: 35 |
| Program Activity | Cyber | 31.5 | \$000 | 出 | 000\$ | FIE | 000\$ | 31.9 | 000\$ | 표 | \$000 |
| | | ē | 2,654 | 2 | 2,654 | 19 | 2,689 | 9 | 1,710 | 52 | 4,399 |
| New FY 2015 Outcome Measure | Percentage of Cyber defendants whose cases were favorably resolved | %06 | | , AM | | 0. | %D6 | | | ਰ | %06 |

Note: The FTE and funding data provided for 2016 changed from 2014 and 2015 due to the internal reallocation of resources between the NSD Sections.

NSD cannot report an actual for this measure because no cyber cases were resolved during FY 2014.

| | | | PERFORMANC | PERFORMANCE MEASURE TABLE | ABLE | | | | |
|---|--|--|---|--|--|----------------------------------|---|---------------------------------|--|
| Decision Unit: P Goal/Objective: terrorist threats intelligence intr partnerships, ar | Docision Unit: National Security Division Goal/Objective: (1 Prevent, diarupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcament efforts to achieve a coordinated response to terrorist threats; 1.2 Prosecute those involved in terrorist acts; 1.3 Investigate and prosecute september against the U.S., strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats; and 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors | erations befor cts; 1.3 Inves its; and 1.4 C | e they occur bigate and prosombat cyber-b | y integrating in secute espional ased threats ar | tailigence and la ge activity agains id attacks throug | w enforcement of the U.S., stren | efforts to achiev githen partnersh available tools, s | a coordinated ips with potentia | DOJ Strategic response to al targets of ivate |
| Performano | Performance Report and Performance Plan Targets | FY 2010 | FY 2011 | FY 2012 | FY 2013 . | FY 2014 | FY 2014 | FY 2015 | FY 2016 |
| | | Actual | Actual | Actual | Actual | Tamet | Actual | Tarnet | Tamot |
| Performance Measure | Intelligence Community Oversight Reviews | ΑN | CY 2011: 92 | CY 2012: 99 | CY 2013: 112 | CY 2014: 89 | CY 2014: 109 | CY 2016: 07 | CV 2048: 07 |
| Efficiency Measure | Percentage of OVT responses to victims within 3 business days of victim request for information from OVT | %56 | %06 | 89% | 100% | 80% | 100% | à | 200 |
| Outcome | Percentage of services/rights OVT | | | | | | 200 | 800 | 828 |
| Measure | successionly provided to vicaria of new attacks | N/A | ΑN | ΑN | 88 | %56 | %66 | 7020 | 05% |
| Оитсоте | Percentage of CT defendants whose cases | | | | | | | 83 | P/ 22 |
| Measure | were favorably resolved | 400% | 88% | 98% | 94% | %06 | 95% | %06 | %06 |
| out out | Percentage of CT cases where classified information is enformed (according to | | | | | | | | |
| Measure | CIPA requirements) without impacting the | | | | | | | | |
| | judicial process | 100% | 100% | 100% | %66 | %66 | 100% | %66 | %68 |
| Outcome | Percentage of CE defendants whose cases | | | | | | | | |
| Measure | were favorably resolved | 2 2 | 98% | 100% | 100% | 80% | 98% | %06 | %D8 |
| Performance | patelamen engineering (CAD) | 4 | ų | į | · | 4 | Ş | | |
| Borformoneo | 7 | 2 | 2 | 2 | 2 | 71 | 71 | 72 | 14 |
| Measure | | FY 2010: 28 | FY 2011: 29 | CY 2012: 371 | CY 2013: 30 | CY 2014: 30 | CY 2014: 32 | CY 2015: 35 | CV 2018: 35 |
| | Percentage of CE cases where classified | | | | | | | | 20.00 |
| Outcome | information is safeguarded (according to | | | | | | | | |
| Measure | CIPA requirements) without impacting the | ž | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ž | | | | |
| | judicial process | 100% | 100% | 100% | 100% | 88% | 100% | 99% | %86 |
| New FY 2014 | | | | | | | | | |
| Outcome | Percentage of Cyber defendants whose | | • | | ; | | | | |
| Measure | cases were tayorably resolved | ¥. | WA | Y/A | ¥ | 80% | , | %06 | %06 |

¹ Beginning FY 2012, this measure is tracked on a calendar year basis rather than a fiscal year basis (similar to other agencies in CFIUS and Team Telecom) for ease of reporting.

² NSD cannot report an actual for this measure because no cyber cases were resolved during FY 2014.

3. Performance, Resources, and Strategies

For performance reporting purposes, resources for NSD are included under DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law. Within this Goal, NSD resources address all four Objectives:

- 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats
- 1.2 Prosecute those involved in terrorist acts
- 1.3 Investigate and prosecute espionage activity against the U.S., strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats
- 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors

Based on these four objectives, performance resources are allocated to four program activities: Intelligence, Counterterrorism, Counterespionage, and Cyber Security

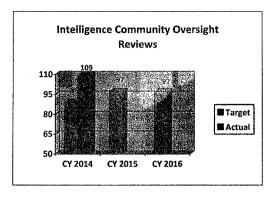
A. Performance Plan and Report for Outcomes

Intelligence Performance Report

Measure: Intelligence Community Oversight Reviews

CY 2014 Target: 89 CY 2014 Actual: 109 CY 2015 Target: 97 CY 2016 Target: 97

Discussion: The CY 2016 target is an increase over previous targets. The work in this area is expected increase in future years due to the expansion of current oversight programs and the development and implementation of new oversight programs, and anticipated new oversight and reporting requirements.



Data Definition: NSD attorneys are responsible for conducting oversight of certain activities of IC components, The oversight process involves numerous site visits to review intelligence collection activities and compliance with the Constitution, statutes, AG Guidelines, and relevant Court orders. Such oversight reviews require advance preparation, significant on-site time, and follow-up and report drafting resources. These oversight reviews cover many diverse intelligence collection programs. FISA Minimization Reviews and National Security Reviews will be counted as part of Intelligence Community Oversight Reviews.

Data Collection and Storage: The information collected during each review is compiled into a report, which is then provided to the reviewed Agency. Generally, the information collected during each review, as well as the review reports, are stored on a classified database. However, some of the data collected for each review is stored manually.

Data Validation and Verification: Reports are reviewed by NSD management, and in certain instances reviewed by agencies, before being released.

Data Limitations: None identified at this time.

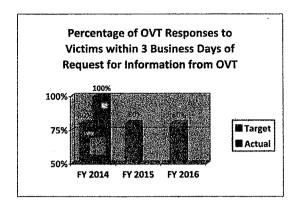
Counterterrorism Performance Report

Measure: Percentage of OVT Responses to Victims within 3 Business Days of Victim

Request for Information from OVT

FY 2014 Target: 80% FY 2014 Actual: 100% FY 2015 Target: 80% FY 2016 Target: 80%

Discussion: The FY 2016 target is consistent with previous years. Additional personnel resources could allow OVT to improve efficiency regarding responses to victims.



Data Definition: <u>Victims</u>: American citizens who are the victims of terrorism outside the borders of the U.S. This measure reflects OVT's efficiency in providing information to victims after they have contacted OVT.

Data Collection and Storage: Data is collected and stored in an electronic database.

Data Validation and Verification: Data is validated by management and staff.

Data Limitations: None.

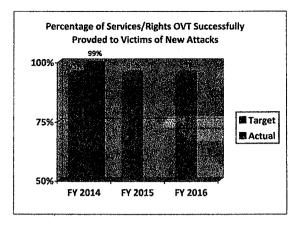
Measure: Percentage of Services/Rights OVT Successfully Provided to Victims of New

Attacks

FY 2014 Target: 95% FY 2014 Actual: 99% FY 2015 Target: 95% FY 2016 Target: 95%

Discussion: The FY 2016 target is consistent with previous fiscal years. Additional personnel resources could allow OVT to improve upon its ability to successfully provide victims of new

attacks with services/rights.



Data Definition: This measure counts the percentage of services/rights OVT provided during the fiscal year that are successfully resolved through the provision of a set group of services. OVT monitors only new attacks that occurred during the fiscal year. Most referrals come from the FBI's Office for Victim Assistance, which will inform OVT when a foreign attack has U.S. victims and the FBI is opening an investigation. Another source for information is CTS, which will inform OVT about foreign and domestic terrorism trials with U.S. victims. In some situations, referrals may come from the State Department, media, or other victims.

Data Collection and Storage: For each new attack identified to OVT, OVT creates a paper file to document OVT efforts. The file contains a checklist of services that OVT can either provide or refer to another agency to provide, or which cannot be provided for a legitimate reason (e.g., it would involve divulging National Security information or information pertaining to a criminal justice proceeding that is ongoing at the time). On a quarterly basis, OVT analyzes and reviews the paper files to determine whether the checklist services have been successfully addressed as indicated in the previous sentence. The performance measure is the percentage of services OVT successfully provided during the fiscal year.

7.

Data Validation and Verification: OVT reviews the paper files on a quarterly basis. The information in the paper files is then loaded into OVT's automated Victim/Attack Tracking Tool so the information can be easily accessed.

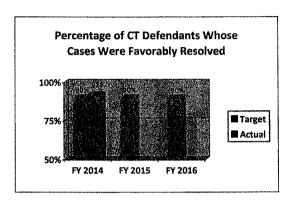
Data Limitations: Some criminal justice proceedings and OVT support efforts will take place over several years, but OVT's efforts will only be reported in the year in which the attack occurred to avoid duplication.

Measure: Percentage of CT Defendants Whose Cases Were Favorably Resolved

FY 2014 Target: 90% FY 2014 Actual: 92% FY 2015 Target: 90% FY 2016 Target: 90%

Discussion: The FY 2016 target is consistent with previous fiscal years. Among the strategies that NSD will pursue in this area are consulting, advising, and collaborating with prosecutors

nationwide on international and domestic terrorism prosecutions.



Data Definition: Defendants whose cases were favorably resolved include those defendants whose cases were closed during the fiscal year that resulted in court judgments favorable to the government.

Data Collection and Storage: Attorneys provide data, which is stored in the ACTS database.

Data Validation and Verification: Data validation and verification is accomplished via quarterly review by CTS Chief.

Data Limitations: None identified at this time.

SELECT RECENT COUNTERTERRORISM PROSECUTIONS:

<u>Boston Marathon Bombings</u> — On April 15, 2013, two near-simultaneous explosions occurred on Boylston Street, near hundreds of spectators along the Boston Marathon's final stretch. Dzhokhar Tsarnaev was apprehended following an extensive manhunt the next day. The investigation into the bombings continues. On July 10, 2013, Dzhokhar Tsarnaev was arraigned on a 30-count indictment filed on June 27, 2013, charging him with use of a weapon of mass destruction conspiracy, bombing a place of public use and conspiracy, malicious destruction of property and conspiracy, use of a firearm during and in relation to a crime of violence, use of a firearm during and in relation to a crime feature in

serious bodily injury, and interference with commerce by threats or violence. On January 30, 2014, the Attorney General announced that prosecutors would pursue the death penalty against Tsarnaev. Jury selection commenced January 5, 2015.

In connection with the investigation of the Boston Marathon bombing, on August 8, 2013, in the District of Massachusetts, an indictment was returned charging Dias Kadyrbayev and Azamat Tazhayakov with conspiracy to obstruct justice and obstruction of justice. Kadyrbayev, Tazhayakov, and a third friend, Robel Phillipos, are accused of going into Dzhokhar's dorm room at his suggestion and removing his black backpack, some fireworks, and his computer in an attempt to protect Dzhokhar, whom they then believed to be one of the bombers. To conceal evidence of the crime, Kadyrbayev and Tazhayakov are alleged to have thrown the backpack and its contents into a dumpster outside of the apartment that Kadyrbayev and Tazhayakov shared. The backpack was found in a landfill on April 26, 2013. On two occasions, during the investigation, Phillipos lied to the FBI about his involvement saying he never went to the dorm room.

On September 13, 2013, Tazhayakov, Kadyrbayev, and Phillipos were arraigned on the superseding indictment which was filed against them on August 29, 2013. The superseding indictment charged Kadyrbayev and Tazhayakov with conspiracy to obstruct justice, in violation of 18 U.S.C. § 371, and obstruction of justice, in violation of 18 U.S.C. § 1519. The grand jury charged Phillipos with two counts of making false statements, in violation of 18 U.S.C. § 1001.

On July 21, 2014, a jury found Tazhayakov guilty of conspiracy to obstruct justice, in violation of 18 U.S.C. § 371, and obstruction of justice, in violation of 18 U.S.C. § 1519. On August 21, 2014, Kadyrbayev pled guilty to conspiracy to obstruct justice, in violation of 18 U.S.C. § 371, and obstruction of justice, in violation of 18 U.S.C. § 1519. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the parties agreed that his period of incarceration would not exceed seven years. The sentencing dates for Tazhayakov and Kadyrbayev have been suspended pending the United States Supreme Court decision in U.S. v. Yates. On October 28, 2014, in the District of Massachusetts, the jury found Robel Phillipos guilty of both counts of making false statements, in violation of 18 U.S.C. § 1001. Sentencing is scheduled for January 29, 2015.

<u>U.S. v. Fazliddin Kurbanov</u> – On May 16, 2013, Fazliddin Kurbanov, an Uzbekistan national residing in the U.S., was indicted by a grand jury in Boise, Idaho, on three charges, including conspiracy to provide material support to a designated Foreign Terrorist Organization; conspiracy to provide material support to terrorists; and possession of an unregistered firearm. On the same day, Kurbanov was also indicted by a grand jury in the District of Utah charging him with one count of distribution of information relating to explosives, destructive devices, and weapons of mass destruction. The Idaho indictment alleges that between August 2012 and May 2013, Kurbanov knowingly conspired with unnamed co-conspirators to provide material support and resources to the Islamic Movement of Uzbekistan, a designated foreign terrorist organization. The indictment also alleges that the material support and resources included himself, computer software, and money. In count two, the indictment further alleges that the defendant conspired to provide material support and resources, including himself, to terrorists

knowing that the material support was to be used in preparation for and in carrying out an offense involving the use of a weapon of mass destruction. On December 2, 2014, in the District of Idaho, Fazliddin Kurbanov was arraigned on a superseding indictment. On November 14, 2014, a superseding indictment was returned charging him with two additional counts: one count of attempting to provide material support to a designated foreign terrorist Organization (the Islamic Movement of Uzbekistan), in violation of 18 U.S.C. § 2339B; and one count of attempting to provide material support to terrorists, in violation of 18 U.S.C. § 2339A. Trial in Idaho is scheduled for May 4, 2015.

<u>U.S. v. Sulaiman Abu Ghayth</u> – From at least May 2001 until approximately 2002, Sulaiman Abu Ghayth served alongside Usama Bin Laden, appearing with Bin Laden and his then-deputy Ayman al-Zawahiri, speaking on behalf of the terrorist organization and in support of its mission. Among many other things, after the September 11 terrorist attacks, Abu Ghayth delivered a speech in which he addressed the then-U.S. Secretary of State and warned that "the storms shall not stop, especially the Airplanes Storm," and advised Muslims, children, and opponents of the United States "not to board any aircraft and not to live in high rises." On February 28, 2013, at an overseas location, Abu Ghayth was arrested on a complaint filed in the Southern District of New York charging him with conspiring to kill United States nationals. A superseding indictment was filed on December 20, 2013, charging Abu Ghayth with the additional crimes of conspiring to provide, and providing, material support to terrorists. On March 27, 2014, Abu Ghayth was found guilty of all charges after a three-week trial. On September 23, 2014, Abu Ghayth was sentenced to life in prison.

U.S. v. Hage, et al. - On October 15, 2013, in the Southern District of New York, Anas al Liby (a/k/a Nazih al Raghie) was arraigned after his capture by U.S. military personnel in Libya on October 5, 2013. Al Liby is charged in a tenth superseding indictment that was returned by a federal grand jury in the Southern District of New York on March 12, 2001. He is indicted for his role in al Qaeda's broad conspiracy during the 1990s to kill U.S. nationals throughout the world, which culminated in the near-simultaneous bombings of the U.S. Embassies in Tanzania and Kenya in August 1998. Over 200 people died in those bombings. The superseding indictment charges al Liby with conspiracy to kill U.S. nationals; conspiracy to murder; conspiracy to destroy U.S. property; and conspiracy to attack national defense utilities. Throughout the 1990s, al Liby is alleged to have been closely associated with several senior al Qaeda leaders and to have acted as Usama bin Laden's personal bodyguard at one point. In addition, al Liby furthered al Qaeda's goals by serving as a document forger and a computer expert for the group. Stemming from this broad conspiracy, several co-conspirators of al Liby's have been convicted over the years in federal court in the Southern District of New York. In May 2001, a jury found Wadih El Hage, Mohammed Sadeek Odeh, Mohamed Rashed Daoud Al-'Owhali, and Khalfan Khamis Mohamed guilty for their roles in the al Qaeda conspiracies that culminated in the 1998 East Africa Embassy bombings. All four were sentenced to life in prison. In November 2010, Ahmed Khalfan Ghailani similarly was convicted of conspiring to destroy buildings and property of the United States and was later sentenced to life in prison. Al Liby was set to stand trial on January 12, 2015, but passed away January 2, 2015 while in custody. Al Liby had two co-defendants: Khaled al Fawwaz and Adel Bary. Adel Bary pleaded guilty on September 19, 2014, and is to be sentenced on January 16, 2015. The trial of Fawwaz is set to begin on January 20, 2015.

<u>U.S. v. Abu Hamza al-Masri</u> – On, May 19, 2014, in the Southern District of New York, Mustafa Kamel Mustafa, a/k/a Abu Hamza al-Masri, was convicted by a jury on 11 counts related to his involvement in the hostage taking of tourists in Yemen in 1998, attempting to set up a jihad training camp outside Bly, Oregon, and providing material support to al Qaeda in Afghanistan. Trial commenced on April 14, 2014. The indictment also charged two co-conspirators, Oussama Kassir and Haroon Aswat. Kassir was convicted in federal court of various terrorism offenses in 2009, including his participation in efforts to establish the Bly terrorist training camp, and was sentenced in 2009 to life in prison. Aswat is in custody in the United Kingdom, and the U.S. has sought his extradition. Mustafa was sentenced on January 9, 2015, to life in prison.

<u>U.S. v. Babafemi</u> — On April 27, 2014, Lawal Olaniyi Babafemi, a Nigerian national, pleaded guilty to providing and conspiring to provide material support to Al Qaeda in the Arabian Peninsula (AQAP). Between approximately January 2010 and August 2011, Babafemi traveled twice from Nigeria to Yemen to meet and train with leaders of AQAP. Babafemi assisted in AQAP's English-language media operations, which included the publication of the magazine "Inspire." At the direction of the now-deceased senior AQAP commander Anwar al-Aulaqi, Babafemi was provided with the equivalent of almost \$9,000 in cash by AQAP leadership to recruit other English-speakers from Nigeria to join the group. While in Yemen, Babafemi also received weapons training from AQAP. At sentencing, scheduled for January 22, 2015, Babafemi faces a maximum of 30 years in prison.

New York Subway Bomb Plot / U.S. v. Medunjanin, et al. - On May 2, 2012, Adis Medunjanin, a Queens, N.Y., resident who joined al-Qaeda and plotted to commit a suicide terrorist attack, was convicted of multiple federal terrorism offenses in the Eastern District of New York. Evidence at trial demonstrated that the defendant and his accomplices, Najibullah Zazi and Zarein Ahmedzay, traveled to Afghanistan and Pakistan in 2008, where they met senior al-Qaeda leaders and received al Qaeda training. Upon their return to the United States, Medunjanin, Zazi, and Ahmedzay met and agreed to carry out suicide bombings in New York City. They came within days of executing a plot to conduct coordinated suicide bombings in the New York City subway system in September 2009, as directed by senior al Qaeda leaders in Pakistan. When the plot was foiled, Medunjanin attempted to commit a terrorist attack by crashing his car on the Whitestone Expressway in New York in an effort to kill himself and others. To date, seven defendants, including Medunjanin, Zazi, Amanullah Zazi and Ahmedzay, have been convicted in connection with the New York City bombing plot and related charges. Medunjanin was sentenced to life imprisonment, and Amanullah Zazi was sentenced to 40 months' imprisonment with a judicial order of removal to Pakistan upon completion of his sentence. On May 20, 2014, the Court of Appeals for the Second Circuit affirmed the conviction of Adis Medunjanin. Najibullah Zazi and Zarein Ahmedzay, who each face a maximum sentence of life imprisonment, have not yet been sentenced. On January 3, 2013, Abid Naseer was extradited from the United Kingdom to the United States to become the eighth defendant to face charges in

Brooklyn federal court related to this plot. He faces a maximum sentence of life imprisonment if convicted of all counts. Trial is scheduled for January 26, 2015.

SYRIAN TRAVELER CASES:

There have been a number of prosecutions in the last year involving American citizens attempting to travel to Syria to join the conflict there. A sample of those cases includes:

<u>U.S. v. Teusant</u> – On March 26, 2014, in the Eastern District of California, a grand jury returned a one-count indictment charging Nicholas Teausant, age 20, of Acampo, California, with attempting to provide material support to a foreign terrorist organization in violation of 18 U.S.C. § 2339B. The indictment followed Teausant's arrest on a federal criminal complaint after he was intercepted by law enforcement while traveling in Blaine, Washington, near the Canadian border. The complaint alleged that Teausant intended to travel to Syria to work under the direction and control of al-Qa'ida in Iraq under its alias, the Islamic State of Iraq and Syria, knowing it to be a foreign terrorist organization, and knowing that the organization had engaged in, and was engaging in, terrorist activity and terrorism.

U.S. v. Jordan et al. - April 1, 2014, in the Eastern District of North Carolina, a grand jury returned a one-count indictment charging Avin Marsalis Brown and Akbar Jihad Jordan with conspiracy to travel overseas to provide material support for terrorists, in violation of 18 U.S.C. § 2339A. Brown and Jordan were originally arrested on March 19, 2014, and charged by complaint the next day. The complaint alleged that Jordan and Brown conspired to travel overseas to engage in violent jihad against "kuffars" or non-Muslims. Jordan and Brown, on numerous occasions, discussed traveling to Yemen, Syria, and other locations to fight, and undertook concrete steps to further this purpose. Specifically, they contacted other westerners who were fighting in Syria with Islamist groups, researched the safest modes of travel to countries to conduct violent ilhad, and undertook efforts to obtain travel documents. Jordan, who possessed an AK-47 and other weapons, counseled Brown in the proper use of firearms and practiced fighting techniques and procedures with him. Brown obtained a United States Passport and purchased a ticket to fly to Turkey with the intent of crossing the border into Syria. He was arrested on March 19, 2014, at the Raleigh-Durham International Airport prior to the scheduled departure of his flight. Jordan had a passport application appointment for March 21, 2014, but was arrested prior to the appointment. October 16, 2014, Jordan entered a plea of guilty. Sentencing will be scheduled for March 2015.

<u>U.S. v. Wolfe</u> - Beginning in early 2013, Michael Todd Wolfe began expressing a committed interest in traveling overseas with the intent to participate in a violent form of jihad. Specifically, Wolfe contemplated traveling to Syria to join ISIS to engage in terrorist acts. Wolfe took a variety of steps to reach his violent jihadi goal. He discussed, researched, and ultimately made plans to travel from the United States to Turkey by way of Copenhagen, Denmark. Wolfe, along with an FBI employee operating in an undercover capacity, selected Turkey as his destination because he knew that: (1) Turkey shares a border with Syria; and (2) the barriers to entering Syria from Turkey to join the conflict there are minimal. Wolfe was

arrested at the Houston International Airport attempting to board an international flight to Copenhagen. On June 27, 2014, in the Western District of Texas, Wolfe waived indictment and pleaded guilty to a one count information charging him with an attempt to provide material support to a designated foreign terrorist organization, the Islamic State of Iraq and Sham/Syria ("ISIS"), in violation of 18 U.S.C. § 2339B. Previously, on June 18, 2014, Michael Wolfe was indicted with one count of attempting to provide material support and resources to terrorists, in violation of 18 U.S.C. § 2339A. The predicate offense for that violation was conspiracy to murder, kidnap, or maim persons outside the United States, in violation of 18 U.S.C. § 956. Wolfe is scheduled to be sentenced on January 30, 2015.

WMD/BIOLOGICAL TOXIN/DOMESTIC TERRORISM CASES:

There has also been an increase in domestic terrorism cases and those involving biological toxins, such as ricin, and weapons of mass destruction in the past year. Below is a sampling of these cases:

<u>U.S. v. James Everett Dutschke</u> — On May 19, 2014, James Everett Dutschke was sentenced in federal district court in Oxford, Mississippi to 300 months' imprisonment for his role in developing and possessing the biological agent ricin and subsequently mailing ricin-laced threatening letters to public figures, including the President of the United States. Dutschke, of Tupelo, Mississippi, developed a scheme to retaliate and frame another individual by mailing threatening letters. As part of the scheme, he used the internet to research how to produce and use ricin, a biological agent and toxin. Dutschke purchased castor beans or seeds, a key ingredient for the manufacture and production of ricin, from vendors via eBay and PayPal. Additionally, he purchased other tools and implements such as latex gloves, grinders, and masks from area vendors to develop the toxin. Dutschke then produced ricin for use as a weapon, drafted the letters and mailed them using the U.S. Mail system. Three of the letters were mailed to the President of the United States, a U.S. Senator, and a Mississippi Justice Court Judge. He pleaded guilty in January 2014 to knowingly developing, producing, stockpiling, transferring, acquiring, retaining and possessing a biological agent, toxin, and delivery system as a weapon.

<u>U.S. v. Shannon Richardson</u> — On December 10, 2013, in the Eastern District of Texas, Shannon Richardson pleaded guilty to an Information charging her with possession of a toxin for use as a weapon, in violation of 18 U.S.C. § 175(a). On May 20, 2013, Richardson is alleged to have mailed three letters containing the toxin ricin. The letters were sent to President Barack Obama and Mark Glaze in Washington, D.C. and to Mayor Michael Bloomberg in New York City. On July 16, 2014, Richardson was sentenced to 18 years' imprisonment.

<u>U.S. v. Buquet</u> — On June 19, 2013, in the Eastern District of Washington, a federal grand jury returned a three-count superseding indictment charging Matthew Ryan Buquet with Weapons of Mass Destruction (WMD) and threat offenses related to ricin-tainted letters sent in May 2013 to President Obama, a federal judge, and others. Buquet was previously charged in May 2013 with a single violation of 18 U.S.C. § 876(c) for a ricin-tainted letter sent to a senior district judge in

Spokane. The superseding indictment adds charges that Buquet possessed ricin, a biological agent, for use as a weapon, in violation of 18 U.S.C. § 175(a), and that Buquet mailed a threatening communication to the President of the United States, in violation of 18 U.S.C. § 871.

<u>U.S. v. Korff</u> — On August 12, 2014, Korff pleaded guilty to an information charging him with five counts of developing and transferring a biological toxin (abrin), in violation of 18 U.S.C. § 175(a); five counts of exporting a biological toxin, in violation of 18 U.S.C. § 554(a); and one count of conspiring to kill a person in a foreign country, in violation of 18 U.S.C. § 956. Korff was arrested on January 18, 2014, outside Ft. Myers, Florida, after a joint FBI and DHS (Homeland Security Investigations (HSI)) investigation revealed that Korff was making biological toxins for use as weapons and selling them over the internet. Korff allegedly produced and then sold biological toxins, knowing that the buyers were intending to use them to kill other people. Korff is scheduled to be sentenced on January 12, 2015.

U.S. v. Levenderis - On June 4, 2014, in the Northern District of Ohio, Jeff Boyd Levenderis was convicted by a federal jury on all four-counts of a superseding indictment relating to his possession of ricin for use as a weapon. On November 22, 2011, a federal grand jury returned the superseding indictment alleging that Levenderis: (1) knowingly developed, produced, stockpiled, retained and possessed a biological toxin and delivery system (ricin), for use as a weapon, in violation of 18 U.S.C. § 175(a); (2) knowingly possessed a biological toxin (ricin) of a type or quantity not reasonably justified by peaceful purposes, in violation of 18 U.S.C. § 175(b); and (3) made two material, false statements to the FBI (that the substance was not ricin), both in violation of 18 U.S.C. § 1001. In January of 2011, Robert Coffman, an associate of Levenderis, contacted civilian and military authorities to ask how to safely dispose of ricin. Those authorities contacted the FBI. Coffman told the FBI that he was cleaning a friend's house and the friend, Levenderis, had alerted him that ricin was present in the freezer. Laboratory testing confirmed that the substance in the freezer was a finely powdered form of ricin, capable of killing hundreds of adult humans if even minuscule amounts of the toxin were inhaled or injected. When confronted, Levenderis claimed the substance was ant poison not ricin, before admitting the substance was "weaponized" ricin which he had produced and claimed would use to deter first responders from coming to his rescue in a planned suicide. Since that confession in January 2011, the government has discovered significant evidence that Levenderis, who has been unemployed since the late 90s and relied on his family for financial support, planned to murder his stepfather with the ricin in order to inherit from him. On June 4, 2014, Levenderis was convicted on all four counts of a superseding indictment charging him with possession of hundreds of lethal doses of ricin. On September 29, 2014, Jeff Boyd Levenderis was sentenced to 72 months' imprisonment.

<u>U.S. v. Crump, et al.</u> - On November 14, 2014, in the Northern District of Georgia, Raymond Adams and Samuel Crump were both sentenced to 120 months' imprisonment to be followed by 5 years' supervised release. On January 17, 2014, in the Northern District of Georgia, Samuel Crump and Raymond Adams were found guilty of conspiracy to possess and produce a biological toxin (ricin) and possession of a biological toxin (castor beans) for use as a weapon, both in violation of 18 U.S.C. § 175(a). The Government presented evidence, including

numerous recorded statements of the defendants describing plans to use ricin to "make [federal] buildings toxic" and attack city centers, including Washington, D.C., as well as internet recipes for extracting ricin from the castor beans and the tools necessary to complete the recipe recovered during the search of their properties. In 2010, the FBI identified Crump and Adams during the course of an FBI investigation into members of a covert, anti-government association known as the Militia of Georgia ("MoG"). A confidential human source recorded meetings of MoG members, including Crump and Adams, at which participants discussed means of attacking urban population centers with biological weapons, including ricin. During a search, the FBI recovered more than 500 castor beans from Crump's and Adams's properties, as well as recipes for extracting ricin from castor beans. In addition, the FBI seized 33 mason jars from Adams's residence which contained a brown, liquid substance that has since tested positive for the presence of ricin. In November 2011, Crump and Adams were indicted, along with two other MoG members, Frederick Thomas and Emory Dan Roberts. Thomas and Roberts were charged with Conspiring to Possess an Unregistered Explosive Device and Possession of an Unregistered Silencer, in violation of 18 U.S.C. § 371 and 26 U.S.C. §§ 5861(d), 5871, 5841 and 5845(a)(7). On April 10, 2012, Thomas and Roberts pled guilty and on August 22, 2012, they were sentenced to 60 months' incarceration. Crump and Adams were charged with Conspiracy to Possess and Produce a Biological Toxin, as well as Attempted Production of a Biological Toxin, in violation of 18 U.S.C. §§ 175(a) and 2. A superseding indictment filed on December 10, 2013 charged Crump and Adams with Attempted Possession and Conspiracy to Possess and Produce a Biological Toxin for Use as a Weapon, in violation of 18 U.S.C. § 175(a), as well as Possession of a Biological Toxin for Use as a Weapon, in violation of 18 U.S.C. §§ 175(a) and 2.

U.S. v. Loewen - On December 13, 2013, Terry Lee Loewen was arrested while attempting to access the tarmac of the Wichita Mid-Continent Airport with what he believed to be a functional vehicle-borne improvised explosive device (VBIED). Until that time, Loewen was an avionics technician at the Wichita Mid-Continent Airport. Over previous months, he had unknowingly been speaking with FBI undercover agents as he expressed a desire and developed a plan to utilize his airport access to conduct a terrorist plot. He surveilled the Wichita airport's access points and security, and helped build and wire the VBIED. Loewen planned, with the help of an FBI employee he believed to be a member of Al Qaeda in the Arabian Peninsula (AQAP), to detonate the bomb by the airport terminal in the early morning in order to maximize casualties. In a letter left for a family member, he said people would rightfully call him a "terrorist" and that it was true the attack had been planned for "maximum carnage + death." On December 18, 2013, Loewen was indicted with one count of attempted use of a weapon of mass destruction, in violation of 18 U.S.C. § 2332a, one count of attempted destruction of property by an explosive device, in violation of 18 U.S.C. § 844(i), and one count of attempted material support of a designated foreign terrorist organization, AQAP, in violation of 18 U.S.C. § 2339B. The case is currently in pretrial litigation with trial to be scheduled in 2015.

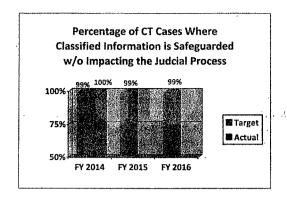
<u>U.S. v. Osmakac</u> - On June 10, 2014, in the Middle District of Florida, a jury found Sami Osmakac guilty on both counts of a February 2012 indictment which charged him with attempting to use a weapon of mass destruction, in violation of 18 U.S.C. § 2332a, and possessing an unregistered machine gun, in violation of 26 U.S.C. § 5861. The jury returned the

guilty verdict after approximately four and-a-half hours of deliberation. At trial, the defense argued that the government entrapped Osmakac, a Yugoslavian native and naturalized United States citizen, and that he was highly susceptible to inducement due to mental illness. The government adduced evidence that Osmakac intended to remotely explode a bomb concealed in a vehicle in front of a Tampa-area bar, move to a second location and take hostages with the intent of demanding the release of Muslim prisoners, and then explode a suicide vest when law enforcement attempted to arrest him. The government introduced evidence that beginning in September 2011, the defendant communicated with an FBI confidential source (CS) about his intention to commit a violent attack in the United States. Specifically, Osmakac told the CS that he intended to use explosive devices and firearms to conduct an attack in the Tampa, Florida. An FBI undercover agent (UC) testified that he meet with Osmakac three times to discuss the purchase of a fully automatic AK-47, grenades, a suicide belt or vest, and a bomb that could be placed in the trunk of a car. Osmakac identified a number of potential targets to the UC in Tampa, Florida. On January 7, 2012, FBI agents arrested Osmakac after he took possession of purported explosive devices and firearms. Shortly prior to his arrest, Osmakac also made a video of himself explaining his motives for carrying out the attack that he had planned. The government argued that based on Osmakac's extensive preparations and his own statements, it was clear that Osmakac's goal was to kill United States citizens and to create a major disruption in the Tampa Bay area. On November 5, 2014, Sami Osmakac was sentenced to 40 years' imprisonment and a lifetime of supervised release.

Measure: Percentage of CT Cases Where Classified Information is Safeguarded (according to CIPA requirements) Without Impacting the Judicial Process

FY 2014 Target: 99% FY 2014 Actual: 100% FY 2015 Target: 99% FY 2016 Target: 99%

Discussion: The FY 2016 target is consistent with previous fiscal years. NSD will support successful prosecutions by providing advice and assistance on the use of classified evidence through the application of the Classified Information Procedures Act (CIPA).



Data Definition: Classified information - information that has been determined by the U.S. Government pursuant to an Executive Order or statute to require protection against unauthorized disclosure for reasons of national defense or foreign relations, or any restricted data as defined by the Atomic Energy Act of 1954. Safeguarded - that the confidentiality of the classified information is maintained because the Government has proposed redactions, substitutions or summarizations pursuant to CIPA which the Court has accepted.

Impact on the judicial process - that the Court does not exclude certain evidence, dismiss particular counts of the indictment, or dismiss the indictment as a remedy for the Government's insistence that certain classified information not be disclosed at trial.

Data Collection and Storage: Data collection and storage is manual.

Data Validation and Verification: Data validation and verification is accomplished via quarterly review by CTS Chief.

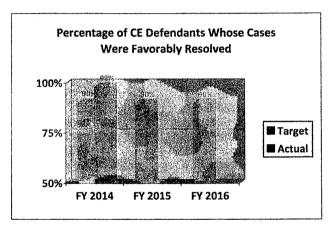
Data Limitations: None identified at this time.

Counterespionage (CE) Performance Report

Measure: Percentage of CE Defendants Whose Cases Were Favorably Resolved

FY 2014 Target: 90% FY 2014 Actual: 98% FY 2015 Target: 90% FY 2016 Target: 90%

Discussion: The FY 2016 target is consistent with previous fiscal years. Among the strategies that NSD will pursue in this area are: supporting and supervising the prosecution of espionage and related cases through coordinated efforts and close collaboration with Department leadership, the FBI, the IC, and the 94 USAOs; assisting in and overseeing the expansion of investigations and prosecutions into the unlawful export of military and strategic commodities and technology; and coordinating and providing advice in connection with cases involving the unauthorized disclosure of classified information.



Data Definition: Defendants whose cases were favorably resolved include those defendants whose cases were closed during the fiscal year that resulted in court judgments favorable to the government.

Data Collection and Storage: Attorneys provide data which is stored in the ACTS database.

Data Validation and Verification: Quarterly review of database records and data updates from CES attorneys in order to ensure that records are current and accurate.

Data Limitations: Reporting lags.

Select Recent Counterespionage and Counterproliferation

State Advisor Sentenced for Disclosing National Defense Information / U.S. v. Kim — On April 2, 2014, Stephen Jin-Woo Kim, a former federal contract employee, was sentenced to 13 months in prison for the unauthorized disclosure of national defense information. Kim pleaded guilty on February 7, 2014, in the District of Columbia to one count of making an unauthorized disclosure of national defense information. Kim was a Lawrence Livermore National Laboratory employee on detail to the State Department's Bureau of Verification, Compliance, and Implementation (VCI) at the time of the disclosure. At the time, Kim worked as a senior advisor to the assistant secretary of state for VCI. According to court documents, on June 11, 2009, Kim knowingly and willfully disclosed to a reporter top secret/sensitive compartmented information (TS/SCI) relating to the national defense. The information concerned the military capabilities and preparedness of North Korea and was contained in an intelligence report classified at the TS/SCI level that Kim accessed on a classified computer database. Within hours of the disclosure, a news organization published an article on the Internet that included the TS/SCI national defense information that Kim had disclosed.

Defense Contractor Sentenced for Disclosing National Defense Information / U.S. v. Bishop — On March 13, 2014, in the District of Hawaii, Benjamin Pierce Bishop, a defense contractor and former Lt. Colonel in the U.S. Army, pleaded guilty to willfully communicating classified national defense information to a person not authorized to receive it and willfully retaining classified national defense information. Bishop was arrested on March 15, 2013, on charges that he communicated classified information to a Chinese woman with whom he had a romantic relationship. According to the criminal complaint, during Bishop's relationship with the woman (further identified as a graduate student in the United States on a J1 Visa), Bishop communicated classified information concerning U.S. national defense systems and removed classified information from his work space at U.S. Pacific Command which he then kept at his Honolulu area residence. In his plea agreement filed with the court, Bishop admitted that he willfully communicated secret U.S. national defense information related to joint training and planning sessions between the United States and the Republic of Korea. Bishop also admitted to willfully retaining multiple classified documents at his residence related to U.S. national defense. On September 17, 2014, Bishop was sentenced to 87 months in prison.

<u>DuPont Trade Secrets to China / U.S. v. Liew et al.</u> – This case is one of the largest economic espionage cases in history. According to a March 2013 second superseding indictment, several former employees with more than 70 combined years of service to DuPont were engaged in the sale of trade secrets to Pangang Group, a state-owned enterprise in the People's Republic of China (PRC). Pangang and its subsidiaries sought information on the production of titanium dioxide, a white pigment used to color paper, plastics, and paint. The PRC government had long sought to encourage entry into titanium dioxide industry, a \$12-15 billion annual market of which DuPont has the largest share. Five individuals and five companies were charged in a scheme designed to take DuPont's technology to the PRC and build competing titanium dioxide plants, which would undercut DuPont revenues and business. Three co-conspirators were arrested and one additional co-conspirator pled guilty in the Northern District of California. In

March of 2014, a jury convicted three defendants on all 20 counts, including 18 U.S.C. § 1831 (economic espionage) and 18 U.S.C. § 1832 (theft of trade secrets), which marks the first jury conviction for economic espionage. Defendant Walter Liew was sentenced to 180 months in prison and ordered to pay \$500,000 restitution. Defendant Robert Maegerle was sentenced to 30 months in prison and \$367,000 restitution. Corporate defendant USAPTI was sentenced to 5 years of probation and fined \$18.9 million.

Industrial Cutting Machines to Iran / U.S. v. Alexander — On January 6, 2014, Mark Mason Alexander, a/k/a Musa Mahmood Ahmed, was sentenced in the Northern District of Georgia to 18 months in prison, followed by three years of supervised release. Alexander was found guilty by a jury on September 26, 2013, of conspiracy to violate the International Emergency Economic Powers Act. According to the charges and other information presented in court, between October 2006 and June 2008, Alexander conspired with two Iranian businessmen to sell Hydrajet water-jet cutting systems to customers in Iran. Hydrajet Technology, located in Dalton, Georgia, manufactured the water-jet cutting systems, which are used for the precision cutting of materials such as steel, aluminum, granite, and glass. In 2007, as part of the conspiracy, Alexander negotiated the sale of two water-jet cutting systems to companies located in the Islamic Republic of Iran. He concealed the true destination of these machines by causing them to be trans-shipped to Iran via Alexander's company in the United Arab Emirates (UAE). Alexander additionally instructed his employees in the UAE to travel to Iran to install the machines and to conduct software training for the Iranians who would operate them.

Embargo Violations by Arms Dealer / U.S. v. Chichakli — On December 13, 2013, Richard Ammar Chichakli, an associate of international arms dealer Viktor Bout, was found guilty by a jury in the Southern District of New York of conspiring with Bout and others to violate the International Emergency Economic Powers Act (IEEPA) by attempting to purchase commercial airplanes from American companies, in violation of U.S. sanctions. Chichakli, a citizen of Syria and the United States, was also found guilty of money laundering conspiracy, wire fraud conspiracy, and six counts of wire fraud, in connection with the attempted aircraft purchases. According to evidence at trial and documents previously filed in Manhattan federal court, Chichakli conspired with Bout and others to violate IEEPA by engaging in prohibited business transactions with companies based in the United States. The focus of these transactions was the purchase of commercial airplanes for a company that Bout and Chichakli controlled, and the ferrying of those aircraft to Tajikistan. On December 4, 2014, Chichakli was sentenced to 60 months in prison and ordered to pay \$70,000 restitution.

Aerospace-Grade Carbon Fiber to China / U.S. v. Zhang — On December 10, 2013, Ming Suan Zhang, a citizen of the People's Republic of China, was sentenced in the Eastern District of New York to 57 months in prison. Previously, on August 19, 2013, Zhang pleaded guilty to violating the International Emergency Economic Powers Act by attempting to export thousands of pounds of aerospace-grade carbon fiber from the United States to China. Zhang was arrested in the United States after trying to negotiate a deal to acquire the specialized carbon fiber, a high-tech material used frequently in the military, defense, and aerospace industries, and which is therefore

closely regulated by the U.S. Department of Commerce to combat nuclear proliferation and terrorism.

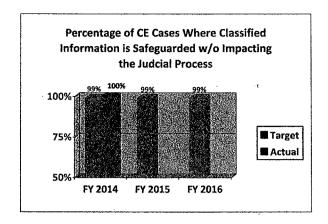
Controlled Microelectronics to Russia / U.S. v. Fishenko et al. - On January 10, 2013, defendants Lyudmila Bagdikian and Viktoria Klebanova pleaded guilty in the Eastern District of New York (EDNY) to their roles in illegally exporting goods from the United States to Russian end users. On October 3, 2012, an indictment was unsealed in EDNY charging 11 members of a Russian procurement network operating in the United States and Russia, as well as a Houstonbased export company, Arc Electronics Inc., and a Moscow-based procurement firm, Apex System LLC, with illegally exporting high-tech microelectronics from the United States to Russian military and intelligence agencies. Alexander Fishenko, an owner and executive of both the American and Russian companies, is also charged with operating as an unregistered agent of the Russian government inside the United States by illegally procuring the microelectronics on behalf of the Russian government. As alleged in the indictment, beginning in October 2008, Fishenko and the other defendants engaged in a conspiracy to obtain advanced microelectronics from manufacturers and suppliers located in the United States and to export those high-tech goods to Russia, while evading the U.S. export licensing system. The microelectronics allegedly exported to Russia are subject to U.S. controls due to their potential use in a wide range of military systems, including radar and surveillance systems, weapons guidance systems, and detonation triggers.

Measure: Percentage of CE Cases Where Classified Information is Safeguarded (according to CIPA requirements) Without Impacting the Judicial Process

FY 2014 Target: 99% FY 2014 Actual: 100% FY 2015 Target: 99% FY 2016 Target: 99%

Discussion: The FY 2016 target is consistent with previous fiscal years. NSD will support successful prosecutions by providing advice and assistance on the use of classified evidence

through the application of the Classified Information Procedures Act (CIPA).



Data Definition: Classified information - information that has been determined by the United State Government pursuant to an Executive Order or statute to require protection against unauthorized disclosure for reasons of national defense or foreign relations, or any restricted data as defined by the Atomic Energy Act of 1954.

Safeguarded - that the confidentiality of the classified information is maintained because the Government has proposed redactions, substitutions or summarizations pursuant to CIPA which the Court has accepted. Impact on the judicial process - that the Court does not exclude certain evidence, dismiss particular counts of the indictment, or dismiss the indictment as a remedy for the Government's insistence that certain classified information not be disclosed at trial.

Data Collection and Storage: CES attorneys provide data concerning CIPA matters handled in their cases as well as the status or outcome of the matters, which are then entered into the ACTS database.

Data Validation and Verification: Quarterly review of database records and data updates from CES attorneys in order to ensure that records are current and accurate.

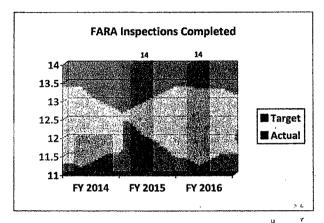
Data Limitations: Reporting lags.

Measure: FARA Inspections Completed

FY 2014 Target: 12 FY 2014 Actual: 12 FY 2015 Target: 14 FY 2016 Target: 14

Discussion: The FY 2016 target is consistent with previous fiscal years. Performing targeted inspections allows the FARA Unit to more effectively enforce compliance among registrants

under the Foreign Agents Registration Act of 1938 (FARA).



Data Definition: Targeted FARA Inspections are conducted routinely. There can also be additional inspections completed based on potential non-compliance issues. Inspections are just one tool used by the Unit to bring registrants into compliance with FARA.

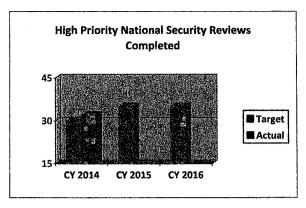
Data Collection and Storage: Inspection reports are prepared by FARA Unit personnel and stored in manual files. Data Validation and Verification: Inspection reports are reviewed by the FARA Unit Chief.

Data Limitations: None identified at this time

Measure: High Priority National Security Reviews Completed

CY 2014 Target: 30 CY 2014 Actual: 32 CY 2015 Target: 35 CY 2016 Target: 35

Discussion: The FY 2016 target is consistent with previous fiscal years. To address potential national security concerns with foreign investment, NSD will continue to work with its partners to perform these high priority reviews.



Data Definition: High Priority National Security Reviews include: (1) CFIUS case reviews of transactions in which DOJ is a co-lead agency in CFIUS due to the potential impact on DOJ equities; (2) CFIUS case reviews which result in a mitigation agreement to which DOJ is a signatory; (3) Team Telecom case reviews which result in a mitigation agreement to which DOJ is a signatory; and (4) mitigation monitoring site visits.

Data Collection and Storage: Data is collected manually and stored in generic files; however management is reviewing the possibility of utilizing a modified automated tracking system.

Data Validation and Verification: Data is validated and verified by management.

Data Limitations: Given the expanding nature of the program area - a more centralized data system is desired.

Cyber Performance Report

Measure: Percentage of Cyber Defendants Whose Cases Were Favorably Resolved

FY 2014 Target: 90%

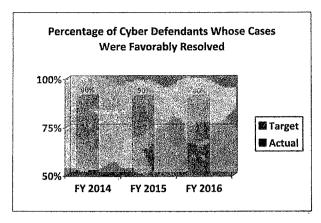
FY 2014 Actual: NA - No cyber cases were resolved in FY 2014

FY 2015 Target: 90% FY 2016 Target: 90%

Discussion: The FY 2016 target is consistent with previous fiscal years. Among the strategies

that NSD will pursue in this area are: recruit, hire, and train additional cyber-skilled

professionals.



Data Definition: Defendants whose cases were favorably resolved include those defendants whose cases resulted in court judgments favorable to the government.

Data Collection and Storage: Data will be collected manually and stored in internal files.

Data Validation and Verification: Data validation and verification is accomplished via quarterly reviews done by CTS and CES.

Data Limitations: There are no identified data limitations at this time.

Select Recent National Security Cyber Prosecutions

People's Liberation Army Officers Indicted for Computer Intrusions, Theft of Trade Secrets, and Economic Espionage / U.S. v. Wang Dong, et al. — On May 1, 2014, five members of China's People's Liberation Army (PLA) were indicted by a federal grand jury in the Western District of Pennsylvania on 31 counts related to computer fraud and abuse, aggravated identity theft, economic espionage, and trade secret theft affecting five victims in the nuclear and solar power and metals industries. This case marks the first charges against state-sponsored military actors for economic espionage. The Indictment alleges that the five PLA members conspired to hack into the U.S. victims "for the purpose of commercial advantage and private financial gain," and that the stolen information would have been particularly beneficial to the victims' Chinese competitors at the time such information was stolen, including Chinese companies adverse to the victims in then-ongoing international trade disputes.

<u>U.S. Charges Chinese National for Participating in Hacking Scheme to Steal U.S. Military Technology / U.S. v. Su Bin</u> - On June 28, 2014, Su Bin was arrested in Canada based on a complaint filed in the Central District of California (CDCA) alleging that he worked with two unnamed co-conspirators to steal U.S. military technology. The complaint described how Su worked with one of the co-conspirators to seek files that had value and in one instance

information that could be sold to a state-owned Chinese aviation company, and it alleged that Su and the other co-conspirators sought and obtained data related to the C-17, F-35, F-22 and at least thirty other military technologies or projects. Subsequently, Su was indicted in the CDCA for unauthorized access to computers, violating the Arms Export Control Act, and conspiring to steal trade secrets. CDCA has formally requested Su's extradition from Canada, and those proceedings are ongoing.

B. Strategies to Accomplish Outcomes

NSD's performance goals support the Department's Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law. Strategies for accomplishing outcomes within each of the 4 Strategic Objectives are detailed below:

<u>Strategic Objective 1.1 - Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats</u>

NSD will continue to ensure that the IC is able to make efficient use of foreign intelligence information collection authorities, particularly FISA by representing the U.S. before the FISC. This tool has been critical in protecting against terrorism, espionage, and other national security threats. NSD will also continue to expand its oversight operations within the IC and develop and implement new oversight programs, promote ongoing communication and cooperation with the IC, and advise partners on the use of legal authorities.

Strategic Objective 1.2 - Prosecute those involved in terrorist acts

NSD will promote and oversee a coordinated national counterterrorism enforcement program, through close collaboration with Department leadership, the National Security Branch of the FBI, the IC, and the 94 U.S. Attorneys' Offices (USAOs); develop national strategies for combating emerging and evolving terrorism threats, including the threat of cyber-based terrorism; consult, advise, and collaborate with prosecutors nationwide on international and domestic terrorism investigations, prosecutions, and appeals, including the use of classified evidence through the application of the Classified Information Procedures Act (CIPA); share information with and provide advice to international prosecutors, agents, and investigating magistrates to assist in addressing international threat information and litigation initiatives; and manage DOJ's work on counter-terrorist financing programs, including supporting the process for designating Foreign Terrorist Organizations and Specially Designated Global Terrorists as well as staffing U.S. Government efforts on the Financial Action Task Force.

Strategic Objective 1.3 - Investigate and prosecute espionage activity against the U.S., strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats

Among the strategies that the National Security Division will pursue in this area are: supporting and supervising the investigation and prosecution of espionage and related cases through coordinated efforts and close collaboration with Department leadership, the FBI, the Intelligence Community (IC), and the 94 U.S. Attorney Offices (USAOs); developing national strategies for combating the emerging and evolving threat of cyber-based espionage and state-sponsored cyber intrusions; assisting in and overseeing the expansion of investigations and prosecutions into the unlawful export of military and strategic commodities and technology, and violations of U.S. economic sanctions; coordinating and providing advice in connection with cases involving the

unauthorized disclosure of classified information and supporting resulting prosecutions by providing advice and assistance with the application of Classified Information Procedures Act; and enforcing the Foreign Agents Registration Act of 1938 and related disclosure statutes.

Strategic Objective 1.4 - Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors

NSD will recruit, hire, and train additional cyber-skilled professionals; prioritize disruption of cyber threats to the national security through the use of the U.S. Government's full range of tools, both law enforcement and intelligence; promote legislative priorities that adequately safeguard national security interests; and invest in information technology that will address cyber vulnerabilities while also keeping the Department at the cutting edge of technology.

C. Priority Goals (Not Applicable)

V. Program Increases

A. Item Name: Combating Cyber Threats to National Security

AG Targeted Priority Options: Cybersecurity

Strategic Goal: Goal 1: Prevent Terrorism and Promote the Nation's

Security Consistent with the Rule of Law

Strategic Objective: Objective 1.4: Combat cyber-based threats and attacks

through the use of all available tools, strong

public-private partnerships, and the investigation and

prosecution of cyber threat actors

Budget Decision Unit(s):

National Security Division

Organizational Program:

Counterespionage Section, Office of Intelligence

Program Increase: Positions 12 Atty 9 FTE 6 Dollars \$1,745,231

Description of Item

The NSD requests a total of 12 positions, including 9 attorneys and 3 non-attorneys, to support the growing area of combating cyber threats to national security.

Justification

As predicted in prior year program budget requests, the national security threat to the U.S. is evolving rapidly. As FBI Director Comey noted in a recent speech, "the threat is so dire that cyber security has topped Director of National Intelligence Jim Clapper's list of global threats for the second consecutive year, surpassing both terrorism and espionage—even the threat posed by weapons of mass destruction." Director Clapper has previously assessed that "[t]hreats are more diverse, interconnected, and viral than at any time in history. Attacks, which might involve cyber and financial weapons, can be deniable and unattributable. Destruction can be invisible, latent, and progressive... State and nonstate actors increasingly exploit the Internet to achieve strategic objectives."

³ James B. Comey, Director of the Federal Bureau of Investigation, remarks delivered to RSA Cyber Security Conference (February 26, 2014), available at http://www.fbi.gov/news/speeches/the-fbi-and-the-private-sector-closing-the-gap-in-cyber-security.

⁴ James R. Clapper, Director of National Intelligence, Unclassified Statements on the Worldwide Threat Assessment to the House Permanent Select Committee on Intelligence (April 11, 2013), available at http://www.dni.gov/files/documents/Intelligence%20Reports/2013%20WWTA%20US%20IC%20SFR%20%20HPSCI%2011%20Apr%202013.pdf.

Indeed, a wide range of actors – terrorists, nation states, transnational organized crime groups, and others, may seek to sabotage our critical infrastructure, while foreign intelligence collectors also try to steal our defense secrets or intellectual property. Despite significant investments and concerted efforts by the private sector and government to build more secure and defendable computer networks, the asymmetric threats in cyberspace leave Americans extremely vulnerable both physically and economically. As we have seen, al Qaeda has instructed its followers that "the U.S. is vulnerable to cyberattacks in the same way airline security was vulnerable in 2001 before the terrorist attacks of September 11th," and General Keith Alexander, former Director of the National Security Agency, has called cybercrime "the greatest transfer of wealth in history." Indeed, President Obama wrote in July 2012 "[T]he cyber threat to our nation is one of the most serious economic and national security challenges we face," and it remains that way today.

NSD continues to be involved in the full range of U.S. cyber and cybersecurity efforts, including cyber threat prevention, detection, investigation, and prosecutions, cybersecurity program development and oversight, cybersecurity vulnerability management, and cyber policy development. To keep pace with the unique challenges of this evolving threat, NSD will need to recruit, hire, and train additional cyber specialists.

Support of the Department's Strategic Goals

Combating Cyber Threats to National Security is a cross-cutting effort that impacts each objective under DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law. Because cyber resources can be used by threat actors as a means of accomplishing terrorism or espionage, NSD's Division-level strategic priorities include a significant focus on combating cyber threats to the national security, and each of its organizational programs are involved in these efforts:

⁵ "Al Qaeda video calling for cyberattacks on Western targets raises alarm in Congress," Fox News (May 22, 2012), available at http://www.foxnews.com/politics/2012/05/22/al-qaeda-video-calling-for-cyberattacks-on-western-targets-raises-alarm-in/#ixzz1x8MO0D6f.

⁶ Remarks by General Keith Alexander at the American Enterprise Institute, July 9, 2012, as reported in Foreign Policy online by Josh Rogin, accessible at: http://thecable.foreignpolicy.com/posts/2012/07/09/nsa chief cybercrime constitutes the greatest transfer of wea lth in history. [hereinafter Alexander remarks]

⁷ President Barack Obama, *Taking the Cyberattack Threat Seriously*, Wall Street Journal (July 19, 2012), available at http://online.wsj.com/article/SB10000872396390444330904577535492693044650.html. [hereinafter "WSJ statement"]

⁸ Cyber threats to the national security include: 1) cyber-based terrorism; 2) cyber-based espionage and other intelligence activities conducted by, for, or on behalf of foreign powers, organizations, or persons; and 3) the use of cyber activity or other means, by, for, or on behalf of a foreign power to scan, probe, or gain unauthorized access into U.S.- based computers.

- Prosecutors in NSD's CTS and CES, in close coordination with the Criminal
 Division's Computer Crime and Intellectual Property Section (CCIPS) and USAOs
 across the nation, assist investigators and intelligence professionals in preventing
 and disrupting cyber threats, and prosecute those who use cyber technologies and
 platforms to commit crimes falling within NSD's jurisdiction;
- NSD's OI provides technical, legal, and policy analysis to IC elements working on
 cyber issues to ensure that operators have the authorities necessary to carry out their
 intelligence missions, specifically with regard to operations involving the FISA, and
 provides oversight to ensure that those missions are carried out lawfully;
- Attorneys in NSD's L&P assess gaps in existing statutory frameworks, participate in several interagency and White House-led cyber security working groups, and advise operators on novel legal questions confronting the government's counter-cyber efforts; and
- NSD's FIRS reviews foreign investments in U.S. industry that may impact the
 national security, and works to harden corporate cyber defenses and security
 policies through mitigation agreements and ongoing efforts to monitor those
 agreements for compliance.

Because of its statutory role as the Department's liaison to the Director of National Intelligence and the IC—as well as its operational responsibilities for carrying out the Department's top priority national security mission—NSD has a duty to provide leadership in the effort to combat national security cyber threats, and is committed to using an intelligence-driven, threat-based, all-tools approach to the problem that draws on both law enforcement and intelligence capabilities and expertise, and includes close partnership with departments and agencies from across the government and the private sector.

The U.S. government needs to leverage criminal law enforcement tools in the fight against national security cyber threats, and that will require significant support from NSD. This approach has already yielded historic success — with the announcement in May of the first-ever criminal charges against members of the Chinese military for cyber-based corporate theft.

Looking ahead, to build upon this momentum and continue success, additional growth is needed. The FBI plans continued growth of its cyber resources, both to expand their technical capabilities and enhance partnerships via the National Cyber Investigative Joint Task Force (NCIJTF). NSD seeks additional resources, in part, to align NSD's growth with the FBI's and to capitalize on the FBI's shift in policy toward investigation and, ultimately, criminal prosecution, where appropriate.

In planning for the growth required in FY 2016 and beyond, NSD notes that notwithstanding the limited resources it has available to devote to cybersecurity, NSD has already made great strides in its efforts to combat cyber threats to the national security, as further detailed below.

National Security Cyber Specialist (NSCS) Network

In FY 2012, NSD established the nationwide NSCS Network—a cadre of cyber specialists from across all of NSD's sections and offices, CCIPS, each USAO, and representatives from other components of Justice. This network is designed to serve as a single point of entry – and a valuable and experienced resource – within the Department for national security cyber matters and issues.

Members of the national NSCS Network work closely with law enforcement and the IC to identify tools available for the disruption of cyber threats to the national security. This includes reviewing threat streams to determine where criminal prosecution may offer an effective and appropriate tool for disrupting or deterring national security cyber actors. With a keen understanding of the tradeoffs involved and the tools available, NSD is assisting investigators, prosecutors, and analysts in collaboratively identifying the best approach to particular cyber incidents. In addition, where prosecution is a viable option, NSCS Network members, along with other prosecutors in CTS and CES collaborate with their counterparts in the field to ensure they are equipped to handle the legal and evidentiary challenges that may arise.

In addition, within NSD, several NSCS Network prosecutors from the CTS and CES have been asked to focus *exclusively* on cyber matters. These prosecutors are relied upon both to drive investigations and prosecutions and to build capacity within the USAOs. It is this model that resulted in the recent historic national security cyber charges announced in May.

Building Expertise and Cultivating Cyber Specialists

To ensure that all NSD personnel are equipped to help address the national security cyber threat, NSD has also focused on training its existing counterterrorism, counterespionage, and intelligence experts on cyber-related issues including electronic evidence, the cyber threat landscape, and prosecuting cyber crimes. NSD has set an internal target of having a specially trained NSCS representative in 95% of the U.S. Attorneys' Offices. Every U.S. Attorney's Office has named at least one NSCS representative, and as of the end of June FY2014, 91 out of the 93 USAOs (one of which covers both Guam and the Northern Mariana Islands) have sent representatives to at least one of the two NSCS trainings held in 2012 or 2013 (for a total of 98%), up from 82% at the end of FY 2013. There are additional trainings scheduled in FY 2015, including a National Security Cyber Specialists course scheduled for November 2015 at the National Geospatial Intelligence Center as well as an Electronic Evidence and Cybercrime Seminar scheduled for NSD attorneys in October 2015.

National Cyber Investigative Joint Task Force Staffing

During the past two years, NSD has also increased its role on the NCIJTF, an FBI-led interagency body that coordinates domestic cyber threat investigations across nearly twenty government agencies, providing strategic direction to cyber investigators and intelligence

analysts alike. For over a year, NSD has had a dedicated liaison to NCIJTF, who provides legal guidance on intelligence-related issues arising in context of cyber national security investigations, helps preserve the option to prosecute in appropriate cases, serves as an information conduit to DOJ, and promotes NSD's ongoing efforts to bring all tools to bear against cyber threats to the national security.

Outreach Efforts

Cyber threats are often directed at private company networks and individuals. And as the front line in many cyber confrontations, private entities often have a great deal to lose from cyber attacks. In recognition of the private sector's mounting losses and consistent with President Obama's Cybersecurity Executive Order, NSD, working through the NSCS, continues to conduct outreach to the private sector in the interests of forging relationships built on trust and mutual interest. Through the NSCS Network, NSD has engaged in significant outreach, meeting with dozens of companies over the past two years. These meetings have greatly strengthened partnerships between NSD and the business community, and they promote cooperation in the event of a cyber incident. In addition, the NSCS has created a national outreach program for USAOs with talking points and presentations that can be used to develop relationships with the business community nation-wide. Using this information, NSCS field resources have begun reaching out to local business associations, promoting awareness of national security cyber threats, and encouraging reporting to law enforcement. Additional personnel-related resources will be needed to continue and enhance NSD's involvement in these important and productive initiatives.

Counterespionage Section

Program Change: Positions 5 Atty 2 FTE 2 Dollars \$610.636

NSD requests 2 attorneys, 1 Intelligence Research Specialist (IRS), 1 paralegal, and 1 administrative assistant to assist in export control, counterintelligence, and national security cyber investigations and prosecutions. The full range of CES's work is increasingly moving toward cyber-based offenses.

CES Attorneys

The 2 CES attorneys will:

- Support the FBI Counterintelligence Division (FBI CD) and FBI Cyber Division
 (FBI CYD) in conducting investigations, developing potential criminal charges, and
 otherwise disrupting the increasing threats of economic espionage, cyber intrusions that
 impact national security, and the illegal export of military and strategic commodities.
 Additional attorneys are necessary to address the prevalence, sophistication, and growing
 complexity of these threats to our nation in a coordinated and effective manner.
- Support an increase in strategic prosecutions arising out of interagency
 counterproliferation task forces. These task forces will continue to adapt to the
 changing landscape of export control reform efforts. CES must devote the necessary
 resources to ensure USAOs and the export control community stay abreast of the changes
 while continuing to address and disrupt the threats using all available tools.
- Support an increased focus on document intensive white-collar investigations into
 possible sanctions/export violations for which there is little investigative agency
 personnel support. CES attorneys' expertise in these cases has expanded over the past
 few years, and, as the number of cases increase, the demand for resources within CES to
 focus on them will also increase.
- Support the DOJ's role in leading the ongoing insider threat initiative, a proactive and prophylactic effort to prevent and deter insider threats to not only classified information but also to critical sensitive but unclassified information. Cybersecurity is of particular concern in Insider Threat cases, in light of the high level of access to government computer networks and classified information that is now available to hundreds of thousands of government employees, defense contractors, and third party vendors and consultants. This widespread access to sensitive information via the government's varied computer networks presents a tremendous challenge for monitoring and national security reviews, and requiring investment of dedicated resources.

The following CES support staff is also requested:

Intelligence Research Specialist. NSD requests 1 CES IRS to assist with intelligence research in support of CES's work, including national security cyber cases. As the number of these cases increases and NSD continues to build subject matter expertise, the need for dedicated intelligence support is evident. The NSD IRS would be an important resource for developing threat-based intelligence about nation-state actors, cyber attack methodologies, and export controlled items that would enhance CES's ability to use prosecutions or other tools in strategic ways to disrupt the threats.

Paralegal Specialist. NSD requests 1 CES paralegal specialist position. There is a current gap in CES's ability to support attorneys on the increasing number of national security cyber, counterintelligence, and export control matters. An additional support position would allow attorneys to dedicate more time to attorney responsibilities and leverage support staff to support ongoing criminal investigations and other matters.

Administrative Specialist. NSD requests CES 1 administrative specialist position to assist with maintaining files, answering phones, and providing additional data entry and other support as needed.

Office of Intelligence

Program Change: Positions 7 Atty 7 FTE 4 Dollars \$1,134,595

NSD requests 7 attorney positions to support combating cyber threats to national security in the areas of Intelligence Operations and Litigation.

Operations Attorneys

NSD requests 5 attorneys for OI's Operations Section. NSD expects to see continuation of a trend towards increasingly complex investigations, particularly with regard to cyber matters, which will require more attorney hours to process. In accordance with the growing threat and increased prioritization, the Operations Section anticipates dedicating an increasing number of resources to work on cyber-related matters, which are often technically complex and time consuming, and to become cyber experts. OI also will play a larger role in the Division's efforts to coordinate cyber-related efforts within the Department and across the Government, and that cannot be accomplished using existing resources.

Litigation Attorneys

NSD requests 2 litigation attorneys to support NSD's cyber efforts and use of FAA⁹ information. OI expects to see continued considerable growth in the cyber area consistent with

⁹ FISA Amendments Act of 2008

the Department and NSD's strategic goals. In accordance with the growing threat and increased prioritization, the Litigation Section anticipates dedicating an increasing number of resources to work on cyber-related litigation. In addition, OI anticipates a continued increase in resources dedicated to complex 702-related litigation.

OI's responsibilities in overseeing the use of FISA obtained or derived information in criminal, civil, and administrative proceedings have increased dramatically since 2001. The Litigation Section attorneys not only process use requests and make recommendations to the Attorney General, but, once authorization has been granted, the attorneys have a significant role in drafting responses to defense motions to disclose FISA applications, orders, and other materials filed with the FISC and to suppress information obtained or derived from FISC-authorized electronic surveillance and physical search. In just one year there was a 300 percent increase in the number of FISA litigation briefs filed in district courts throughout the country. Aside from their role in overseeing the use of FISA-obtained or FISA-derived information in court proceedings, the attorneys in OI's Litigation Section review requests from the FBI relating to undercover operations and for approval for its agents and sources to engage in otherwise illegal activities. The Litigation Section anticipates a continued increase in workload in all areas of responsibility, as well as an additional complexity of work due in part to the Division's cyber initiatives.

Impact on Performance

As described above, these requests for resources are critical so that NSD can keep pace with the growth of cyber threats to the national security, and can ensure that the government is taking a proactive, all-tools approach to deterrence and disruption of these threat actors. Performance goals that track the Percentage of Defendants whose Cases are Favorably Resolved (for both CE and Cyber cases) would be the best indicator of success in the current endeavors.

Funding

на

Base Funding

| | | FY | 2014 E | nacted | - | FY. | 2015 Er | acted | , , | FY 20 | 16 Curre | nt Services |
|---|----|------|--------|---------|-----|------|---------|---------|-----|-------|----------|-------------|
| F | os | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) |
| | 19 | 13 | 10 | \$2,654 | | 13 | 19 | \$2,689 | 19 | 13 | 19 | \$2,689 |

Personnel Increase Cost Summary

| Type of Postuopisones (**) | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request .(\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|------------------------------|--|-------------------------------------|--------------------------------|--|--|
| Intelligence Series (0132) | \$122 | 1 | \$122 | \$66 | \$0 |
| Clerical and Office Services | | | | | |
| (0300-0399) | 60 - | 1 | \$60 | 23 | 0 |
| Attorneys (0905) | 162 | 9 | 1,459 | 768 | 0 |
| Paralegals / Other Law | | | | | |
| (0900-0999) | 104 | 1 | \$104 | 43 | 0 |
| Total Parsonnel | | 12 | \$1,745 | \$900 | \$0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------|-----|------|-----|----------------------|------------------------------|------------------|---|--|
| Current | | | | | | | <u> </u> | |
| Services | 19 | 13 | 19 | \$2,689 | \$0 | \$2,689 | | ŀ |
| Increases · | 12 | 9 | 6 | 1,745 | 0 | 1,745 | \$900 | \$0 |
| Grand | | | | | | | | |
| Total | 31 | 22 | 25 | \$4,434 | \$0 | \$4,434 | \$900 | \$0 |

R. Item Name: Intelligence Collection and Oversight

AG Targeted Priority Options: Targeting and disrupting terrorist threats and groups

Strategic Goal: Goal 1: Prevent Terrorism and Promote the Nation's

Security Consistent with the Rule of Law

Strategic Objective: Objective 1.1: Prevent, disrupt, and defeat terrorist

operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to

terrorist threats

Budget Decision Unit(s): Organizational Program:

National Security Division Office of Intelligence

Program Increase: Positions 10 Atty 8 FTE 5 Dollars \$1,486,162

Description of Item

The NSD requests a total of 10 positions, including 8 attorneys and 2 non-attorneys, to support the growing area of intelligence collection and oversight.

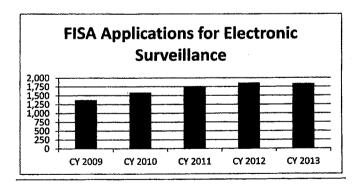
OI's work supports the U.S. Government's national security mission fully, including combating the threats posed by terrorists, threats to our nation's cybersecurity, and other threats. As President Obama stated in a speech early this year, our nation's intelligence agencies are asked to "identify and target plotters in some of the most remote parts of the world, and to anticipate the actions of networks that, by their very nature, cannot be easily penetrated with spies or informants." OI's work directly contributes to these efforts, and is increasingly important as the nation faces a growing and evolving threat landscape, including the threats of foreign terrorist fighters and homegrown violent extremism, cyber attacks, and other counterintelligence threats. The President has also tasked the Department with working on at least ten different lines of effort related to intelligence reform and oversight, the vast majority of which will fall to NSD to implement. NSD will require permanent resources to implement these taskings on an ongoing basis.

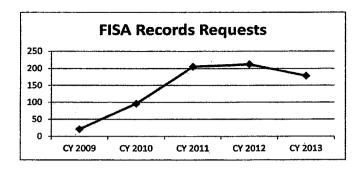
Justification

Operations Attorneys

NSD requests 4 attorneys for the Operations Section of OI. The complexity of intelligence investigations is ever increasing and requires increased attorney hours to process. OI's Operations Section, including its Counterterrorism Unit, has contributed to broader U.S. government disruptions of terrorist threats, and the identification of new threat actors and threat streams. These attorneys will be responsible for, among other things, preparing applications for electronic surveillance and physical search to the FISC in national security investigations, including counterterrorism investigations, pursuant to FISA, as well as for providing legal advice to Division and Department leadership and the Intelligence Community (IC) on a variety of intelligence-related matters. NSD has assessed that the Operations Section needs these resources to ensure it can fully meet its mission requirements. In addition, NSD anticipates it will continue to deal with increased workload generated from recent unauthorized disclosures, which have put significant strains on the staffing of a wide variety of projects, such as declassification reviews, reviews of legislative proposals, and responding to FOIA and other types of litigation.

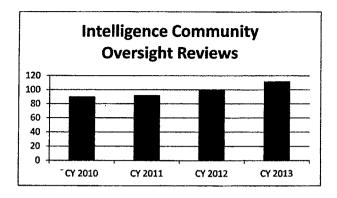
The trends over the last several years have shown an unmistakable increase in the number of requests for FISA authorities handled by the Operations Section. For example, between 2009 and 2013, the number of FISA applications for electronic surveillance and/or physical search increased by approximately 33 percent (from 1,376 in 2009 to 1,833 in 2013). OI anticipates a continuation of this trend over the coming years. Also particularly noteworthy has been the increase in the demand for business records requests pursuant to Section 1861 of FISA: 21 such requests were approved in 2009 and 178 were approved in 2013 (an increase of approximately 748 percent between 2009 and 2013). OI expects the number of business records requests to remain near or above this level for the foreseeable future. Additional attorney resources are needed in order to address the increased workload.





Oversight Attorneys

NSD requests 4 attorneys for the Oversight Section of OI. OI continues to develop its oversight capabilities and programs to support Intelligence Community operations and to increase assurance that operational activities are executed in compliance with governing rules. Efforts related to intelligence oversight and reform have been of the highest priority to the Department and to the President. OI anticipates that additional Oversight resources will enable OI to better help agencies avoid mistakes that could lead to compliance problems, and ensure that intelligence collection is conducted consistent with the laws and policies by which it is governed. OI has experienced a steady and significant increase in the requirements necessary to satisfy its role in the oversight of certain activities of IC agencies, and its enhanced oversight role is expected to continue to grow in the future. As just one example, OI's Oversight Section has expanded, and will continue to expand, the number of IC oversight reviews it conducts. These rigorous reviews are aimed primarily at ensuring that FISA-derived information is being handled in accordance with FISC-approved minimization procedures and that what is retained and disseminated by the government is limited to foreign intelligence information. These reviews are becoming increasingly complex and time-consuming because of a growing focus shared by the Department, the FISC, the Executive Branch more broadly, and Congress in how FISA-derived information is being marked, used, retained and disseminated by the government.



Additionally, NSD anticipates new oversight and reporting requirements to arise from the current FISA amendment proposals currently under consideration in Congress. Furthermore, in light of recent public disclosures, Executive Branch review panels and inspectors general have been actively engaged in reviewing and evaluating oversight mechanisms. These reviews have required significant Oversight Section resources to help ensure that such review panels are fully briefed on Department oversight activities and are given access to documents and information needed for their consideration. Finally, the Oversight Section has experienced significant impacts on resources from staffing a wide variety of projects, such as declassification reviews, reviews of legislative proposals, and responding to FOIA and other types of litigation.

Support Staff

Finally, NSD requests 2 support staff positions to support the work of these additional OI attorneys.

Impact on Performance

OI's daily activities in support of the IC include the preparation and filing of pen register/trap and trace applications, requests for the production of tangible things, and requests for statutory exemptions related to undercover operations and the conduct of otherwise illegal activities as allowed by law. They also include handling requests for Attorney General authorization to use FISA information in criminal and civil proceedings, authorizations for certain intelligence activities under Executive Order 12333, and, as described above, an extensive oversight and advisory role within the IC that continues to grow. All of these OI positions are critical to our Department's efforts to fully support the nation's security, including its counterterrorism mission. OI plays a critical role supporting IC partners as well. As those partners continue to grow, OI will need commensurate resources to support their operations. Without them, NSD anticipates it will not have sufficient staff to fully execute the intelligence-related work needed to

support national security investigations, including those targeting terrorist threats. All of the requested resources are critical to ensure that NSD can keep pace with the changing and growing threat landscape, and to fully support disruption of these threats.

Funding

Base Funding

| | FY | 2014 E | nacted | | FY | 2015 En | acted | | FY 20 | 16 Сигге | nt Services |
|-----|------|--------|----------|-----|------|---------|----------|-----|-------|----------|-------------|
| Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) |
| 165 | 134 | 149 | \$48,331 | 165 | 134 | 149 | \$47,068 | 153 | 110 | 140 | \$28,864 |

Personnel Increase Cost Summary

| Aspect Fostion/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|------------------------------|--|-------------------------------------|-------------------------------|--|--|
| Clerical and Office Services | ėne. | _ | 6100 | 71 | ٥ |
| (0300-0399) | \$95 | | \$190 | (1) | <u> </u> |
| Attorneys (0905) | \$162 | 8 | \$1,296 | 682 | \$0 |
| (Total Personnel | | 10 | \$1,486 | \$ 753 | |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 153 | 110 | 140 | \$28,864 | \$0 | \$28,864 | | |
| Increases | 10 | 8 | 5 | 1,486 | 0 | 1,486 | \$753 | \$0 |
| Grand Total | 163 | 118 | 145 | \$30,350 | \$0 | \$30,350 | \$753 | \$ 0 |

C. Item Name: Combating Terrorism, including Homegrown Violent

Extremism

AG Targeted Priority Options: Targeting and disrupting terrorist threats and groups

Strategic Goal: Goal 1: Prevent Terrorism and Promote the Nation's

Security Consistent with the Rule of Law

Strategic Objective: Objective 1.1: Prevent, disrupt, and defeat terrorist

operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response

to terrorist threats

Objective 1.2: Prosecute those involved in terrorist acts

Budget Decision Unit(s): National Security Division

Organizational Program: Counterterrorism Section, Office of Justice for Victims of

Overseas Terrorism

Program Increase: Positions 6 Atty 4 FTE 3 Dollars \$874,383

Description of Item

NSD requests a total of 6 positions, including 4 attorneys and 2 non-attorneys, to support combating homegrown violent extremist (HVE) threats.

<u>Justification</u>

Counterterrorism Section

Program Change: Positions 5 Atty 3 FTE 2 Dollars \$712,298

NSD requests 3 attorneys, 1 paralegal, and 1 Intelligence Research Specialist (IRS), to address the on-going HVE threat. CTS continues to see a rise in homegrown violent extremism, which has resulted in terrorist attacks on U.S. soil inflicting civilian casualties, such as in the Boston Marathon bombings in April 2013. The threat is only heightened by the increasing number of U.S. persons traveling to Syria to join the on-going conflict there. These individuals may return to the U.S. trained in the use of improvised explosive devices and other weapons. Islamic extremists on-line are continuing to seek to recruit individuals, including U.S. persons, to join the conflict in Syria, as well as to join al-Shabaab and other terrorist organizations

Over the past decade, terrorism has become increasingly diverse and decentralized – as CTS has made progress against core al Qaeda, and as the cadre of al Qaeda affiliates around the globe continues to grow, terrorists have turned to a more diverse set of tactics. As a result, CTS is focused on a trend toward smaller, faster-developing plots, rather than larger, longer-term plots like 9/11. One of the biggest issues that continues to present itself is the threat of HVEs. These

HVEs reside or operate in the U.S. and become inspired by al Qaeda or similar groups through English-language propaganda, but do not have any ties to al Qaeda or any other foreign terrorist organization. In testimony to the Senate Committee on Homeland Security and Government Affairs, the head of the National Counterterrorism Center (NCTC) said, "Lone actors or insular groups pose the most serious HVE threat to the homeland. HVEs could view lone offender attacks as a model for future plots in the U.S. and overseas. The perceived success of previous lone offender attacks combined with al Qaeda and AQAP's propaganda promoting individual acts of terrorism is raising the profile of this tactic." 10

The distributed nature of these types of threats makes investigation of them incredibly complex – as terrorist groups have turned to inspiring individuals across the globe to commit independent and more easily executed acts of terror, identifying and disrupting the threat has become increasingly resource-intensive. Unlike the small, organized cells that CTS has traditionally dealt with, the new face of terrorism is everywhere, and the potential population of would-be attackers is not easily knowable. In recognition of this new reality, FBI has evolved and reorganized to devote additional resources to this problem. CTS and the IC predict a continued trend of self-radicalized individuals engaging in these types of attacks on government and civilian targets. CTS provides full spectrum support to the FBI, IC, and USAOs for every HVE case in the country, and thus, NSD must devote additional resources to this critical threat.

CTS Attorneys

Terrorism investigations involving HVEs are complex and involve difficult legal issues requiring extensive attorney support throughout the investigations, advising on both the investigative strategy and ultimate prosecution. CTS attorneys are specially trained to handle these types of investigations with expertise in prosecuting cases involving weapons of mass destruction and classified information. The attorneys also routinely serve as members of the trial team on these cases in districts around the country, sometimes for extended periods of time. It is imperative to national security that CTS is able to meet the increasing HVE threat by providing critical resources to these investigations and prosecutions.

CTS Paralegal and Intelligence Research Specialist

Additional support staff resources are also necessary to support CTS's efforts on these investigations and prosecutions. Paralegals provide critical assistance to CTS and USAOs on these investigations. Discovery is extensive in these types of cases and it is frequently requested that CTS provide paralegal support as well as attorney support to the USAOs during both the investigative phases and trial preparation and presentation. It is also critical to have intelligence specialist support to assist CTS attorneys in wading through the extensive intelligence reporting on these investigations. Intelligence Research Specialists highlight those reports that are relevant

¹⁰ Matthew G. Olson, Director of NCTC, Hearing before the Senate Committee on Homeland Security and Government Affairs, The Homeland Threat Landscape and U.S. Response, September 19, 2012.

to on-going investigations and help identify new matters in need of investigation involving HVEs.

Office for Justice for Victims of Overseas Terrorism

Program Change: Positions 1 Atty 1 FTE 1 Dollars \$162,085

NSD requests 1 OVT attorney advisor. This request relates most directly to DOJ Objective 1.2's strategy to build strong cases for prosecution both in the U.S. and overseas. The OVT's unique support to U.S. victims of overseas terrorism builds stronger cases against terrorists in foreign prosecutions. Stronger cases lead to more convictions of dangerous terrorists, putting them in prison and limiting their ability to engage in future attacks against U.S. citizens and interests. Moreover, increased victim participation in foreign trials encourages longer prison sentences for convicted terrorists and is a key element in the global strategy to fight and overcome violent extremism around the world.

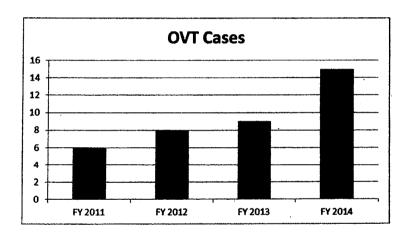
OVT's recent success in supporting U.S. victims during the Indonesian trial of convicted Bali bomber Umar Patek shows the terrorism fighting potential of OVT's programs. In that case, OVT educated Indonesian prosecutors on victims' rights and victim participation in criminal trials. As a result, the Indonesian prosecutors requested that U.S. victims testify in the Indonesian prosecution. OVT identified one U.S. victim willing to travel to Indonesia to testify. OVT funded the victim's travel and also arranged to collect victim impact statements from 10 other U.S. victims to provide to the Indonesian court. The U.S. victim provided strong testimony in the case, and his presence encouraged our ally, Australia, who lost many more victims in the Bali attack, to send three Australian victims to testify. According to those observing the trial, the presence of the foreign witnesses significantly strengthened the prosecution and led to a lengthier prison sentence once Patek was convicted. Patek is now serving a 20 year sentence in prison. Experts tell us that they expected him to receive 7 years. That is 13 additional years during which Patek will be unable to make bombs.

In addition, the U.S. government is currently in a position to provide significant international leadership concerning terrorism victim rights. The U.S. State Department is actively promoting the Global Counterterrorism Forum (GCTF), a collection of 30 countries that have joined together to fight international terrorism in a coordinated way. One of the GCTF's most important initiatives is its effort to fight violent extremism, particularly in countries where the terrorists' claims and propaganda are prominent. A key part of the strategy to fight violent extremism propaganda is to support and encourage the terrorism victim narrative. Ensuring that victims' voices are publicly heard, and that victims play a role in criminal prosecutions, will erode support for terrorists and limit terrorist organizations' ability to recruit new adherents. The momentum for these efforts is building and now is the time to advance this agenda with the support of our international allies.

The additional OVT attorney advisor would support the efforts of the GCTF and where appropriate, other international counterterrorism forums. The attorney would assist the GCTF in

the implementation of its *Plan of Action on Victims of Terrorism* and the promotion of best practices outlined in the *Madrid Memorandum*, which the GCTF formally adopted in September, 2013. OVT offered technical assistance in the creation of these documents and the GCTF has requested OVT's continued assistance. Wider implementation of the *Madrid* principles would result in greater international cooperation in terrorist investigations and prosecutions as well as increase investigatory and prosecutorial capacity, and thereby fortify U.S. counterterrorism efforts. The added attorney would explore collaborative relationships with other global efforts, including relevant initiatives of the United Nations Office on Drugs and Crime, which has also promulgated basic international standards in regard to a terrorist victim's access to justice. Participation in global forums would also strengthen DOJ's relationship with its international counterparts also working to dismantle terrorist organizations.

The number of active cases OVT monitors overseas has almost doubled in the past 3 fiscal years. At this time OVT is monitoring and providing limited services in 15 foreign prosecutions. In contrast, during FY 2013, OVT monitored nine cases, and in FY 2012, OVT monitored eight cases.



Impact on Performance

This request is directly tied to DOJ's Strategic Objectives 1.1 and 1.2, as CTS is the driving force behind NSD's efforts to prevent, detect, deter, and prosecute terrorist activities. These objectives have been supported with existing resources, some of which have now been shifted to focus on the cyber threat, another high priority of the Division. As CTS attorneys are increasingly called upon to handle cyber cases, which typically require an extensive amount of NSD involvement, CTS resources will continue to be strained. NSD predicts a slowing in timeliness of responses to USAOs if additional resources are not provided to support CTS cases, in particular HVE-

focused cases...

This increase is tracked in large measure by percentage of CT defendants whose cases were favorably resolved. Without these personnel increases, it is anticipated that as attorney resources continue to be redirected to cyber cases, HVE cases may suffer declining success rates. If NSD is able to remain on target with a high percentage of CT cases favorably adjudicated, NSD will be able to meet DOJ's Strategic Goals 1.1 and 1.2, thereby preventing terrorist operations before they occur and successfully disrupt terrorist attacks.

Funding

Base Funding

| | FY | 2014 E | nacted | | FY | 2015 Er | iacted | 13, 1, 20 | FY 20 | le Curre | nt Services |
|-----|------|--------|----------|-----|------|---------|----------|-----------|-------|----------|-------------|
| Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) |
| 71 | 53 | 64 | \$14,167 | 71 | 53 | 64 | \$13,797 | 57 | 47 | 55 | \$13,103 |

Personnel Increase Cost Summary

| * Nyne of PastilouSenes | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------------------------|--|-------------------------------------|-------------------------------|--|--|
| Intelligence Series (0132) | \$122 | 1 | \$122 | \$66 | \$0 |
| Attorneys (0905) | \$162 | 4 | 648 | 341 | 0 |
| Paralegals / Other Law (0900-0999) | \$104 | 1 | 104 | 43 | 0 |
| Point Personnel | | 6 | \$874 | \$450 | \$0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 57 | 47 | 55 | \$13,103 | | \$13,103 | | |
| Increases | 6 | 4 | 3 | 874 | \$0 | 874 | 450 | 0 |
| Grand | | | | | | | | |
| Total | 63 | 51 | 58 | \$13,977 | | \$13,977 | \$450 | \$0 |

VI. Program Decrease by Item

A. Item Name: Program and/or Administrative Savings

Program Decrease: Positions 0 Agt/Atty 0 FTE 0 Dollars (\$1,200,000)

Description of Item

Program and/or administrative savings.

Justification

Examples of savings to be realized in 2016 include, but are not limited to reducing the physical footprint, leveraging and extending the useful life of existing technology, bulk purchases and bundling technology procurements.

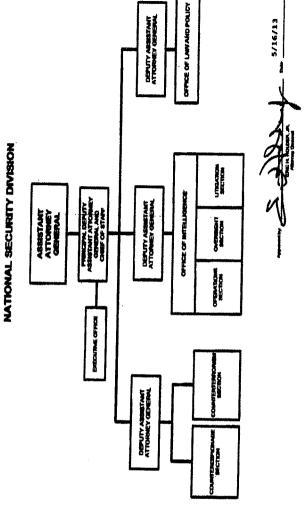
Funding

Non-Personnel Program Decrease

| Support Pathon Series | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---|--|----------|-------------------------------|--|--|
| Program Decrease | (\$000) (change from 2017) (\$000) (\$000) | | 0 | | |
| Management of the State of the | | 1 | (\$1,200) | 0 | 0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 0 | 0 | 0 | 0 | 0 | 0 | - | |
| Offset | 0 | 0 | 0 | 0 | (1,200) | (1200) | 0 | 0 |
| Grand Total | 0 | 0 | 0 | 0 | (\$1,200) | (\$1,200) | \$0 | \$0 |



Summary of Requirements National Security Division Salaries and Expenses (Dollars in Thousands)

| 383 383 383 383 383 383 383 383 383 383 | 336 336 345 345 | 91,800 91,800 93,000 |
|---|---|----------------------------|
| 383 | 345 | 91,800 93,000 93,000 |
| 383 | 345 | 000'86 |
| 383 | 345 | 93,000 |
| 0 0 | 348 | 93,000 |
| 0 | | |
| | 0 | 1,364 |
| _ | 0 | (673) |
| | - | 69.1 |
| 383 | 345 | 93,691 |
| | | |
| 12 | 9 | 1,745 |
| Ġ. | 9 | 1,486 |
| | m | 87 |
| 28 | 4 | 4,10 |
| | | |
| - | 0 | (1.200 |
| G | 0 | (1,200 |
| 28 | 4 | 2,905 |
| 411 | 359 | 96,596 |
| 28 | 4 | 3,596 |
| | 28.5 28.5 38.5 38.5 38.5 38.5 4.7 4.7 4.7 4.7 4.7 5 5 6 6 6 7 7 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 | |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated

Exhibit B - Summary of Requirements

B. Summary of Requirements

Summary of Requirements
National Security Division
Salaries and Expenses
(Dollars in Thousands)

| Program Activity | | 2014 Enacted | scted | | 2015 Enacted | cted | 2016 | Technical and Adjustments | 2016 Technical and Base Adjustments | 2016 | Current | 2016 Current Services |
|------------------------------|--------|---------------|--------|--------|--------------|--------|--------|------------------------------|--|--------|---------|-----------------------|
| | Direct | Direct Actual | Amount | Direct | Est | Amount | Direct | Est | Amount | Direct | 1 | Amount |
| National Security Division | 383 | | 91 800 | L., | 1 | 03 000 | 1 | 11 | 100 | ٢ | - | |
| Total Direct | | | | | | 200,00 | | 9 | 160 | 200 | 2 | 180,08 |
| Total Direct with Rescission | | | 91 800 | | l | 03000 | | 7 | 100 | 1 | ļ | |
| Reimbursable FTE | | 0 | | | | 200,00 | | | 80 | | | 180'08 |
| Total Direct and Relmb. FTE | | 336 | | | 345 | | | 00 | | | 345 | |
| Other FTE: | | | | | • | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | | | ō | |
| Grand Total ETE | | ٥ | | | ٥ | | | 0 | | | 0 | |
| Giano Jose, FTE | | 336 | | | 345 | | | 0 | | | 345 | |
| | | | | | | | | | | | | |

| | 2 | 2016 Increases | sases | 2018 | Program | 2016 Program Decrease | | 2016 Request | lest |
|------------------------------|--------|----------------|--------|--------|---------|-----------------------|--------|--------------|--------|
| Program Activity | Direct | Est | Amount | Direct | Est | Amount | Direct | II. | Amount |
| | Pos | H | | Pos | FTF | | Q. | i i | |
| National Security Division | 28 | 14 | 4 105 | 0 | 0 | (1 200) | 1 | 350 | 202 20 |
| Total Direct | 28 | 14 | 4.105 | 0 | - | (1 200) | | 350 | 96,08 |
| Total Direct with Rescission | | | 4.105 | | | (1 200) | | 3 | 90,330 |
| Reimbursable FTE | | c | | Ī | 1 | (1,200) | | (| 060,08 |
| Total Direct and Reimb. FTE | | 4 | | | 5 C | | | 350 C | |
| | | | | | , | | | 3 | |
| Other FTE: | | | | | | | | o c | |
| LEAP | | 6 | | | ~~ | | | o c | |
| Overtime | | 0 | | | - C | | | 0 0 | |
| Grand Total, FTE | | 14 | | | c | | | 350 | |
| | | | | | | | - | 200 | |

FY 2015 Program Changes by Decision Unit
National Security Division
Salaries and Expenses
(Dollars in Thousands)

| | Location of | ž | tional Se | National Security Division | ıtston | | Total | Total Increases | |
|---|-------------|----------------|-----------|----------------------------|---------------------------------------|---------------------------------|-------|-----------------|--------|
| Frogram Increases | Narrative | Direct Pos. | Agt. | Est. FTE | Direct Agt, Est. FTE Amount Pos. Ath. | Direct Agt/ Est. FTE Pos. Atty. | Agt. | Est. FTE | Amount |
| Combating Oxber Threats to National Security | Page 40 | 12 | 9 | 8 | 1,745 | 12 | 8 | 8 | 1,745 |
| Intelligence Collection and Oversight | Page 49 | 9 | 8 | \$ | 1,486 | 10 | * | 5 | 1,486 |
| Combatina Terrorism includina Homearown Violent Extremism | Page 55 | 9 | 4 | 8 | 874 | 8 | 4 | 3 | 874 |
| Total Program Increases | | 28 | 21 | 71 | 4,105 | 28 | 27 | * | 4,105 |

| | Location of | N. | tional Se | National Security Division | riston | i | Total | Total Decreese | |
|------------------------------------|-------------|----------------|-----------|----------------------------|--|----------------|-------|----------------|---------|
| Program Decrease | Narrative | Direct Pos. | Agt. | Est. FTE | Direct Agt, Est. FTE Amount Direct Agt, Est. FTE Amount Pos. Atty. | Direct Pos. | Agt. | Est, FTE | Amount |
| norm and/or Administrative Savinos | Page 61 | ٥ | ٥ | 0 | (1,200) | 0 | ٥ | 0 | (1,200) |
| | | | | | | | | | |
| | | | | | | | | | |
| Total Program Decrease | | 0 | 0 | 0 | (1,200) | 0 | ٩ | ٥ | (1,200) |

Exhibit C - Program Changes by Decision Unit

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective National Security Division Security Division Salaries and Expenses (Obera In Trustands)

| Strategic Goal and Strategic Objective | 2014 | 2014 Enacted | 2018 | 2016 Enected | 2016 Curr | 2016 Current Services | 2016 | 2016 Increses | 2016.1 Dec | 2016 Program Decresses | 2016 To | 2016 Total Request |
|---|-------------------------|------------------|-------------------------|--------------|------------------|-----------------------|----------------|------------------|---------------|---------------------------|---------------|--------------------|
| | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct | Direct/ Reimb | Direct | Reimb Track | Direct Amount | Reimb FTF | Direct | Reimb dimb | Direct Amount |
| Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law | | | | | | | | | | | | |
| 1.1 Prevent, disrupt, and detest temorist operations before they occur by intograting intelligence and law enforcement efforts to achieve a coordinated response to temorist threats. | | | | | | | | | | • | | |
| | 2 | 62,396 | 202 | 60,087 | 8 | 46,841 | 40 | 1,488 | 0 | (774) | _ | 47,553 |
| 1.2 Prosecute those involved in terrorist acts. | 8 | 18,834 | | 18,235 | | 22,428 | 6 | 874 | - | (236) | 8 | 23,084 |
| 1.5 invessigate and procedure departments acrossly against ure unimod States, strengthen perforently awith potential largets of intelligence intrusions, and procedively prevent insider threats. | | | | | | | | | | | | |
| | 8 | 7,816 | 99 | 11,989 | Z | 21,735 | 0 | å | - | (155) | 2 | 21.580 |
| 1.4 Combat optier-based threats and attacks through the use of all arwalable tools, a strong public-private perforables, and the investigation and prosecution of optier threat actors. | | | | | | | | | | | | |
| | 5 | 2,654 | 13 | 2,689 | 5 | 2,689 | 9 | 1,745 | | (36) | | 4,388 |
| Subtotal, Goal 1 | 336 | 91,800 | | | | \$3,691 | * | 4,106 | • | (1,200) | 25 | 98,586 |
| TOTAL | 33 | 91,500 | ž | 93,000 | 345 | 83,691 | \$ | 4,105 | ٥ | (1,200) | 359 | 96,596 |
| | | | | | | | | | | | | |

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

Justifications for Technical and Base Adjustments Nations Bearing Division Salaries and Expense: (Dolers in Trospers)

| | Pog | Ë | Amount |
|--|-----|-----|----------|
| Pay and Benefits 1 2016 Pay Raids | | | |
| This request provides for a proposed 1.5 percent pay rake to be effective in January of 2015. The amount request, \$5 <u>03,000,</u> represents the pay amounts for 34 of the facet year plas appropriate benefits (\$440,190 for pay and \$192,810 for benefits.) | : | : | • |
| 2 Annuiszakon of 2016 Per 18se. The per annuiszakon representa first queries amounts (October through December) of the 2015 pay increase of 1,0% included in the 2016 Appropriation. The amount requested \$122,000, represents the pay amounts for 14 of the fiscal year plus appropriate benefits (1993,900 for pay and \$25,500 for perfectly benefits). | | | 903 |
| 3 Charaga (in Compensation Draw). The International Compensation Draw of the Compensation of the Compensat | | , | 132 |
| 4 EEBS Regulation and referenced by the process of the process 3-11,000 of 50 componence days. Effective October 1, 2015 (FY 2016), the new agency contribution rates of 13,2% (up from the current 11,8%, or an increase of 1,3%) and 2,3% for the windowning personnel (up from the current 28,3%, or an increase of 2,5%). The amount requested, \$200,000 protected the furth needed to cover this increase. | | | X |
| 6 Emidores Combination Exit. The study decrease reflects anticipand charges in payments to the Department of Labor for injury benefits under the Faderal Employee Compensation Act. | | | 200 |
| 6 (beging immore) Finds a large of the component's controlled to Federal employees' health insurance increases by 8.0 percent. Applied spains the 2014 celentes of 42,025, he addition amount required is \$147,000. | | | |
| 7 Belitoniest. Agency reference contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency setimates, we project that the D.D. workforce will convent from CSRS to FERS at rase of 1.3 percent per year. The majurested increase of \$52,000 is necessery to meet our increased retirement obligations as a result of title convention. | | | |
| Subbol, Pry and Besuffa | 0 | 0 | 1,364 |
| Lonescent (Virtual present (Virtual present) (Virtual present (Virtual present) (Virtual present (Virtual present (Virtual present (Virtual present (Virtual present) (Virtual Present) (Virtual | | | |
| 2 GREET SERVICES. This includes Department of Homeland Securer (DHS) Federa Protective Service charges, Lustice Protective Service charges and other | ; | : ! | (896) |
| security services across the country. The requested increase of \$22,000 te required to neet those commitments. Subtrast, Domestic Rent and Facilities | | | 23:55 |
| TOTAL DIRECT BASE ADJUSTMENTS | • | ٥ | 5 |

Crosswalk of 2014 Availability
National Security Division
Salaries and Expenses
(Dotern in Thousands)

| | ' | | | | | | \int | Barmaries/ | L | ĺ | |
|------------------------------|-----|-----------------|--------|-------------------------|---------------|--|-----------|------------|-------------|-------------------|----------|
| Program Activity | • | FY 2014 Enacted | acted | Reprogramming/Transfers | mingyTrain | a la la la la la la la la la la la la la | Carryover | Refunds | | 2014 Availability | ≽ |
| | P S | Estim. FTE | Amount | Direct Pos. | Estim. FTE | Amount | Amount | Amount | Direct Pos. | Estim. Amount | Amount |
| National Security Division | 383 | 336 | 91,800 | 0 | 0 | 10.5001 | 4.678 | 421 | 383 | ı | 107 399 |
| Total Direct | 383 | 336 | 91,800 | 0 | ٥ | 10,500 | 4,678 | | | 1 | 1 |
| Balance Rescission | | | ō | | | | | | | | |
| Total Direct with Rescission | | _ | 91,800 | _ | | | | | | | 107 399 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb. FTE | | 336 | : | | 0, | | | | | 336 | |
| Other FTE: | | | | | | : | | | | | |
| LEAP | | 0 | | | <u></u> | | | | | 0 | |
| Overtime | | 0 | | | ō | _ | | | | 0 | |
| Grand Total, FTE | | 338 | | | 0 | | | | | 338 | |

TransfertCerryoverfRecovery: FY 2014 funds totaling \$15,599,000 represents a \$10,500,000 carryover for IT related projects and \$421,000 in recoveries.

Crosswalk of 2015 Availability
National Security Ovision
Sataries and Experies
(Dolers in Thousands)

| Program Activity | ۵. | FY 2015 Enacted | Acted | Reprogramming/Transfers | ning/Trav | | Carryover | Recoverles/ Refunds | 2015 | 2015 Avellability | _ |
|---|--------------|---------------------------|--------|---------------------------|-----------|--------|-----------|------------------------|-------------|-------------------|---------|
| | Post Post | Direct Estim. Pos. FTE | Amount | Direct Pos. Estim. Amount | Estim. | Amount | Amount | Amount | Direct Pos. | Estin. | Amount |
| National Security Division | 383 | 345 | 93,000 | O | 8 | ٥ | 9,575 | 1,548 | 383 | 345 | 104,123 |
| Total Direct | 383 | 346 | 93,000 | 0 | ٥ | 0 | 8,675 | 1,648 | 383 | 348 | 104,123 |
| Balance Resciesion | | | 0.00 | | | | | | | | 0 |
| LOW DIRECT WITH PRESCRIPTION | | | 93,000 | | | | | | | | 104,123 |
| Reimburgable FTE Total Direct and Reimb FTE | | <u> </u> | • | | 0.0 | | 0.0 | | | 0.5 | |
| | | } | | | 5 | | 5 | | | 3 | |
| Other FTE: LEAP | | 6 | | | | | C | | | ē | , |
| Overtime | | 0 | • | | 0 | | o | | • | 0 | |
| Grand Total, FTE | | 345 | | | 0 | | 0 | | | 345 | |
| | | | | | | | | | | | |

TransfertCarryover/Recovery: FY 2015 funds totaling \$11,123,000 represents a \$9,575,000 carryover for IT related projects and \$1,548,000 in recovertes.

Exhibit G - Crosswalk of 2015 Availability

Detail of Permanent Poetitions by Category National Security Division Sataries and Expenses (Dollars in Thousends)

| Cathagory | 2014 E | 2014 Enacted | 2015 E | 2015 Enacted | | | 2016 Request | | |
|--|------------------|--------------|-------------|--------------|------|-----------|--------------|------|--------------|
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | ğ | Total Reimb. |
| Security Specialists (080) | 7 | - | Ī | | | increases | Cecreases | P.S. | g. |
| Intelligence Series (132) | 12 | 5 | • • | 5 6 | 0 | Ó | 6 | + | 0 |
| Clerical and Office Services (300-399) | | | | 5 6 | 5 | ~ | 0 | * | 0 |
| Accounting and Budget (500-599) | i ac | | ō | | 0 | n | - | 8 | 0 |
| Attorneys (905) | 249 | | - | 5 6 | 5.0 | 0 | • | 80 | - |
| Paralegals / Other Law (900-998) | 4 | o C | - | 5 6 | 5 6 | 2 | 6 | 270 | 0 |
| Business & Industry (1100-1199) | - | | • | 5 6 | 3 6 | 7 | - | 9 | 0 |
| Information Technology Mgmt (2210) | 4 | · e | - 4 | ; | 5 6 | | 0 | * | 6 |
| Total | 383 | | 192 | | | ٦ | 0 | 4 | 0 |
| Headquarters (Washington, D.C.) | 380 | - | 300 | 1 | 5 | 13 | ٥ | 411 | • |
| U.S. Fled | : | | 96 | 5 6 | 5: | ਰ | 6 | 408 | ō |
| Foreign Field | 5 [†] C | | , | 5 6 | 6.6 | 6. | 0. | m | o |
| Total | 181 | 1 | 200 | | 1 | 0 | ٥ | ٥ | 6 |
| Footnotee: | | 5 | 3 | 5 | 6 | ٥ | 0 | 411 | - |

sancial Analy..... ... Program Changes hatonal Security Divison Sainte and Expenses (Doles in Totaland)

| | | | | National Security Division | urity Divisio | | | | Total Desertan Changes | Change |
|---|------------|--------------------------------|-------------|----------------------------|---------------|--|-------------|-------------------|------------------------|------------|
| | Some | Combatting Cyber Threats to | # 3 | Intelligence Collection | Combatt | Combating Terrorism including Homegrown | | | | |
| Grades | Netton | National Security |) pure | and Oversight | Violent | Violent Extremism | Program | Program Decreases | | |
| | Oired Pas. | Amount | Direct Pos. | Amount | Direct Pos. | Amount | Direct Pos. | Amount | Direct Pos | Amount |
| 65-15 | 6 | 1,306 | 89 | 1,160 | | 989 | 0 | ° | 21 | 3,045 |
| GS-13 | _ | 82 | 0 | • | _ | 85 | 0 | | N | 3 |
| 25.5 | _ | 3 | 5 | • | _ | 3 | - | | | 2 |
| 659 | _ | • | 7 | 8 | ٥. | - | 0 | ٠ | | 2 |
| 65-7 | _ | Ş | 0 | ٥ | 0 | ٥ | ٥ | ٥ | - | 3 |
| Total Positions and Annual Amount | 12 | 1,504 | 40 | 1,266 | 9 | 82 | • | _ | 2 | |
| (+) ostor) | 9 | (752) | 9 | | <u> </u> | (388) | ۰ | • | 2 | (1.753) |
| 11.5 Other Personnel Compensation | | • | | _ | _ | _ | _ | _ | _ | |
| Total FTEs and Personnel Compensation | - | 782 | 5 | 633 | 9 | 368 | ٩ | 9 | 2 | 1.753 |
| 13 0 Benefits for former personnel | | 502 | | 175 | <u>.</u> . | 102 | n. | | _ | 3 5 |
| 21 0 Trawel and Transportation of Persons | | 4 , | _ | ж | _ | 21 | | _ | | 38 2 |
| 22 0 Transportation of Things | | £ | _ | = | _ | - ; | _ | | | 5 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | _ | Ð | | | _ | | | | - | ź <u>;</u> |
| 25.2 Other Services from Non-Federal Sources | _ | 38 | | | _ | 9 | | (1,200) | | (alt.) |
| 25 3 Other Goods and Services from Federal Sources | | 52, | | 65 | ~ | 37 | _ | | | - |
| 26.0 Supplies and Materials | | _ | | | | * | _ | _ | | - (|
| 31.0 Equipment | _ | 553 | | 481 | | 287 | | _ | | 17 |
| | | , | | 767 / | | 72.8 | - | 1 200 | * | 2.80 |

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class National Sourcity Division Salaries and Expenses (Dolers in Thousands)

| | 2014 | 2014 Actual | 2015 A | 2015 Availability | 2016 | 2016 Request | increase | Increase/Decrease |
|--|--------|-------------|--------|-------------------|--------|--------------|----------|-------------------|
| Object Cleas | 다 미 | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | Ë | | FFE | | H | | FTE | |
| 11.1 Full-Time Permanent | 338 | 42,524 | 345 | 47,080 | 359 | 48 986 | 14 | 1888 |
| | 0 | 1061 | | 1 025 | • | 1 025 | Ċ | |
| 11.5 Other Personnel Compensation | c | 490 | C | 7 | 'e | 1 | | o'C |
| Company | | • | 5. c | 5 | 577 | 5 | 5 | 5 |
| בייניים ביינים | 5 | 5 | 5 | 5 | 0 | 0 | 0 | 6 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| 11.8 Special Personal Services Payments | - | • | Ġ | | • | č | 76 | , c |
| Total | 322 | 340.44 | 346 | 10 407 | 2000 | 07000 | • | 1 |
| Other Object Classes | 3 | i. | Š. | 101.04 | ng. | othine . | • | 388,1 |
| | | | | 1000 | _ | | | |
| 12.1 Civinan Personnel Benefins | | 12,603 | _ | 14,051 | | 15,168 | | 1,117 |
| 21.0 Travel and Transportation of Persons | | 1,035 | _ | 1,153 | | 1.551 | _ | 398 |
| 22.0 Transportation of Things | | 48 | ••• | 46 | _ | 1 | | 7 |
| 23.1 Bantal Darmerte to GSA | _ | 0 785 | | 0.054 | • | 307.04 | | į |
| CO. Commission of the Co. | - | 2 | | 0,00 | • | 07/0 | | * |
| 23.2 Rental Payments to Others | _ | 202 | | 213 | | 22 | | ~ |
| 23.3 Communications, Utilities, and Miscellaneous Charges | _ | 4 103 | _ | 6,812 | , | 6.955 | | 143 |
| 24.0 Printing and Reproduction | | 4 | | 17 | - | 17 | | c |
| 25.1 Advisory and Assistance Services | _ | 1.731 | _ | 1,744 | | 1244 | | (500) |
| 25.2 Other Services from Non-Federal Sources | | 10.549 | | 12 481 | | F 430 | | 7 043 |
| 25.3 Other Goods and Services from Federal Sources | , | 5 549 | | 8 814 | | 3 135 | | 07.8 |
| Control Management and | | | | , | _ | 2 | | 66 |
| 25,4 Operation and Maintenance of racinities | : | 9/0 | _ | 5 | | <u>.</u> | | 0. |
| 25.6 Medical Care | | 32 | _ | 32 | | 32 | _ | 0 |
| 25.7 Operation and Maintenance of Equipment | | 155 | | 226 | _ | 228 | | 0 |
| 26.0 Supplies and Materials | | 338 | | 425 | | 442 | | 17 |
| 31.0 Equipment | | 2.358 | : | 1.996 | · · · | 1317 | | (879) |
| Total Obligations | | 92 138 | | 104 121 | | 908 806 | | 7 63.57 |
| | | | 1 | | | 2 | , | |
| Subtract - Unopligated balance, Start-or-Year | | (4,5/8) | : | (6,5/5) | | 5 | | 9,575 |
| Subtract - Transfers/Reprogramming | | (10,500) | | 0 | | 0 | | 0 |
| Subtract - Recoveries/Refunds | _ | (421) | | (1,548) | | 7 | | 1.548 |
| Add - Unobiligated End-of-Year, Available | _ | 9,575 | : | 0 | | : | | 0 |
| Add - Unobligated End-of-Year Expiring | _ | 4.686 | | | | ō | | c |
| Total Direct Requirements | 0 | 91,800 | 6 | 93,000 | : | 96,596 | • | 3,596 |

General Legal Activities

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^{*} Refer to the General Legal Activities Components' Exhibits

I. Overview for General Legal Activities

The General Legal Activities (GLA) appropriation is requesting a total of 4,673 permanent positions, 4,060 workyears (plus 572 reimbursable workyears) and \$1,037,386,000. This resource level represents program increases of 543 positions, 379 workyears and \$82,958,000. The FY 2016 request also includes technical and base adjustment of 4 positions, \$79,428.000. The FY 2016 program increases are outlined below. Specific details about individual programs are discussed in the General Legal Activities Components' Budgets.

PROGRAM INCREASES:

Criminal Division

Mutual Legal Assistance Treaty (MLAT) Reform: 141 positions, 141 workyears and \$32.111 million

International Law Enforcement and Justice Development: 107 positions, 83 workyears and \$12.434 million

Strategic Initiatives to Address Cyber Threats: 54 positions, 29 workyears and \$6.123 million

Intellectual Property Enforcement: 11 positions, 6 workyears and \$2.205 million

Civil Division

Health Care Fraud Enhancement: 15 positions, 8 workyears and \$1.341 million Immigration Enforcement: 10 positions, 8 workyears and \$1.356 million Advanced Litigation Support Services: 10 positions, 5 workyears and \$6.350 million

Environment & Natural Resources Division

Improving Environmental Enforcement in Indian Country: 4 positions, 2 workyears and \$3.000 million

Wildlife Trafficking: 2 positions, 1 workyear and \$2,000 million

Civil Rights Division

Protect Victims of Human Trafficking and Prosecute Traffickers: 30 positions, 15 workyears and \$2.788 million

Ensure Effective and Democratically Accountable Policing: 25 positions, 13 workyears and \$2.519 million

Protect Civil Rights for All: 104 positions, 52 workyears and \$8.726 million
Protect Students from Sexual Assault in Schools: 5 positions, 3 workyears and \$.500 million
Guarantee Voting Rights for all Americans: 12 positions, 6 workyears and \$1.200 million
Ensure Equal Employment Opportunity: 3 positions, 2 workyears and \$.305 million

INTERPOL Washington

Border/Transportation Security and Transnational Crime: 10 positions and 5 workyears

Appropriations Language New language proposed for FY 2016 is <u>italicized and underlined.</u>

Salaries and Expenses, General Legal Activities

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed \$20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia, [\$885,000,000] \$1,037,386,000, of which not to exceed (\$15.000.000) \$20.000.000 for litigation support contracts shall remain available until expended: Provided, That of the amount provided for INTERPOL Washington dues payments, not to exceed \$685,000 shall remain available until expended: Provided further. That of the total amount appropriated, not to exceed \$9,000 shall be available to INTERPOL Washington for official reception and representation expenses: Provided further, That notwithstanding section 205 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for litigation activities of the Civil Division, the Attorney General may transfer such amounts to "Salaries and Expenses, General Legal Activities" from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section [505] 504 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section: Provided further, That of the amount appropriated, such sums as may be necessary shall be available to the Civil Rights Division for salaries and expenses associated with the election monitoring program under [section 8 off the Voting Rights Act of 1965 (52 U.S.C. 10305) and to reimburse the Office of Personnel Management for such salaries and expenses: Provided further, That of the amounts provided under this heading for the election monitoring program, \$3,390,000 shall remain available until expended.

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed [\$7,833,000] \$9,358,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

Analysis of Appropriation Language

The FY 2016 request proposes an increase from \$15,000,000 to \$20,000,000 in the amount of GLA funds available to carry forward for litigation support contracts (note that the total amount appropriated to GLA will not change, merely the amount that is available without fiscal year limitation). During these past two decades, as the overall appropriation for GLA has more than doubled, the litigation support needs of the Department's litigating divisions have skyrocketed. Moreover, because of the nature of complex litigation, using no-year appropriations is far more efficient than using annual appropriations for litigation support contracts. Nearly all of the DOJ's largest and most

information-intensive cases cross multiple fiscal years. Between document preservation, document collection, document production, depositions, motions practice, pre-trial activities, and trial, cases often last for several years. The availability of no-year money for litigation support contracts allows the Government to proceed without disruptions that could be fatal to the Government's position.

The Civil Rights Division directs and manages federal enforcement of the provisions of the Voting Rights Act, including the election monitoring provisions of the Act. The Division reimburses the Office of Personnel Management (OPM) for salaries and expenses that OPM incurs for federal observers for elections. The Department's election monitoring program operates under numerous sections of the Act, not just Section 8. The change ensures that the appropriations language will cover the expenses of the election monitoring program.

The Vaccine Injury Compensation Program ("VICP") has experienced a steady increase in claims in recent years. In total, claims have risen almost 30% over FY 2009 levels and are projected to steadily increase through FY 2016. These claims are paid by the Vaccine Injury Trust Fund, which also funds the various entities that administer the VICP, the Civil Division included.

At the same time, as claims have increased, funding for the administrative costs necessary for Civil to defend the government against claims filed under VICP has been flat. The appropriated reimbursement from the Vaccine Injury Compensation Trust Fund has remained the same since FY 2009. No adjustments have been included that are afforded to most other appropriations. In FY 2009 VICP funded 41 FTE. However, personnel costs and the workload have increased. Currently, the VICP only funds 36 FTE.

To fully fund the Program in FY 2016 and to add staff to handle the increasing claims, an additional \$1,525,000 reimbursement from the VICP Trust Fund is required, bringing the total appropriated reimbursement from \$7,833,000 to \$9,358,000.

B. Sumray of Requirements

Summary of Requirements General Legal Activities Salaries and Expenses (Dollars in Thousands)

| | | F1 2 | FT 2015 Request | |
|--|-----|------------------|-----------------|---|
| | | Direct Positions | FTE | Amount |
| 2014 Enacted | | 4,225 | 3,680 | 867,000 |
| 2013 Balance Rescission (if applicable) | | 100 | | 0 |
| Total 2014 Enacted (with Rescission) | | 677 ¹ | 2,680 | 99,000 |
| 2015 Enacted 2015 Unolingted Balance Rescission | | 4,126 | 3,681 | 885,000 |
| Total 2015 Enacted (with Rescission) | | 4,126 | 3,681 | 875,000 |
| Tachajes Adiretmante | | | | |
| Restoration of 2015 Unobligated Balance Rescission | | | 0 | 10,000 |
| | | 0 | 0 | 10,000 |
| Base Adjustments | | | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |
| Pay and Benefits | : | 4 | ٥, | 12,990 |
| Domestic Rent and Facilities | ٠ | 0 | 0 | 50,287 |
| Other Adjustments | : | 0 | 0 | 1,143 |
| Foreign Expenses | | Ö | ō | 5,008 |
| Total Base Adjustments | . • | 4 | • | 69,428 |
| Total Technical and Base Adjustments | | 4 | • | 79,428 |
| 2016 Current Services | | 4,130 | 3,681 | 954,428 |
| Program Changes | | | | |
| Increases: | | | | |
| Criminal Division | | 313 | 7 | 52,873 |
| Clvi Division | | 35 | 2 | 9,047 |
| Environment & Natural Resources Division | | 9 | | 2,000 |
| Civil Rights Division | | 179 | Ф | 16,038 |
| INTERPOL Washington | | 01 | | (009) |
| Subtotal, Increases | | 553 | | 82,958 |
| Total Program Changes | | 543 | | 82,958 |
| 2016 Total Request | | 4,673 | 4,060 | 1,037,386 |
| 2015 - 2016 Total Change | | 547 | 379 | 152,386 |

Summary of Requirements
General Legal Activities
Salaries and Expenses
(Dollars in Thousands)

| | - | | | | | | | | | | | |
|--|--------|--------------|---------|-----------------|--------------|---------|--------|-----------------------------|--|--------|-----------------------|---------|
| Program Activity | | 2014 Enacted | ted | | 2015 Enacted | ted | 2016 7 | echnical and Adjustments | 2016 Technical and Base Adjustments | 2016 | 2016 Current Services | ervices |
| | Direct | Actual | Amount | riect Cilect | Est | Amount | Direct | Est | Amount | Direct | 噩 | Amount |
| | Pos. | Ë | | P. | ۳ | | Pos. | ᆵ | | Pos | Ë | |
| Conduct of Supreme Court proceedings | OS | 47 | 11,198 | 51 | 88 | 11,678 | 4 | 0 | 207 | 55 | 99 | 11,885 |
| General tax matters | 639 | 465 | 104,470 | 638 | 534 | l | 0 | 0 | 6,404 | | 534 | 113,078 |
| Criminal matters | 750 | | 174,189 | 750 | 674 | 178,042 | 0 | a | 11,561 | 750 | 674 | 189,603 |
| Claims, customs and general civil matters | 1,425 | 1,124 | 285,927 | 1,325 | 1,189 | 291,454 | 0 | 0 | 25,508 | - | 1,189 | 316,962 |
| Land, natural resources and Indian matters | 537 | 510 | 107,643 | 537 | 526 | 110,017 | | 0 | 12,420 | | 526 | 122,497 |
| Legal opinions | R | 52 | 7,400 | 33 | 27 | 7,836 | 0 | 0 | 153 | æ | 27 | 7,989 |
| Civil rights matters | 714 | 573 | 144,173 | 714 | 909 | 147,239 | - | 0 | 11,738 | 7.14 | 909 | 158,977 |
| INTERPOL Washington | 1 | 8 | 32,000 | | 69 | 32,000 | | | 1,437 | - | 8 | 33,437 |
| Total Direct | 4,225 | 3,428 | 867,000 | 4,126 | 3,681 | 885,000 | 4 | 0 | 69,428 | 4,130 | 3,681 | 954,428 |
| Unobligated Balance Rescission | | | 0 | | 0 | -10,000 | | | 10,000 | | | |
| Total Direct with Rescission | | | 867,000 | | | 875,000 | | | 79,428 | | | 954,428 |
| Reimbursable FTE | | 525 | | | 902 | | | ٥ | | | 802 | |
| Total Direct and Relmb. FTE | | 3,953 | | | 4,283 | | | 0 | | | 4,283 | |
| 1 | | | | | | | | | | | - | |
| 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | | - | | | 1 | | | | The state of the state of the | | - | ******* |
| LEAP | : | 0 | | | 0 | | | - | | | 0 | |
| Overtime | | 7 | | | 7 | | | - | | | 7 | |
| Grand Total, FTE | | 3,960 | | | 4,290 | | | 0 | | | 4,290 | |
| | | | | | | | | | | | | |

| | | | | - | | | | 5 | |
|--|----------|----------------|--------|------|--------------|-----------------|--------|--------------|-----------|
| | | | | | | | | | |
| | 2 | 2016 increases | 1965 | | 2016 Offsets | Hets | | 2016 Request | Jest |
| Program Activity | Dinect | E. | Amount | Dieg | E E | Amount | Direct | ES ES | Amount |
| | P. | 벁 | | ą, | E | | Pos | Ë | |
| Conduct of Supreme Court proceedings | 0 | ٥ | 0 | - | ٥ | 0 | 55 | 8 | |
| General tax matters | | 0 | 0 | | 0 | | 639 | 8 | 113,078 |
| Criminal matters | 313 | 83 | 52,873 | 0 | ٥ | . - : | 1,063 | 833 | |
| Claims, customs and general civil matters | z | 73 | 9,047 | 0 | ٥ | 0 | 1,360 | 1,210 | |
| Land, natural resources and Indian matters | ø | e | 2,000 | 0 | 0 | 0 | \$ | 529 | 127,497 |
| Legal opinions | ۰ | • | 6 | 0 | 0 | 0 | 8 | 77 | 7,989 |
| Civil rights matters | 179 | 5 | 16,038 | - | 0 | | 883 | 697 | 175,015 |
| INTERPOL Washington | 9 | S | [800] | 0 | 0 | 0 | 87 | 74 | 33,437 |
| Total Direct | 3 | 379 | 82,958 | • | ٥ | ° | 4,673 | 4,060 | 1,037,386 |
| Unobligated Balance Rescission | | | 0 | | | ° | | | ٩ |
| Total Direct with Rescission | | : | 82,958 | | | | | | 1,037,386 |
| Reimbursable FTE | | 9 | | | 9F- | | | 572 | |
| Total Direct and Reimb, FTE | : | 385 | | | 8 | | | 4,632 | |
| | | | | | | | | | |
| Other FTE: | <u>.</u> | -: | | : | | | | | |
| LEAP | | 0 | | | 0 | | _ | • | |
| Overtime | | 0 | | | 0 | | | 7 | |
| Grand Total, FTE | | 385 | | | 89 | | | 4.639 | |

Crosswalk of 2014 Availability General Legal Activities Salaries and Expanses (Dollars in Thousands)

| | _ | - | | - | | • | | - | | _ | | | _ | r . | | | - | _ | _ |
|--|-------------|---|--------------------------------------|---------------------|------------------|---|--|----------------|----------------------|--------------------|------------------------------|--------------|--------------------|------------------------------|------------------|-----------------------------|------------|----|----------|
| | Amount | | 11,198 | 108,454 | 177, 381 | 298,774 | 112,714 | 7.400 | 144.518 | 32 000 | 4.415 | 893,354 | • | 883,354 | | | | | : |
| 2014 Actual | Actual | Ë | 47 | 465 | 620 | 1,124 | | : | 573 | į | 0 | 3,428 | | : | 525 | 3,953 | | ٥ | 0 |
| 201 | Direct Pos. | | S | 639 | 750 | 1,425 | 537 | 33 | 714 | 77 | 0 | 4,225 | | | | | | | |
| Recoveries/ Refunds | Amount | | 0 | 85 | F | 1,878 | 788 | 0 | 348 | 0 | 0 | 3,193 | | 3,183 | | | | | |
| Сапуочег | Amount | | ö | 382 | 1,351 | 898'B | 2,004 | 0 | 0 | ٥ | 1,520 | 14,236 | | 14,238 | ٥ | 14,236 | | 0 | 0 |
| sfers/ | Amount | | 0 | 1,500 | 2,330 | 0 | 2200 | 0 | 0 | ō | 2,895 | 8,925 | | 8,925 | | | | | |
| rammings/Tran Reallocations | _ | Ë | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | | | 0 | 0 | | 0 | 0 |
| Reprogrammings/Transfers/ Reallocations | Direct Pos. | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | |
| acted | Amount | | 11,198 | 104,470 | 174,189 | 285,927 | 107,643 | | 144,173 | 32,000 | 0 | 887,000 | ē | 867,000 | | | | | |
| FY 2014 Enacted | Actual | Ë | 47 | 465 | | 1,124 | | L | | Z | c | 3,428 | | | 629 | 3,953 | | 6 | ō |
| ű. | Direct | ğ | 20 | 639 | 750 | 1,425 | 537 | 33 | 714 | 4 | 0 | 4,225 | | | | | | | |
| Program Activity | | | Conduct of Supreme Court proceedings | General tax matters | Criminal matters | Claims, customs and general civil matters | Land, natural resources and Indian matters | Legal opinions | Civil rights matters | NTERPOL Washington | Automated Litigation Support | Total Direct | Balance Rescission | Total Direct with Rescission | Reimbursable FTE | Total Direct and Relmb, FTE | Other FTE: | ΑP | Overtime |

Reprogrammings/Transfera/Reallocations
The transfera of \$8,925.00 to GLA ALS account reflects transfers of unobligated balances from GLA prior years' accounts. The transfer of \$8,925.00 to GLA ALS account reflects transfer of GLA and account to Tax. Citchinal, and Environment Divisions ALS accounts. Funding of \$6,00.00 we are abactered from GLA aLS accounts.

Funds were carried over into FY 2014 from GLA's 2013 no-year account.

Recoveries/Refunds: Direct recoveries from GLA's no-year ALS accounts total \$3,163 thousand.

Exhibit F - Crosewalk of 2014 Availability

G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability General Legal Activities Salaries and Expenses (Dollers in Thousends)

| Program Activity | [E | FY 2015 Enacted | acted | Reprogrammings/Transfers/ Reallocations | rammings/Trai | nefers/ | Carryover | Unobligated Bafance Rescission | 2015 / | 2015 Availability | |
|--|-------|-----------------|---------|--|---------------|---------|-----------|--------------------------------------|-------------|-------------------|---------|
| | Pe st | 晶色 | Amount | Direct Pos. | 點 | Amount | Amount | Amount | Direct Pos. | Estin. | Amount |
| Conduct of Supreme Court proceedings | 51 | 8 | 11,678 | ٥ | 0 | 0 | o | 0 | 54 | 8 | 11.678 |
| General tax matters | 639 | 534 | | 0 | 0 | o | 1,360 | (493) | 636 | 2 | 107.541 |
| Criminal matters | 750 | 674 | | a | 0 | Ó | 3,255 | E | 750 | | 180,116 |
| Claims, customs and general civil matters | 1,325 | | | ٥ | 0 | 0 | 10,578 | (3,847) | 1,325 | 1,189 | 298,188 |
| Land, natural resources and Indian matters | 537 | | | 0 | 0 | o | 2,391 | (142) | 537 | | 112,326 |
| Legal opinions | g | | 7,838 | 0 | 0 | O | 0 | a | 33 | 27 | 7,836 |
| Civil rights matters | 714 | | 7 | 0 | 0 | 1,200 | 761 | (1,172) | 714 | 909 | 148,018 |
| INTERPOL Washington | 7 | | 32,000 | 0 | 0 | 0 | 0 | 0 | 77 | 69 | 32,000 |
| Automated Litigation Support | ٥ | 0 | 0 | 0 | 0 | (1,250) | 4,415 | (3,165) | 0 | 0 | 0 |
| Total Direct | 4,126 | 3,681 | 885,000 | 0 | 0 | (09) | 22,751 | (10,000) | 4,125 | 3,681 | 897,701 |
| Balance Rescission | , | - | 0 | | | | | | | | 0 |
| Total Direct with Rescission | | | 885,000 | | | | 22,761 | (10,000) | | | 107,768 |
| Reimbursable FTE | | 802 | | | 0 | | 0 | | | 802 | |
| Total Direct and Reimb. FTE | | 4,283 | | | 0 | | 22,751 | | | 4,283 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP | | 0 | | | 0 | | 0 | | | ō | |
| | | 0 | | | 0 | | 0 | | | 6 | |
| Grand Total, FTE | | 4,283 | | | 0 | | 22,751 | | | 4,283 | |

Reprogrammings/Transfer/Realecetions Fueling of 8 1.2M was realecated from GLAS account to Chell Rights' ALS account The transfer of 550K from GLAS a ALS account reflects the transfer back of unoxigated balances from GLA's prior year (2011) account.

Funds were carried over into FY 2015 from GLA's 2014 no-year account.

Reactsston: A \$10 million unobligated balance rescission was spread among the GLA components' carryover funding.

Detail of Permanent Positions by Category Cenaral Legal Activities Salaries and Expenses (Oblass in Thousands)

| Direct Pos. | Reimb. Pos. | Diment Don | | | Z016 Køquest | rednest | |
|--|-------------|-------------|-------------|------|--------------|----------------------|----------------|
| Miscellaneous Operations (010-039) Security Specialists (030) Security Specialists (030) Intuitisence Series (132) Intuitisence Series (132) Security Manual Manualmont (200-239) Clerical and Office Services (300-389) Accurities (100) Attention of Manualmont (500-389) Accurities (100) Attention (100-1099) Series (100) The Commission of Area (1000-1099) The Commission of Area (1000-1099) | 000 | Sied Tos. | Reimb. Pos. | ATBs | Program | Total Direct Pos. | Total Relmb. |
| Security Specialists (080) (12) | 00 | 8 | 0 | | 0 | 8 | |
| Economists (110) 1 1 1 1 1 1 1 1 1 | 0 | 12 | | | | 12 | : |
| Intaligeance Series (132) 10 10 10 10 10 10 10 1 | | 6 | | | | 4 | : |
| (2017 Rights, Arabbert (160) Cherrouned Imagement (2002-259) Cherrouned Imagement (2002-259) Accompanying and Endpet (2002-399) Accompanying and Endpet (2002-399) Accompanying and Endpet (2002-399) Accompanying (1602) Accompanying (1602) Accompanying (1602) Accompanying (1602) Endpet (1602) (1002) (1002) (1002) (1002) (1002) (1002) | 0 | - | 0 | | 0 | | : |
| Personnel Management (200-259) 43 Cercial and Office Services (200-359) 770 Accounting and Budget (500-599) 34 Arables (500) 93 Acarbles (| 0 | 9 | .5 | | 9 | 8 | |
| Clerical and Office Services (300-389) 7790 Accritical (303) 7700 Actribed (303) 7700 Actribed (304) 7700 Actribed (304) 7700 Actribed (305) 7700 | 2 | | : | | | | |
| Accounting and Budget (600-599) 34 Acribica (600) A | 127 | 270 | 127 | ! | 143 | 916 | . Con |
| Acarbied (808) 10 Attantive (809) 20 Attantive (809) 20 Attantive (800 | 37 | 8 | 37 | | | 25 | |
| Attorneys (905) Paralegals / Other Law (900-899) Ed9 Information & Arts (1000-1089) 7 | | 10 | | | 0 | 2 | |
| Paralegals / Other Law (900-999) Information & Arts (1000-1099) | 433 | 2,574 | 445 | | 237 | 2,811 | 45 |
| Imomation & Arts (1000-1089) | 8 | 833 | | : | 140 | 688 | |
| 100000000000000000000000000000000000000 | | | | | | 12 | : |
| Business & Industry (1100-1199) 5 | 2 | 10 | | | 0 | 100 | , '] . : |
| Forensic/Physical Sciences (1300-1399) | | - G | | | - | | |
| Library (1400-1489) 5 | 0 | , 10 | 0 | • | 0 | THO . | |
| Mathematical Statistics (1529) | 0 | 6 | 0 | | 9 | G) | |
| Equipment/Facilities Services (1600-1699) | 0 | 2 | 0 | | 0 | 2 | |
| Education/Training (1700-1799) | _ | 0 | | | - | - | |
| Inspection, Investigation, Enforcement (1801) | 0 | 89 | 8 | | 0 | ø | |
| Transportation (2100-2199) | - | 0 | | • | | - | |
| Information Technology Mgmt (2210) 67 | 4 | . 67 | 4 | | 14 | 84 | |
| Total 4,226 | 699 | 4,128 | 681 | , | 543 | 4,673 | . 64 |
| Headquarters (Washington, D.C.) 4,084 | 920 | 3,985 | 289 | , | 234 | 4,523 | 486 |
| U.S. Field | ₽. | 126 | 49 | | 0 | 128 | - . |
| Foreign Field 15 | 133 | 15 | 133 | | 9 | 24 | 13 |
| Total 4,228 | 699 | 4,128 | 681 | | 543 | 4,673 | 647 |

Exhibit I - Detalls of Permanent Positions by Category

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class General Legal Adviding Salaries and Expenses (Dollars in Thousands)

| | 2014 | 2014 Actual | 2016 | 2015 Availability | 2016 | 2016 Request | Increase | Increase/Decrease |
|--|--------------|------------------|----------|-------------------|---------------|----------------|---------------|-------------------|
| Object Class | Pied H | Amount | Direct | Amount | Direct FTE | Amount | Direct FTE | Amount |
| 11.1 Full-Time Permanent 41.3 Other than Enil Time Permanent | 3,189 | 394,884 | 3,387 | 418,703 | 3,772 | 458,147 | 385 | 37,444 5,162 |
| 11.5 Other Personnel Compensation | 01 | 5,198 | 0, | 5 127 | 0 | 5,471 | 0 0 | 4. |
| Overtime Other Commonstan | \ <u>`</u> 0 | 1,820 | , 0 | 1772 | 0 | 1,772 | 0 | 80 |
| 11 8 Special Personal Services Payments | .0 | 3,142 | | 4,085 | 0 | 4,085 | 0 | 0 |
| Total | 3,428 | 425,077 | 3,681 | 455,281 | 4,060 | 498,231 | 379 | 42,950 |
| ther Object Classes 12.0 Personnel Benefits | | 120,544 | ; | 133,642 | : | 150,851 | | 17,209 |
| 13.0 Benefits for former personnel | : | 8 | 1 : | 33 | | 39 | + | 200 |
| 21.0 Tayel and Transportation of Persons | : | 3331 | | 4,118 | - | 4,840 | : | 7227 |
| 23.1 Rental Payments to GSA | | 100,700 | | 105,610 | | 117,307 | | 11,697 |
| 23.2 Rental Payments to Others | - | 1,570 | : | 2,762 | | DDC C | - | 2,736 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | : | 13,516 | : | 1.704 | : | 1.747 | i | 3.5 |
| 24.0 Printing and Registance Sendes | : | 19,183 | | 12,376 | | 14,719 | | 2,343 |
| 25.2 Other Services from Non-Federal Sources | ! | 80,425 | | 92,308 | | 107,879 | | 15,571 |
| 25.3 Other Goods and Services from Federal Sources | | 29,987 | | 33,601 | | 44,270 | - | 10,669 |
| 25.4 Operation and Maintenance of Facilities | 1 | 6,151 | | 88 | - | 18,597 | | 18,559 |
| 25.6 Medical Care | | 1 8 | : | | : | 77.9 | - | 2 |
| 25.7 Operation and Mahanale | | 3,481 | | 3,468 | | 4,727 | | 1,259 |
| 31 O Howbrand | : | 28,093 | | 6,877 | | 9,388 | | 2,511 |
| 32 O Land and Structures | | 2,800 | | 0 | | 8,362 | | 8,362 |
| 41.0 Grants, Subsidies, and Contributions | | 12,122 | . ; | 13,352 | | 14,453 | + | 1,101 |
| 42.0 insurance Claims and Indemnifies | : | 1,132 RRS 378 | : | 897 701 | : | 1.037.386 | † | 139,685 |
| Cuttered I Inchlicated Reference Start of Year | | -14,236 | | -22,751 | | 0 | <u> </u> | 22,751 |
| Subtract - Transfers/Reprogramming | | 8,925 | | 8 | | 0 | ! | 05 |
| Subtract - Recoveries/Refunds | | -3,193 | : | 900 | - | o.c | | 1000 |
| Add - Unobilgated Balance Rescission | : | 52.751 | | | : | | • | |
| Add - Unobigated End-of-Year, Available Add - Inobigated Fort-of-Year, Expiring | | 5,227 | : | 0 | | ; o | | 0. |
| Total Direct Requirements | • | 867,000 | ٥ | 885,000 | • | 1,037,386 | 1 | 152,386 |
| feimbursable FTE Full-Timp Permanent | 625 | | 602 | . : | 2,72 | : | 99 | |
| | _ | 7 | <u>-</u> | - | 7 | - | ÷ | • |

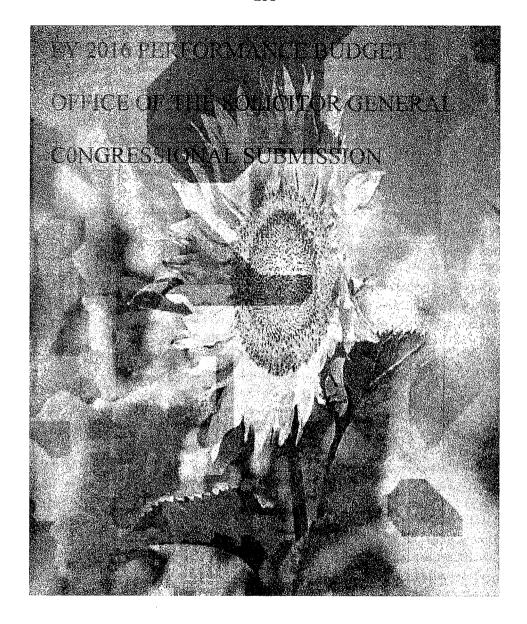


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I. Overview for the Office of the Solicitor General

1. Introduction

In 2016, the Office of the Solicitor General (OSG) requests a total of \$11,885,000 and 55 positions, including 23 attorney positions, and 56 FTE to meet its mission.

2. Mission/Background

The mission of OSG is to conduct all litigation on behalf of the United States and its agencies in the Supreme Court of the United States, to approve decisions to appeal and seek further review in cases involving the United States in the lower federal courts, and to supervise the handling of litigation in the federal appellate courts.

The original Statutory Authorization Act of June 22, 1870, states: "There shall be in the Department of Justice an officer learned in the law, to assist the Attorney General in the performance of his duties to be called the Solicitor General." As stated in 28 CFR 0.20, the general functions of the Office are as follows: (1) conducting or assigning and supervising all Supreme Court cases, including appeals, petitions for and in opposition to *certiorari*, briefs and arguments; (2) determining whether, and to what extent, appeals will be taken by the government to all appellate courts (including petitions for rehearing *en banc* and petitions to such courts for the issuance of extraordinary writs); (3) determining whether a brief amicus curiae will be filed by the government, or whether the government will intervene, in any appellate court, or in any trial court in which the constitutionality of an Act of Congress is challenged; and (4) assisting the Attorney General and the Deputy Attorney General in the development of broad Department program policy.

OSG is headed by the Solicitor General, who is appointed by the President and confirmed by the Senate. Within the attorney staff, there are 23 attorney positions. The attorneys prepare oral arguments, Supreme Court briefs, and other related legal materials. The 32 support staffers are organized into three sections which include Administration, Case Management and Research and Publication.

3. Challenges

OSG's overall mission and strategic objectives will essentially remain the same in FYs 2015 and 2016. However, OSG faces a set of new expectations and additional responsibilities in response to the evolving case load in the U.S. Supreme Court and the federal courts of appeals.

The Solicitor General's docket, which mirrors the docket of the Supreme Court and the federal courts of appeals, covers a range of issues that are critical to our Nation's viability and economy. Many of the cases require careful attention and coordination within the government, as well as a difficult assessment of how to apply existing statutory schemes.

In recent years, patent cases and other cases defining the scope of intellectual property protection have been at the heart of the Supreme Court's caseload. These cases require a substantial devotion of energy in order to understand the intricate statutory framework; to grapple with the technologies at issue; and to assimilate the wide range of views both inside and outside

government as to the proper balance of interests in these cases, which have the potential to impact large sectors of the economy.

Criminal cases likewise make up a large portion of the Court's caseload. Criminal defendants regularly challenge the reach of the substantive provisions of criminal law enacted by Congress. And the Court continues to wrestle in criminal cases with issues relating to the scope of constitutional protections in the context of emerging technologies. For example, OSG presented an argument in *United States v. Jones*, which challenged the warrantless installation and use of a GPS tracking device on a respondent's vehicle to monitor its movements on public streets. OSG also presented an argument in *United States v. Wurie* and *Riley v. California*, which involved the government's authority to search cell phones incident to arrest. In preparation for these cases and to ensure that OSG is well-positioned to help the Court, government attorneys spend substantial time and resources to understand the workings and limits of the new technologies.

The Solicitor General likewise defends the implementation of an expanding set of government programs and congressional enactments. Although the precise docket in FY 2016 is impossible to predict, experience suggests that OSG will continue to be involved in cases defining an array of federal statutes, including the Securities Act and the Securities Exchange Act, the Fair Labor Standards Act, the Labor Management Relations Act, the Clean Air Act, the Truth in Landing Act, and the Immigration and Nationality Act. In preparation for these cases, OSG attorneys engage in extensive coordination and consultation with the agencies that Congress has directed to implement these statutes.

Finally, OSG regularly handles important foreign affairs cases, including cases under the Alien Tort Statute and the Torture Victims Protection Act, as well as important constitutional cases. These cases can affect the structure of government and the relationship between the Branches, and they can have important consequences for the conduct of foreign affairs.

In light of the overall budgetary situation in which the Government finds itself, OSG strives to meet the difficult challenge of managing a steady increase in casework, including the significant challenges highlighted in the matters above. For FY 2016, OSG is requesting base funding of 55 positions (23 attorneys), 56 FTE and \$11,885,000 to accomplish its goals.

Following is a brief summary of the Department's Strategic Goals and Objectives in which OSG plays a role.

<u>DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Laws (FY 2016 Request: \$11,885,000)</u>

Objective 2.6: Protect the federal fisc and defend the interests of the United States.

4. Full Program Costs

OSG has only one program—Federal Appellate Activity. Its program costs consist almost entirely of fixed costs, such as salaries and benefit, GSA rent, reimbursable agreements with other DOJ components, and printing.

5. Performance Challenges

External Challenges. In the vast majority of cases filed in the Supreme Court in which the United States is a party, a petition is filed by an adverse party and the United States responds in some way, either by filing a brief or, after reviewing the cases, waiving its right to do so. Additionally, the Supreme Court formally requests the Solicitor General to express the views of the United States on whether the Court should grant certiorari in a case in which the United States is not a party. The number of cases in which the Solicitor General petitions the Supreme Court for review, acquiesces in a petition for a writ of certiorari filed by an adverse party, or participates as an *intervenor* or as amicus curiae is governed exclusively by the Solicitor General's determination that it is in the best interest of the United States to take such action. Further, such activity may vary widely from year to year, which limits the Office's ability to plants workload.

The Office of the Solicitor General does not initiate any programs, but it is required to handle all appropriate Supreme Court cases and requests for appeal, amicus, or intervention authorization.

<u>Internal Challenges.</u> Prior Fiscal Year performance measures indicate a gradual increase in the number of cases the Solicitor General either participated in and/or responded to. The arrival of cases related to the challenges discussed above further predicts an ever increasing caseload.

6. Environmental Accountability

OSG has incorporated green purchasing and recycling into its core business processes and continues to look for new and creative ways to integrate environmental accountability into its day-to-day decision making and long-term planning processes.

II. Summary of Program Changes

N/A

III. Appropriations Language and Analysis of Appropriations Language

N/A

IV. Program Activity Justification

A. Federal Appellate Activity

| Federal Appellate Activity | Perm. Pos. | FTE | Amount |
|---|------------|----------|--------|
| 2014 Enacted | 50 | 55 | 11,198 |
| 2015 President's Budget | 51 | 56 | 11,678 |
| Adjustments to Base and Technical Adjustments | 4 | | 207 |
| 2016 Current Services | 55 | 56 | 11,885 |
| 2016 Program Increases | | | |
| 2016 Request | 55 | 56 | 11,885 |
| Total Change 2015-2016 | 4 | 建 | 207 |

1. Program Description

The major function of the Solicitor General's Office is to supervise the handling of government litigation in the Supreme Court of the United States and in Federal appellate courts, to determine whether an amicus curiae brief will be filed by the government, and to approve intervention by the United States to defend the constitutionality of Acts of Congress.

This Office does not initiate any programs, have control of the Supreme Court litigation it is required to conduct, or determine the number of appeal and amicus authorizations it handles. Amicus filings often involve important constitutional or Federal statutory questions that will fundamentally affect the administration and enforcement of major Federal programs. Examples in recent Terms include cases presenting significant issues of criminal procedure (affecting the government's ability to succeed in prosecutions), as well as important issues under the civil rights laws (such as the Voting Rights Act and the Americans with Disabilities Act), the environmental laws (such as the Clean Water Act), and many others.

The following table provides a fiscal year snapshot of matters pending at the beginning of the Term of the Supreme Court, additional matters received, completed appellate determinations, certiorari determinations, miscellaneous recommendations, and oral arguments before the Supreme Court.

| FY | Supreme Court Term | Matters Pending | Addl. Matters Received | Appellate Determinations | Certiorari Determinations | Miscellaneous Recommendations | Oral Arguments |
|----|--------------------------|--------------------|------------------------------|-----------------------------|------------------------------|----------------------------------|-------------------|
| 13 | 2012 | 384 | 3,668 | 563 | 714 | 525 | 66 |
| 12 | 2011 | 458 | 3,728 | 614 | 686 | 553 | 58 |
| 11 | 2010 | 520 | 3,528 | 685 | 892 | 722 | 57 |
| 10 | 2009 | 517 | 3,959 | 667 | 94 | 628 | 57 |

The figures on determinations and recommendations provided in this document do not directly correspond with the figures provided on the Office's Workload Measurement Tables. Our Workload Measurement Tables track our workload by case; these figures track our workload by determination. Often, the Office of the Solicitor General will receive a request for authorization that includes more than one potential outcome: for example, the Solicitor General may receive a

request for authorization for rehearing en banc, or, in the alternative, for a petition for a writ of certiorari. In that case, the Solicitor General may make two determinations; (1) no rehearing and (2) no certiorari. Our Workload Measurement Tables reflect that as a single request; here, we have provided a separate accounting for each determination. Additionally, the figures provided in this document under "miscellaneous requests" include requests for authorization of settlement, for stays, and for mandamus, while the figures on the Performance Measurement Tables do not include such requests.

The figure for oral argument participation reflects the number of oral arguments the Office presented to the Supreme Court as a party, *amicus curiae*, or intervener; it does not reflect the total number of underlying cases for each of those arguments.

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PERFORMANCE AND RESOURCES TABLE

| Decision Uni | Decision Unit: Office of the Solicitor General | | | | | | | | | |
|---------------------------------------|--|---------|--------|-----------|-------|-----------|--------------------------------------|---|---------|-------------------|
| RESOURCES | 10 | Target | at | lemay | Proje | Projected | Cha | Changes | Request | Requested (Total) |
| | | FY 2014 | 4 | FYZUI | FY 2 | FY 2015 | Current Adjustme 2016 P Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE | Total Costs and FTE | 77.5 | \$000 | FFE \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| are bracketed a | are bracketed and not included in the total) | 55 | 11,198 | 47 # (D24 | 95 | 11,678 | | 207 | 56 | 11,885 |
| TYPE/ STRATEGIC OBJECTIVE | PERFORMANCE | FY 2014 | 4 | FY2014 | FY 3 | FY 2016 | Current Adjustme 2016 P Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | FTE | \$000 | FTE SOOO | FTE | \$000 | FTE | \$600 | FTE | \$000 |
| Program Activity | Strategic Objective 2.6: Protect the federal fisc-and defend the interests of the United States. | 55 | 11,198 | 47 11,024 | 99 | 11,678 | | 207 | 56 | 11,885 |
| Performance Measure: Output | Cases in which the Solicitor General Participated | | 3246 | 3341 | | 3231 | | | | 3231 |
| Performance Measure: Efficiency | Requests to which the Solicitor General Responded | | 1487 | 1495 | | 1442 | | | | 1442 |
| Performance Measure: Outcome | | | | | | | | | | |

ail Terms or Explanations for Indicators:

Footnote 2. Includes requests for authorizations as well as recommendations against appeal, intervention, or participation amicus curiae. This category does not include miscellancous requests, such as requests Footnote 1: Because the work of the Office is primarily governed by the Supreme Court's schedule, the Office tracks is workload by Supreme Court Term. Fiscal years roughly correspond to Supreme Court Terns, which run from July of the Term year through June of the next year. Reference to freed years in this document will reflect information for the applicable Supreme Court Term. Accordingly, FY 2014 corresponds with the 2013 Supreme Court Term, FY 2013 corresponds with the 2012 Supreme Court Term, and so on. The Office of the Solicitor General handles Supreme Court matters on an ongoing basis. As a result, some matters will overlap from one fiscal year to the next, and they are included in the data for the term in which they most appropriately fit. for authorization of settlement, for stays, for mandamus, etc.

B. Data Validation and Verification.

The Office of the Solicitor General handles all aspects of the law-not just civil matters. The Office uses the Automated Docket System (ADS) to track the matters handled by its attorneys. Data are keyed by the Management System Supervisor distributes sabaited reports on all Office matters to each attorney in the Office. The attorneys then review the reports to ensure accurate tracking of the matters for which they Case Management staff. For Supreme Court matters, all data are verified by the Supervisor or her Assistant, and checked against Supreme Court Records. The Case Management System Supervisor executes daily statistical reports to ensure accurate tracking of both Supreme Court matters and requests for authorization to appeal, intervene, or participate as amicus curiae. Additionally, once a week the Case

ssues Affecting OSG's Program Performance.

Solicitor General petitions the Supreme Court for review, acquiseces in a petition for a writ of certionari filed by an adverse party, or participates as an intervenor or as amicus curiae is governed exclusively by the Solicitor General's determination that it is in the best interests of the United States to do so. Thus, the Solicitor General participates in 100% of the cases in which the United States is required to participate. The Office of the Solicitor General does not initiate any programs or have control over the number of Supreme Court cases it is required to handle or the number of requests for appeal, amious, or intervention authorizations it receives. In the wast majority of eases filed in the Supreme Court in which the United States is a party, a petition is filed by an adverse party and the United States is obliged to respond. Additionally, the Office does not control the number of cases in which the Supreme Court formally requests the Solicitor General to express the views of the United States. The number of cases in which the as well as 100% of the cases in which the Solicitor General has determined that the interests of the United States require participation.

| Performance Report and Performance Plan Targets . | FY 2010 | | | | | | | |
|---|---------|-----------------|---------|---------|-------------|-------------------|-------------------|--|
| - | | FY 2010 FY 2011 | FY 2012 | FY 2013 | FY: | FY 2014 | FY 2015 | FY 2016 |
| Jonott | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| Participated | 3,915 | 3,517 | 3,566 | 3,246 | 3,246 | | 3,750 | 3,750 |
| Requests to which the Solicitor General responded | 2,004 | 2,600 | 2,567 | 1,487 | 1,487 | | 1,821 | 1,821 |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| 1 1 1 1 | | 2,004 | | 2,600 | 2,600 2,567 | 2,600 2,567 1,487 | 2,600 2,567 1,487 | 2,600 2,867 1,487 1,487 (1,487 |

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2. Performance, Resources, and Strategies

The Office of the Solicitor General's only decision unit—Federal Appellate Activity—contributes to the Department's Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. The decision unit's total resources fall under the Department's Strategic Objective 2.6 – Protect the federal fisc and defend the interests of the United States.

a. Performance Plan and Report for Outcomes

Because the work of the Office is primarily governed by the Supreme Court's schedule, the Office tracks its workload by Supreme Court Term. Fiscal years roughly correspond to Supreme Court Terms, which run from July of the Term year through June of the next year.

The first performance measure reflects "cases in which the Solicitor General participated" During the 2013 (FY 2014) Supreme Court Term, the Solicitor General participated in cases and it is anticipated OSG will meet its target of cases in the 2014 (FY 2015) Term.

The second performance measure reflects "Requests for determinations regarding appeal, certiorari, or other matters to which the Solicitor General responded" During the 2013 (FY 2014) Supreme Court Term, the office responded to requests. It is anticipated OSG will meet its target of cases within the allotted reporting period.

The Office of the Solicitor General does not initiate any programs, have control over the number of Supreme Court cases it is required to handle, or determine the number of requests for appeal, amicus, or intervention authorizations it receives. In the vast majority of cases filed in the Supreme Court in which the United States is a party, a petition is filed by an adverse party and the United States is obliged to respond in some way, either by filing a brief or (after review of the case) waiving the right to do so. Additionally, the Office does not control the number of cases in which the Supreme Court formally requests the Solicitor General to express the views of the United States. Thus, performance measures may vary widely from year to year which increases the likelihood that OSG's actual measures will also vary widely from projected goals. The number of cases in which the Solicitor General petitions the Supreme Court for review, acquiesces in a petition for a writ of certiorari filed by an adverse party, or participates as an intervenor or as amicus curiae is governed exclusively by the Solicitor General's determination that it is in the best interests of the United States to take such action.

b. Strategies to Accomplish Outcomes

To fulfill the Office of the Solicitor General's critical mission of representing the interests of the United States in the Supreme Court, the Office will devote all resources necessary to prevail in the Supreme Court. For FY 2016, OSG is requesting base funding of 55 positions, 56 FTE, and \$11,885,000 to accomplish its goals.

OSG has experienced an increase in several Court related activities. In addition, the OSG has faced a set of new expectations, and has been called upon to assume added responsibilities. OSG attorneys have briefed and argued particularly difficult and technical civil and civil rights cases in the 2012-2013 term. Major cases have included Fisher v. University of Texas, on affirmative action; Shelby County v. Holder, on the constitutionality of Section 5 of the Voting Rights Act:

Hollingsworth v. Perry, on whether the Equal Protection Clause prohibits California from defining marriage as the union of a man and a woman; United States v. Windsor, on the constitutionality of the Defense of Marriage Act; and Association for Molecular Pathology v. Myriad Genetics, Inc., which asks whether human genes are patentable.

In the 2013-2014 term, difficult constitutional and statutory issues predominate in the major cases that OSG has been asked to handle. Included are major criminal cases such as *United States v. Wurie*, which asks whether the Fourth Amendment permits the police, without obtaining a warrant, to review the call log of a cell phone found on a person who has been lawfully arrested; cases involving constitutional limitations on federal authority such as *Bond v. United States*, which presents the question whether the Chemical Weapons Convention Implementation Act is a valid exercise of Congress's commerce and treaty powers; major environmental cases such as *Utility Air Regulatory Group v. EPA*, which challenges EPA's regulation of certain greenhouse gas emissions under the Clean Air Act; and other cases of note such as *McCutcheon v. Federal Election Commission*, which tests whether statutory limits on contributions to noncandidate national party committees are constitutional. Finally, the government's response to terrorism and economic distress will continue to place new demands on OSG, which it stands ready to meet.

c. Priority Goals

OSG's general goals for FY 2015 are as follows:

- · Representing the interests of the United States in the Supreme Court.
- Devoting all resources necessary to prevail in the Supreme Court.

V. Program Increases by Item: N/A

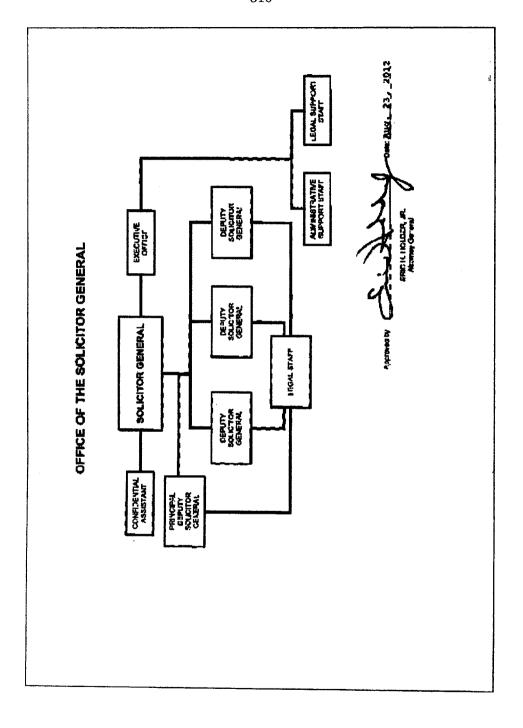


Exhibit B - Summary of Requirements

Summary of Requirements

B. St. . iary of Requirements

Office of the Solicitor General Salaries and Expenses (Dollars in Thousands)

| | | FY 2016 Request | |
|--------------------------------------|-------------|--------------------------|--------|
| | Direct Pos. | Direct Pos. Estimate FTE | Amount |
| 2014 Enacted ^{//} | 50 | 47 | 11,198 |
| Total 2014 Enacted | 90 | 47 | 11,198 |
| 2015 Enacted | 51 | 56 | 11,678 |
| Base Adiustments | | | |
| Pay and Benefits | 4 | - | 154 |
| Domestic Rent and Facilities | _ | 0 | 53 |
| Total Base Adjustments | 4 | 0 | 207 |
| Total Technical and Base Adjustments | 4 | 0 | 207 |
| 2016 Current Services | 55 | 26 | 11,885 |
| 2016 Total Request | 55 | 56 | 11,885 |
| 2015 - 2016 Total Change | 4 | 0 | 207 |

FY 2014 FTE is actual "

Exhibit B - Sun of Requirements

Summary of Requirements Office of the Solictior General Salaries and Expenses (Dollars in Thousands)

B. Summary of Requirements

| Program Activity | FY 2 | FY 2014 Appropriation | priation | ľ | FY 2015 Enacted | cted | FY 201 | 3 Technica | FY 2016 Technical and Base | | 16 Curren | FY 2016 Current Services |
|------------------------------|--------|-----------------------|----------|--------|-----------------------|--------|--------|-------------|----------------------------|--------|-----------------|--------------------------|
| | | Enacted | | | | | | Adjustments | nts | | | |
| | Direct | Direct Actual | Amount | Direct | Direct Est FTE Amount | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | FTE | | Pos. | | | Pos. | | | Pos. | | |
| Federal Appellate Activity | 20 | 47 | 11,198 | 51 | 95 | 11,678 | 4 | 0 | 207 | 55 | 99 | 11,885 |
| Total Direct | 99 | 47 | 11,198 | 51 | 99 | 11,678 | 4 | 0 | 207 | 55 | 56 | 11,885 |
| Balance Rescission | | | 0 | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 11,198 | | | 11,678 | | | 207 | | | 11,885 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 47 | | | 56 | | | ٥ | | | 26 | |
| | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | O | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 47 | | | 26 | | | • | | | 28 | |
| | | | | | | | | | | | | |

| Program Activity | | 2016 increases | ases | | 2016 Offsets | tets | | 2016 Request | lest |
|------------------------------|--------|-----------------|--------|--------|--------------|------------------------|--------|-----------------|--------|
| | Direct | Direct Est. FTE | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | | | Pos. | | | Pos. | | |
| Federal Appellate Activity | 0 | 0 | 0 | 0 | 0 | 0 | 55 | 99 | 11,885 |
| Total Direct | 0 | 0 | 0 | 0 | 0 | 0 | 55 | 56 | 11,885 |
| Balance Rescission | | | o | | | 0 | | | 0 |
| Total Direct with Rescission | | | 0 | | | O | | | 11,885 |
| Reimbursable FTE | | 0 | | | O | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 99 | |
| | | | | | | | | | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 0 | | | 0 | | | 99 | |

FY 2016 Program Increases/Offsets by Decision Unit Office of the Solicitor General Stations and Expenses (Total Trousmits)

| Program increases | Location of | | Federal Appellate Activity | pellate Ac | | | Total | Increases | |
|-------------------------|--|----------------|----------------------------|------------|--------|---------------|------------|---------------------------------------|--------|
| | Description by Direct Agt./Atty. Est. FTE Amount | Direct | Agt./Atty. | Est. FTE | Amount | Direct | Agt/Atty. | Direct Agt./Atty, Est. FTE | Amount |
| No Program Increase | Program Activity | P08 | | | | P.08. | | | |
| Total Program Increases | | | | | | | | | |
| | | | | | | | | | |
| Program Offsets | Location of | 4 | Federal Appellate Activity | pellate Ac | thylty | | Tota | Total Offsets | |
| | Description by Direct Agt./Atty. Est. FTE Amount Program Activity Pos. | Direct Pos. | Agt./Atty. | Est. FTE | Amount | Direct Pos | Agt./Atty. | Direct Agt/Atty, Est. FTE Amount Pos. | Amount |
| No Program Offsets | | | | | | | | | |

D. Resources by DOJ Stragetic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal and Objective Office of the Solidur General States and Expense (Collers in Thousands)

| Strategic Goal and Strategic Objective | 2 | FY 2014 | FY 201 | 5 Enacted | FY 201 | FY 2015 Enacted FY 2016 Current FY 2016 Increases FY 2016 Offsets | FY 2016 | Increases | FY 201 | 6 Offsets | | FY 2016 Total | |
|---|--------------------|------------------|-------------------|------------------|-------------------|---|-------------------|-----------|-------------------|-----------|-------------------|---------------|---|
| | Appro | ppriation | | | | | | | | | | | _ |
| | ញ | acted | | | 8 | Services | | | | | * | Request | _ |
| | Direct & Retimb | Direct Amount | Direct & Reimb | Direct Amount | Direct & Reimb | Direct Amount | Direct & Relmb | Direct | Direct & Relmb | Direct | Direct & Reimb | Direct | |
| Goal 2 Prevent orline, protect the rights of the American people, | | | , | | | | - | Т | 2 | 1 | | 1 | |
| and enforce federal law | _ | | | | _ | | _ | | | | | | |
| 2.6 Protect the federal fisc and defend the interests of the United | 4 | 11,198 | 56 | 11,678 | 28 | 11,885 | ~ | 6 | 0 | 0 | 58 | 11.885 | _ |
| States | _ | | _ | | | | | _ | _ | | | | |
| Subtotal, Goal 2 | 47 | 11,198 | 8 | 11,678 | 8 | 11,885 | - | • | - | • | 56 | 11,885 | _ |
| TOTAL | 4 | 11,198 | 26 | 11,678 | 98 | 11.885 | 0 | 0 | ٥ | | 25 | 44 RBS | _ |

Justifications for Technical and Base Adjustments

Office of the Solicitor General Salaries and Expenses (Dollars in Thousands)

| 15¢ | • | 4 | Subtotal, Pay and Benefits |
|--------|-----------------|--------|---|
| 4 | 0 | 0 | 6 <u>Retirement</u> Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 0.8 percent per year, for both LEO and Non-LEO, based on the past 5 years of DOJ retirement data. The requested increase of \$4,000 is necessary to meet our increased retirement obligations as a result of this conversion. |
| | 0 0 | 4 0 | 5 <u>Position/FTE Adjustment</u> Position/FTE Adjustment 8 <u>Retirement</u> |
| 26 | 0 | 0 | 4 FERS Rate Increase FERS Rate Increase |
| 53 | 0 | 0 | 3 <u>Changes in Compensable Days</u> The increased cost for one compensable day in FY 2016 compared to FY 2015 is calculated by dividing the FY 2015 estimated personnel compensation \$6,219,000 and applicable benefits \$1,175,000 by 261 compensable days. |
| 8 | Ö | 0 | 2 <u>Annualization of 2015 Pay Raise</u> This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase of 1hs pay annualization represents first quarter amounts. The amount requested \$18,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$13,000 for pay and \$5,000 for benefits). |
| | | , | This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount request, \$77,000 represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$55,000 for pay and \$22,000 for benefits.) |
| 11 | 0 | 0 | 1 2016 Pay Raise - 1.3% |
| | | | Pay and Benefits |
| | FTE | Pos. | |
| Amount | Direct Estimate | Direct | |

Exhibit E. Justifications for Technical and Base Adjustments

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Office of the Solicitor General Salaries and Expenses (Dollars in Thousands)

| | 51 | , | N | 53 | 207 |
|------|---|---|---|--|---|
| | | | | | |
| FTE | 6 | | 0 | 0 | 0 |
| Pos. | 0 | | 0 | 0 | 4 |
| | Domestic Rent and Facilities 1 GSA Rent | GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$51,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective FY 2016 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. | 2 <u>Guard Service</u> Guard Service | Subtotal, Domestic Rent and Facilities | TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS |

k of 2014 Availability

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Crosswalk of 2014 Availability
Office of the Solicitor General

Salaries and Expenses
(Dollars in Thousands)

Amount FY 2014 Availability Direct Est. FTE S S Recoveries/ Refunds Amount Carryover Amount FY 2014 Appropriation Enacted Reprogramming/Transfers Amount Direct Est. FTE Pos. 11,198 11.198 Amount Direct Est. FTE Pos. 47 S 28 Total Direct and Reimb. FTE Federal Appellate Activity Total Direct with Rescission Reimbursable FTE Program Activity Grand Total, FTE Balance Rescission LEAP FTE Overtime Other FTE: otal Direct

Reprogramming/Transfers:

Carryover:

Recoverles/Refunds:

Exhibit G. Cros nf 2015 Availability

Crosswalk of 2015 Availability Office of the Solicitor General Salaries and Expenses (Dollars in Thousands)

G. Crosswalk of 2015 Availability

| | | | - | , | | | | | | | |
|------------------------------|--------|-----------------|--------|--------|----------|------------------------|--|------------|--------|----------------------|---------|
| Program Activity | | FY 2015 Enacted | acted | Repro | gramming | Transfers | Reprogramming/Transfers Carryover Rescission | Rescission | Σ | FY 2015 Availability | ability |
| | Direct | Direct Est. FTE | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Amount | Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | | | Pos. | | | | | Pos. | | |
| Federal Appellate Activity | 51 | 56 | 11,678 | 0 | 0 | 0 | 0 | 0 | 51 | 56 | 11,678 |
| Total Direct | 51 | 26 | 11,678 | 0 | 0 | 0 | 0 | 0 | 51 | 99 | 11,678 |
| Balance Rescission | | | 0 | | | 0 | 0 | 0 | | | 0 |
| Total Direct with Rescission | | | 11,678 | | | 0 | 0 | 0 | | | 11,678 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb. FTE | | 56 | | | 0 | | | | | 28 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | | Б | |
| Grand Total, FTE | | 56 | | | ō | | | | | 92 | |
| | | | | | | | | | | | |

Reprogramming/Transfers:

Carryover:

Recovertes/Refunds:

/ of Reimbursable Resources

Summary of Reimbursable Resources Office of the Solicitor General

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| 8 5 5 | Salaries | |
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| Collections by Source | | 2014 Actual | uai | | 2016 Estimate | nate | L | 2016 Reguest | Jest | | Increase/Decrease | maga |
|---------------------------------|--------|---------------|--------|--------|---------------|---|--------|--------------|----------------------|--------|-------------------|--------|
| | Relmb. | Relmb. Reimb. | Amount | Reimb. | Reimb. | Amount | Relmb. | Reimb. | nount | Reim | Reimb | Amount |
| | Pos | 핃 | | Pos | FIE | | Pos | 11 | | o d | ii. | |
| None | | | | | | | | | | | 1 | C |
| Budgetary Resources | | | | | | | | | | 0 | | 0 |
| | | | | | | | | | | | | |
| Obligations by Program Activity | | 2014Actual | jer | | 2015 Estimate | nate | | 2016 Request | Jest | ١ | Increase/Decrease | rease |
| | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Relmb. Reimb. Amount Reimb. Reimb. Amount Reimb. Reimb. | Reimb. | Reimb. | Amount Reimb. Reimb. | Reimb. | Reimb. | Amount |
| | Pos | 빞 | | Pos. | H | | Pos | <u> </u> | | Pos | Į. | |
| Federal Appellate Activity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | c | C | C | - | C |
| Budgetary Resources | • | 0 | 0 | 0 | 0 | 0 | 0 | - | | 0 | 6 | 1 |
| | | | | | | | | ī | • | • | , | ; |

Detail of Permanent Positions by Category Office of the Solicitor General Salaries and Expenses (Dollars in Thousands)

| Catagory | FY 2014 Ap | FY 2014 Appropriation | FY 2015 C | FY 2015 Continuing | | 4 | FY 2016 Request | 1 | |
|--|-------------|---------------------------|-------------|--------------------|------|-----------|-----------------|---|-----------------------------|
| | Enacted w | Enacted with Balance | | | | | • | | |
| | Resci | Rescissions | Reso | Resolution | | | | | |
| | Direct Pos. | Direct Pos. Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Direct Total Reimb. |
| | | | | | | Increases | Offsets | Pos, | Pos. |
| Clerical and Office Services (0300-0399) | 14 | 6 | 12 | 0 | 9 | 0 | 0 | 15 | |
| Accounting and Budget (500-599) | 1 | 0 | - | 0 | 0 | 0 | 0 | _ | |
| Paralegals / Other Law (900-998) | 10 | 6 | 11 | 5 | 0 | 0 | 0 | ======================================= | J |
| Attorneys (905) | 22 | 6 | EZ. | 0 | 0 | o | 0 | 23 | |
| Information & Arts (1000-1099) | 2 | 0 | 6 | 0 | _ | 0 | 0 | 4 | |
| Information Technology Mgmt (2210-2299) | - | 0 | 7 | 0 | 0 | 0 | 0 | _ | _ |
| Total | 90 | 0 | 51 | 0 | 4 | 0 | 0 | 55 | |
| Headquarters Washington D.C. | 99 | 0 | 51 | 0 | 4 | 0 | 0 | 99 | |
| US Fields | • | 0 | 5 | 6 | 0 | 0 | 0 | 6 | |
| Foreign Field | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 3 |
| Total | 90 | 0 | 51 | _ | 4 | 0 | - | 22 | |

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| | oue Program Counges | eagures m |
|---------------------------------------|---------------------|-----------|
| | Direct Post | Amount |
| No grades | | |
| Total Positions and Amusi Amount | • | |
| (-) escer) | | |
| 11.5 - Other personnel compensation | | |
| Total FTEs and Personnel Compansation | 0 | |
| No BOCs | | |
| Total Program Change Requests | 0 | |

Financia Analyse or Processing States of the States and Coders in the

K. Summary of Requirements by Object Crass

Summary of Requirements by Object Class
Office of the Solicitor General
Salaries and Expenses
(Collars in Thousands)

| Object Class | FY 20 | FY 2014 Actual | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Request | Increas | ncrease/Decrease |
|---|----------|----------------|--------|-----------------|--------|-----------------|---------|------------------|
| | Act. FTE | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | | | FTE | | FTE | | ᆵ | |
| 11.1 - Full-time permanent | 39 | 4,589 | 45 | 4,812 | 51 | 5,592 | 9 | 780 |
| 11.3 - Other than full-time permanent | 80 | 883 | = | 1,127 | S | 202 | φ | -620 |
| 11.5 - Other personnel compensation | 0 | 124 | 0 | 208 | 0 | 140 | 0 | 89- |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 - Special personal services payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 47 | 969'9 | 56 | 6,147 | 99 | 6,239 | 0 | 92 |
| Other Object Classes | | | | , | | i | | i |
| 12.1 - Civilian personnel benefits | | 1,558 | | 1,663 | | 1,736 | 0 | 73 |
| 21.0 - Travel and transportation of persons | | 13 | | 25 | | 25 | 0 | 0 |
| 22.0 - Transportation of things | | 115 | | 119 | | 123 | 0 | 4 |
| 23.1 - Rental payments to GSA | | 1,342 | | 1,342 | • | 1,848 | 0 | 506 |
| 23.2 - Rental payments to others | | 86 | | 66 | | 100 | 0 | - |
| 23.3 - Communications, utilities, and miscellaneous charges | | 132 | | 137 | | 142 | 0 | υ |
| 24.0 - Printing and reproduction | | 220 | | 228 | | 236 | 0 | 80 |
| 25.1 - Advisory and assistance services | | 205 | | 212 | | 219 | 0 | 7 |
| 25.2 - Other services from non-federal sources | | 981 | | 086 | | 476 | ō | -504 |
| 25.3 - Other goods and services from federal sources | | 404 | | 418 | | 433 | 0 | 15 |
| 25.6 - Medical care | | ø | | 9 | | 2 | 0 | - |
| 25.7 - Operation and maintenance of equipment | | 31 | | 32 | | 33 | 0 | _ |
| 26.0 - Supplies and materials | | 86 | | 120 | | 120 | 0 | 0 |
| 31.0 - Equipment | | 227 | | 150 | | 150 | 0 | 0 |
| Total Obligations | | 11,024 | | 11,678 | | 11,885 | 0 | 207 |
| Subtract - Unobligated Balance, Start-of-Year | | 0 | | 0 | | 0 | 0 | 0 |
| Subtract - Transfers/Reprogramming | | 0 | | 0 | | 0 | 0 | 0 |
| Subtract - Recoveries/Refunds | | 0 | | 0 | | 0 | Ö | 0 |
| Add - Unobligated End-of-Year, Available | | 0 | | 0 | | 0 | 0 | Ö |
| Add - Unobligated End-of-Year, Expiring | | 174 | | O | | 0 | 0 | 0 |
| Total Direct Requirements | 0 | 11,198 | 0 | 11,678 | 0 | 11,885 | 0 | 207 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 0 | | 0 | | 0 | | 0 | 0 |

Tax Division United States Department of Justice

FY 2016 President's Budget Request



I. Overview

A. Introduction

The Tax Division has one purpose: to enforce the nation's tax laws fully, fairly, and consistently through both criminal and civil litigation. To accomplish this, the Tax Division requests a total of 639 permanent positions (377 attorneys), 534 full-time equivalent (FTE) work years and \$113,078,000 for FY 2016.

The United States engages with all Americans through our tax system. We ask our citizens, residents, and those who earn income in this country to report their confidential financial information annually and to self-assess and pay their tax liabilities. These tax collections then fund government services, from national defense to national parks. The United States, therefore, has an obligation to ensure fair and consistent enforcement of our tax laws. We owe each person and business complying with the tax laws a commitment to enforce the laws against those who do not comply. We also owe every taxpayer the assurance that our tax laws will be enforced on a consistent basis throughout the nation. Meeting these obligations is the Tax Division's central mission.

The Tax Division represents the United States in virtually all litigation – civil and criminal, tria and appellate – arising under the internal revenue laws, in all state and federal courts except the United States Tax Court. To assist the Internal Revenue Service (IRS or the Service) in effectively enforcing the tax laws, Tax Division litigators must support the Service's investigations and determinations in ci cases and also prosecute criminal violations of the revenue laws. Tax Division civil litigators enforce the Service's requests for information in ongoing examinations, and collect and defend tax assessment when the Service's examinations are complete. The Civil sections of the Tax Division have, on averagenearly 6,600 civil cases in process annually. In any given year, the Tax Division's civil appellate attorneys handle about 700 civil appeals, about half of which are from decisions of the Tax Court, who IRS attorneys represent the Commissioner. To help achieve uniformity in nationwide standards for criminal tax prosecutions, the Tax Division's criminal prosecutors authorize almost all grand jury investigations and prosecutions involving violations of the internal revenue laws. Alone or in conjunction with Assistant United States Attorneys, Tax Division prosecutors investigate and prosecut these crimes. The Division authorizes between 1,300 and 1,800 criminal tax investigations annually.

The Tax Division's litigation activities are an indispensable part of our Nation's tax system. T Division contributes to tax enforcement in many ways: by the immediate and long-term financial impa of its cases; by the salutary effect our civil and criminal litigation has on voluntary compliance with th tax laws; by ensuring fair and uniform enforcement of the tax laws; by defending IRS employees again charges arising from the conduct of their official duties; and by lending the financial-crimes expertise our tax prosecutors to the enforcement of other laws with financial aspects.

Financial Impact: Immediate as well as Long-Term. The Division's work has an immediate
financial impact on the Federal Treasury. From FY 20010 - FY 2014, the Tax Division's
investment in attorneys has yielded a 12:1 payoff for the Federal Treasury. That is, taking into
account the tax dollars collected and the tax refunds not paid as a result of our tax litigation, the
Division's trial attorneys have returned \$12 for each dollar invested

Return on Investment for Tax Division Attorneys

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|------------------|-------------------|--------------|--------------|--------------|
| Collections in millions | \$566 | \$112 | \$292 | \$235 | \$112 |
| Refund Suit Savings in millions* | \$174 | \$440 | \$1,139 | \$977 | \$253 |
| Total in millions | \$1,280 | \$552 | \$1,431 | \$1,212 | \$365 |
| Attomey FTE | 394 | 389 | 373 | 356 | .930 |
| Dollars collected, refunds saved per attomey FTE | \$ 3,248,731 | \$ 1,419,023 | \$ 3,836,461 | \$ 3,404,494 | \$ 1,105,061 |
| Modular cost per attorney FTE | \$ 199,639 | \$ 199,639 | \$ 224,000 | \$ 224,000 | \$ 224,000 |
| Return on Investment per Attorney FTE | 16:1 | | | | |
| 5 year Average | 12:1 | | | | |
| 4 year Average | 14;1 | 11:1 | | | |
| *Includes only amounts involved in litiga | tion completed d | uring each fiscal | year | | |

Yet, significant as these dollars are, they pale in comparison to the long-term financial impact of the Division's work. The Division is currently defending refund suits that collectively involve over \$8.9 billion dollars. This amount measures only the amount involved in the lawsuits themselves. It does not include the amounts at issue with the same taxpayers for other years or the amounts at issue with other taxpayers who will be bound by the outcome of the litigation. Decisions in the Division's cases may reduce the need for future administrative and judicial tax proceedings, by creating binding precedents that settle questions of law that govern millions of taxpayers. Moreover, millions more dollars are saved each year because the Division successfully defends the Government against many other tax-related suits brought by taxpayers and third parties.

2. Improving Voluntary Compliance. The Tax Division's success rate in its litigation – more than 90% – has an enormous effect on voluntary tax compliance. By law, the IRS cannot make public the fact of an IRS audit, or its result. By contrast, the Tax Division's important tax litigation victories receive wide media coverage, leading to a significant multiplier effect on voluntary compliance. Efforts of the IRS and the Tax Division are having a positive effect on voluntary compliance. According to the most recent survey by the IRS Oversight Board, 86 percent of those

See IRS Data Books 2013, http://www.irs.gov/uac/SOI-Tax-Stats-Data-Book, Table 27.

A widely regarded study concluded that the marginal indirect revenue-to-cost ratio of a criminal conviction is more than 16 to 1. While no comparable study of civil litigation exists, the same research suggests that IRS civil audits — the results of which are not publicly disclosed — have an indirect effect on revenue that is more than 10 times the adjustments proposed in those audits. Alan H. Plumley, *The Determinants of Individual Income Tax Compliance*, pp. 35, 40, Internal Revenue Service Publication 1916 (1996).

³ "The IRS ... found that taxpayers who heard about IRS audit activity via the media [rather than through word of mouth] were less likely to cheat..." Leandra Lederman, *The Interplay Between Norms and Compliance*, 64 Ohio. St. L. J. 1453, 1494-95 (2003), quoting Robert M. Melia, *Is the Pen Mightier than the Audit?*, 34 Tax Notes 1309, 1310 (1987).

surveyed think it is "not at all" acceptable to cheat on taxes.⁴ The public attitude that it is not at all acceptable to cheat on your income taxes increased between 2011 and 2013 from 84 percent to 86 percent, while tolerance for tax cheating dropped from 14 percent to 12 percent. Also, the Commissioner's Offshore Voluntary Disclosure Initiatives, operating alongside the Division's ongoing criminal and civil enforcement actions concerning unreported offshore accounts, have resulted in an unprecedented number of taxpayers – over 40,000 since 2009 – attempting to "return to the fold" by paying back taxes, interest and penalties totaling over \$6 billion dollars. As an integral part of the IRS's enforcement efforts, the Tax Division is partially responsible for the IRS' ability to collect over \$2 trillion in taxes each year.⁵

- 3. Fair and Uniform Enforcement of Tax Law. The Tax Division plays a major role in assuring the public that the tax system is enforced uniformly and fairly. Because the Division independently reviews the merits of each case the Internal Revenue Service requests be brought or defended, it is able to ensure that the Government's litigating positions are consistent with applicable law and policy. An observation about the Division made nearly 70 years ago still rings true today: "[T]he Department of Justice, as the Government's chief law office, is in a position to exercise a more judicial and judicious judgment... With taxes forming a heavy and constant burden it is essential th there be this leavening influence in tax litigation. Next to the constant availability of the courts, the existence of the Division is the greatest mainstay for the voluntary character of our tax system."
- 4. Defending IRS Officials and the United States against Damage Suits. The Tax Division effectively defends IRS agents and officers, and the Government itself, against unmeritorious damage suits. Absent representation of the quality provided by the Division, these suits could cripple or seriously impair effective tax collection and enforcement.
- 5. Expertise in Complex Financial Litigation. The Division's investigations, prosecutions, and civil trials often involve complex financial transactions and large numbers of documents. The Division able to use the unique expertise its attorneys have developed in litigating complex tax cases to assis in other important areas of law enforcement, including:
 - fighting terrorism as part of the Joint Terrorism Task Force, by investigating and prosecuting people and organizations that funnel money to terrorists;
 - combating financial fraud as part of the President's Financial Fraud Enforcement Task Force;
 - reducing drug trafficking as part of the Organized Crime and Drug Enforcement Task Force (OCDETF); and investigating public corruption by working on prosecution teams with attorney from various United States Attorney's Offices and the Department's Criminal Division.

⁴ See IRS Oversight Board 2013 Taxpayer Attitude Survey, February, 2014, http://www.treasury.gov/irsob/reports/Pages/default.aspx.

See Internal Revenue Service Data Book, 2013, Table 1, http://www.irs.gov/uac/SOI-Tax-Stats-IRS-Data-Book.

⁶ Lucius A. Buck, Federal Tax Litigation and the Tax Division of the Department of Justice, 27 Va. L. Rev. 873, 888 (1940).

B. Full Program Costs

The FY 2016 budget request assumes 72% of the Division's budget and expenditures can be attributed to its Civil Tax Litigation and Appeals and 28% percent to Criminal Tax Prosecution and Appeals. This budget request incorporates all costs, including mission costs related to cases and matters, mission costs related to oversight and policy, and overhead.

C. Environmental Accountability

The Tax Division has in place existing policies to incorporate environmental accountability in its day-to-day operations. These include green purchasing policies such as: (i) mandating the purchase of recycled paper products (copier/printer paper, paper towels) and (ii) training and written guidance on green purchasing for those employees responsible for purchasing office supplies. In addition, the Tax Division reduces waste and environmental impact by: (i) setting the default on printers to two-sided printing; (ii) placing recycling bins for paper, glass, aluminum, and plastic in central locations and providing paper recycling containers for individual employee use; (iii) recycling used printer cartridges; (iv) promoting distribution of documents in electronic format only; (v) promoting scanning instead of photocopying; and (vi) recycling Blackberries, cell phones, laptops, computers and computer battery packs. The Tax Division has an environmentally sound destruction method in which sensitive materials that previously were burned are now shredded and recycled.

The Division continues to work to reduce the environmental impact of its buildings. The Division is working with each building's Property Manager as they pursue LEED Certifications for their facilities through the General Services Administration and U.S. Green Building Counsel. On May 25, 2012, the Patrick Henry Building earned a Prestigious "LEED Silver Certification. Tax-occupied space in the Judiciary Center Building has been retrofitted with energy-efficient light fixtures and light bulbs, and motion sensors have replaced light switches throughout the Patrick Henry Building. The Division works with construction and maintenance contractors to use green materials whenever possible.

D. Performance Challenges

The Tax Division faces two serious and immediate challenges to the accomplishment of its mission.

External - Reducing the Tax Gap amid Increasing Globalization

The IRS collects more than \$2.27 trillion annually. More than \$2.21 trillion (or 97% of total collections) results from taxpayers' voluntary compliance with the tax law; the remainder, \$65 billion, comes from enforcement activity. The IRS estimates that the annual tax gap – the difference between taxes owed and taxes paid voluntarily and timely – is more than \$450 billion, an increase of \$105 billion over the last estimate. The new tax gap estimate represents the first full update of the report since the last review in 2007. The IRS Oversight Board cited "Reducing the Tax Gap" as the "most serious problem facing tax administration today." This problem is exacerbated by the vast increase in financial globalization, which has expanded the opportunities for assets and income to be easily hidden offshore.

⁷ IRS Oversight Board, FY 2009 Budget Recommendation, Special Report, March 2008.

Reducing the tax gap will require increased enforcement. The challenge is to narrow that gap a manner that not only collects the revenue due, but also assures the public that enforcement actions a vigorous, fair, and uniform.

Internal – Retaining an Experienced Workforce to Handle Complex Litigation

The Tax Division's workload is directly related to IRS enforcement efforts. Historically, an increase in IRS enforcement activity leads to increased Division workload, with a lag time of about tw years. Moreover, it is expected that the Division's case mix – both civil and criminal – will continue t become increasingly complex, as the IRS focuses its enforcement efforts on offshore issues and on taxpayer populations with more sophisticated tax issues, such as flow-through entities, high-income individuals, and corporations.

It remains a challenge for the Tax Division to recruit, train and retain attorneys who can serve effectively as lead counsel in our most complex cases. The existing caseload, coupled with increased IRS enforcement, will likely lead to an increase in the numbers of these highly complex cases over the next three years.

II. Summary of Program Changes

None

III. Appropriations Language and Analysis of Appropriations Language

The Tax Division is not proposing new appropriations language for the FY 2016 President's Budge

IV. Decision Unit Justification

| Tax Division | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|---------|
| 2014 Enacted | 639 | 534 | 104,470 |
| 2015 Current Services | 639 | 534 | 106,674 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 6,404 |
| 2016 Current Services | 639 | 534 | 113,078 |
| 2016 Program Increases | 0 | 0 | 0 |
| 2016 Program Offsets | 0 | 0 | 0 |
| 2016 Request | 639 | 534 | 113,078 |
| Total Change 2015-2016 | 0 | 0 | 6,404 |

| Tax Division-Information Technology Breakout (of Decision Unit Total) | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|--------|
| 2014 Enacted | 15 | 15 | 6,370 |
| 2015 Current Services | 15 | 15 | 6,405 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 0 |
| 2016 Current Services | 19 | 19 | 6,171 |
| 2016 Program Increases | 0 | 0 | 0 |
| 2016 Program Offsets | 0 | 0 | 0 |
| 2016 Request | 19 | 19 | 6,171 |
| Total Change 2015-2016 | 4 | 4 | (234) |

1. PROGRAM DESCRIPTION

a) CIVIL TAX LITIGATION

The Tax Division is responsible for litigating all matters arising under the internal revenue laws in all state and federal trial courts, except the Tax Court, and in appeals from all trial courts, including the Tax Court. Tax Division trial attorneys *defend* the United States in suits brought against it relating to the tax laws, including tax shelter cases, refund suits, and other suits seeking monetary or other relief. Tax Division trial attorneys also *bring* suits that the IRS has requested, including suits to stop tax scam promoters and preparers; suits to collect unpaid taxes; and suits to allow the IRS to obtain information needed for tax enforcement. Tax Division civil appellate attorneys represent the United States in all appeals from trial court decisions.

Halting the Spread of Tax Shelters

The proliferation of abusive tax shelters is a significant problem confronting our tax system. Abusive tax shelters for large corporations and high-income individuals cost the government billions of dollars annually, according to Treasury Department estimates.

Tax shelter litigation is among the most sophisticated and important litigation handled by the Tax Division. Tax shelters are designed to generate large purported tax benefits using multiple entities and complex financial transactions that lack a real business purpose or any real economic substance. Shelter cases often involve well-disguised transactions and tax-indifferent parties located in other countries, making case development and document discovery difficult and expensive. Successfully defending in federal trial and appellate courts the IRS's disallowance of sham tax benefits is critical to the government's efforts to combat abusive tax shelters. Because tax shelters typically involve enormous sums of money and often attract significant media attention, a coordinated and effective effort is essential to prevent substantial losses to the Treasury and deter future use of such tax shelters by other taxpayers.

The Tax Division plays a critical role in the government's efforts to combat abusive tax shelters. Defense of these cases involves more than a billion dollars in tax revenue, and affects billions more owed by other taxpayers. For example, the United States recently prevailed in another foreign-taxcredit-generator shelter, involving BB&T Corporation's claim for more than \$660 million in tax benefits based on a sham transaction known as Structured Trust Advantaged Repackaged Securities (STARS). Salem Financial, Inc. v. United States (Fed. Cl. 2013). The court ruled that BB&T was not entitled to \$660 million in tax benefits and also imposed \$112 million in penalties. Barclays Bank PLC and KPMG LLP jointly developed and marketed the STARS transaction to subvert the foreign tax credit rules and generate illicit tax benefits to be shared among the transaction's participants. In another significant case, The Dow Chemical Company had engaged in a transaction in which it had claimed approximately \$1 billion in tax deductions that were generated by a partnership known as Chemtech. Chemtech Royalty Assoc. LLP v. United States (M.D. La. 2013). Dow sought to obtain deductions for making royalty payments to itself, and depreciation deductions for a chemical plant that it had already depreciated. In February 2013, the court determined that Dow's transactions lacked economic substance and that the Chemtech partnership should be disregarded because it had no purpose other than to create tax benefits. The court also imposed penalties. The Tax Division also prevailed in thirteen consolidated cases involving "business protection insurance." Salty Brine I, Ltd. v. United States (N.D. Tex. 2013). The court held that the "premiums" paid to purchase business protection insurance did not qualify for deduction as

business expenses and were in fact nothing more than transfers to offshore life insurance companies for estate planning purposes.

In December 2013, in a case involving a COBRA shelter, the Supreme Court reversed an adverse Fifth Circuit decision and held that the 40% gross valuation misstatement penalty is applicable when a transaction is disregarded in its entirety for lack of economic substance. United States v. Woods (Sup. Ct. 2013). The decision addressed a thorny TEFRA jurisdictional issue and held that the Tax Court had jurisdiction to determine the applicability of the 40% penalty in a partnership-level proceeding, distinguishing between the "applicability" determination and the ultimate imposition of the penalty on partners. The Woods decision has favorably impacted several cases pending in various appellate courts including the recent favorable decision by the Fifth Circuit in NPR Investments v. United States. In 1998, attorneys Nix Patterson and Roach sued Big Tobacco and won \$600 million in attorneys' fees, to be paid over a period of time, as well as \$68 million in connection with tobacco litigation in other states. With this money in hand, the partners sought ways to shelter themselves from tax liability, and formed a partnership, NPR Investments, to invest in foreign currency. An audit ultimately found, however, that the investment scheme had virtually no way for the partners to make a profit. Rather, it generated \$65 million in artificial losses for tax-deduction purposes as a "wellrecognized 'abusive' tax shelter." The 5th Circuit found that the partnership and partners must pay penalties for underpaying the Internal Revenue Service through this investment scheme and, pursuant to the Supreme Court's recent decision in Woods, NPR was subject to a 40 percent gross valuation misstatement penalty. The court also determined that the individual partners must pay a "20 percent penalty for the portion of underpayment of tax that is attributable to any substantial understatement of income tax."

Finally, the Tax Division prevailed in two cases involving "sale-in/lease-out" and "lease-in/lease-out" (SILO/LILO) tax shelters: UnionBanCal Corp. & Subsidiaries v. United States (Fed. Cl.) and Consolidated Edison Co. v. United States (Fed. Cir. 2013). In October 2013, the Court of Federal Claims issued a favorable opinion in UnionBanCal concerning a LILO transaction involving a public arena in Anaheim, California. The taxpayer had sought a refund of approximately \$91 million. In Consolidated Edison, the Federal Circuit unanimously reversed the lone trial court decision that had upheld the purported tax benefits of the LILO shelter. In 2008, the United States prevailed in several LILO shelter cases: BB&T v. United States (4th Cir. 2008), Fifth Third Bank v. United States (S.D. Ohio 2008), and AWG Leasing Trust v. United States (N.D. Ohio 2008). After those victories, the IRS announced a settlement initiative, with government-favorable terms, that resolved approximately 80% of the IRS's inventory of SILO/LILO cases. The Division has since continued to win cases involving taxpayers who chose not to settle, including Wells Fargo v. United States (Fed. Cir. 2011), Altria Group v. United States (2d Cir. 2011), and the two Consolidated Edison Co. and UnionBanCal referenced above.

The Tax Division anticipates that tax shelters will continue to be contested in the federal district courts and in the Court of Federal Claims over the next several years.

Shutting Down Tax Scams, Shelter Promoters, and Fraudulent Return Preparers

The Tax Division has a successful injunction program that shuts down tax-fraud promoters and fraudulent tax-return preparers. Some of the cases involve parallel criminal proceedings. These

⁸ Sale-in/lease-out (SILO) and lease-in/lease-out (LILO) transactions involve either a lease or a sale of assets, and then a lease-back of those assets, from a tax-indifferent entity (e.g., a foreign entity or a U.S. non-profit) to a U.S. taxpayer, with no change in the use of the assets, but generating immediate tax benefits for the U.S. taxpayer.

promoters range from tax defiers selling frivolous packages that falsely promise to eliminate customers' income tax entirely, to lawyers and accountants selling sophisticated, complex tax shelters to wealthy business owners. Since the year 2000, the Tax Division has obtained injunctions against more than 500 tax-fraud promoters and unscrupulous tax-return preparers.

In 2013, the Tax Division concluded civil actions resulting in permanent injunctions against ITS Financial LLC, the parent company of the Instant Tax Service franchise located in Dayton, Ohio, and against Instant Tax franchises in Las Vegas, Kansas City, Los Angeles, and Indianapolis. Instant Tax Service claimed to be the fourth-largest tax-preparation firm in the nation. In entering the permanent injunction in November 2013 ordering ITS Financial LLC to cease operating, the court found, "defendants' harm to the public is extensive and egregious, indeed appalling," and "especially so given the nature of Instant Tax Service's core customer - the working poor - who are particularly vulnerable to [the] Defendants' fraudulent practices." United States v. ITS Financial, LLC et al. (S.D.Ohio 2013). Similarly, in September 2013 the Tax Division obtained injunctions that permanently barred the owners as well as a former manager of Mo' Money Taxes, the Memphis-based tax-preparation chain that at one time operated as many as 300 offices in 18 states, from preparing tax returns for others and owning or operating a tax return preparation business. United States v. Granberry et al. (W.D.Tenn. 2013). Earlier, in March 2013 a federal district court in Tennessee permanently shut down a Nashville, Tennessee licensee of Memphis-based Mo' Money Taxes LLC and MoneyCo USA LLC. United States v. Fields et al. (M.D.Tenn. 2013). We have obtained permanent injunctions against more than 60 other return preparers in Indiana, Maryland, Missouri, Texas, Georgia, South Carolina, Florida, and California, who were engaging in fraudulent practices.

The Tax Division also obtained injunctions against a number of fraudulent tax-scheme promoters. For example, in October 2013, a federal court permanently barred Tobias Elsass and his companies from preparing federal tax returns, promoting the availability of theft loss deductions, or engaging in any other tax-related business. *United States v. Elsass, et al.* (S.D.Ohio 2013). The court found that Elsass and Fraud Recovery Group promoted a nationwide scheme falsely informing their customers that they were entitled to claim large theft loss tax deductions, and then preparing the tax returns that improperly claimed such deductions. The court stated "there can be no doubt that the collective transgressions represent concerted and conscious attempts to game the Nation's income tax system not necessarily for the benefit of FRG's customers, but for the profit of Elsass himself." At the Tax Division's urging, federal courts also enjoined a real estate appraiser who allegedly inflated easement values on historic properties to help customers claim millions in improper deductions (*United States v. Ehrmann, et al.*(N.D.Ohio)), and a Chicago lawyer from promoting tax fraud schemes and from preparing various types of tax returns for individuals, estates and trusts, partnerships or corporations to help facilitate the schemes (*United States v. Stern* (N.D.Ill. 2013).

The schemes the Division has enjoined during the past ten years cost the Federal Treasury billions in lost revenues and placed an enormous administrative burden on the IRS. If permitted to continue unchecked, these schemes would undermine public confidence in the integrity of our tax system, and require the IRS to devote substantial resources to detecting, correcting, and collecting the resulting unpaid taxes.

The Tax Division continues to encourage the Internal Revenue Service to attack these schemes at their source, by targeting and investigating the promoters before they attract more customers and require more IRS examination and collection activity. Division employees have helped train hundreds of Internal Revenue Service agents and lawyers about developing injunction and penalty cases against tax scam promoters.

Injunctions to stop pyramiding of federal employment taxes

In addition to shutting down fraudulent return preparers and abusive tax scams, the Tax Division also brings injunction actions to stop employers who are "pyramiding" their federal employment tax liabilities. Employers are responsible for employment taxes, some of which are withheld from the employee's wages and paid over to the government, and others that are the direct obligation of the employer to pay. When employers fail to pay these employment taxes for many quarters, interest and penalties begin to accrue, which can result in "pyramiding" – tax liabilities accruing at a rate that makes it unlikely that the employer will be able to bring its accounts current. The unpaid balance can reach several billion dollars. When the IRS is unable to bring compliance, the Tax Division brings injunction actions to compel employers to pay employment taxes. Such actions help to keep employers on track with their tax obligations, and ensure that taxes withheld from employees' wages make their way to the Treasury and are not diverted for other purposes.

Assisting with IRS Information Collection and Examinations

Individuals or businesses sometimes seek to thwart an IRS investigation by refusing to cooperate with an IRS administrative summons requesting information. When that happens, the IRS asks the Tax Division to bring suit in federal court seeking a court order to compel compliance with the summons. These judicial proceedings afford the government the ability to obtain information, while also providing important procedural and substantive rights to those affected by the summons. The Division anticipates more sensitive and complicated summons matters, including summons cases related to offshore banking activities of U.S. taxpayers, as well as summons requests made by foreign tax authorities pursuant to treaty-based information exchange agreements.

The IRS is increasingly attempting to obtain information about United States persons who maintain undeclared foreign accounts. In 2013 the district court in the Southern District of New York authorized three John Doe summonses aimed at U.S. taxpayers who hold or held interests in offshore financial accounts at Wegelin & Co., the oldest bank in Switzerland, Zurcher Kantonalbank, and The Bank of N.T. Butterfield & Son Limited. In re Tax Liabilities of John Does. (S.D. N.Y. 2013). The Division also obtained an order from district court in the Northern District of California authorizing the IRS to summon information from Canadian Imperial Bank of Commerce FirstCarribean International Bank. In re John Does (CIBC FirstCaribbean International Bank) (N.D. Calif.). These John Doe summonses, and the information they provide, have an immediate and direct effect in bringing taxpayers into compliance who were trying to evade taxation in the United States, as well as assure people who pay their taxes that the government is pursuing those who do not. As one commentator noted, although the Foreign Account Tax Compliance Act (FATCA) is in the news frequently as the cause of global bank transparency, in reality, "bank secrecy was really broken by the John Doe summons."

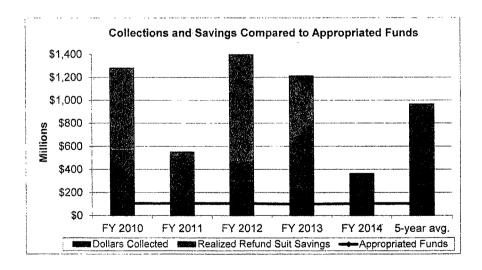
The Tax Division has also obtained authorization from numerous district courts to serve John Doe Summonses on U.S. financial institutions seeking information requested by United States' treaty partners. For example, we filed ten petitions seeking authorization to serve John Doe summonses on nineteen U.S. financial institutions seeking information requested by Norway pursuant to the United States/Norway Convention. In the Matter of the Tax Liabilities of John Doe, Norwegian Taxpayer. The district court also recently denied a petition to quash IRS summonses issued to two banks under a treaty request from India. Kalra v. United States (N.D. Ill.) The Tax Division's assistance in these types of cases is essential to continuing cooperation with our treaty partners in the global effort to combat tax evasion.

The Tax Division's summons enforcement work in the past few years has been very effective. The Division enforced summonses aimed at identifying high-income taxpayers who were "playing the audit lottery." By pursuing John Doe summonses, the Tax Division is able to secure the information needed to conduct proper taxpayer examinations, and to defend IRS exam determinations in court proceedings. The Division's work in the area of summons enforcement is vital to tax compliance.

Collecting Unpaid Taxes

The Tax Division contributes to closing the tax gap through its civil litigation to collect tax debts. The focus and goal of this litigation is to enforce the tax laws and collect taxes that would otherwise go unpaid. Collection suits have a direct and positive effect on the Treasury. The Division typically collects more each year than its entire budget, as illustrated by the following chart. Given that the IRS only refers to the Tax Division tax debts that the IRS has been unable to collect through administrative means, for example, because ownership of assets has been transferred away from the taxpayer through fraudulent conveyances, title is clouded due to the presence of alter-ego or nominee title holders, or assets are subject to competing lien interests that present complex questions at the intersection of state and federal law, the Division's efforts represent a considerable return on investment in collecting the debts owed by the most recalcitrant taxpayers.

In addition to collection cases, the Tax Division also brings affirmative litigation to challenge the discharge of tax debts in bankruptcy proceedings. The bankruptcy laws provide exceptions to discharge where a fraudulent return has been made or where a taxpayer has acted to evade or defeat the assessment or collection of tax. Where acts of fraud or evasion are present, the Division works to ensure that unscrupulous taxpayers will not be allowed to avoid their tax obligations through bankruptcy filings.



While the direct return alone is impressive, the Division's collection litigation also brings substantial indirect benefits. It assures honest taxpayers that those who engage in illegal activity will suffer consequences, and boosts voluntary compliance by providing a deterrent to potential scofflaws.

Defending the United States

Tax cases filed <u>against</u> the United States comprise nearly 70% of the Division's caseload, both in the number of cases and the number of attorney work hours each year. The Tax Division has no choice but to defend these lawsuits, which include requests for refund of taxes, challenges to final partnership administrative adjustments (FPAAs) issued by the IRS, challenges to federal tax liens, petitions to quash summonses, objections to tax claims in bankruptcy, claims of unauthorized disclosure, and allegations of wrongdoing by IRS agents. The Division's representation of the government saves the Treasury hundreds of millions of dollars annually by retaining money that taxpayers seek to have refunded and by ensuring that spurious damages claims are denied. As of September 30, 2013, the Division was defending tax refund cases worth approximately \$9.5 billion to the Federal Treasury.

Many of these refund suits, like the sophisticated tax shelter cases described earlier, involve issues that affect many taxpayers and involve large sums. For example, the Tax Division prevailed in a case involving a utilities' attempt to accelerate \$1.7 billion in cost basis and other deductions based on future decommissioning cost liabilities. *AmerGen v. United States* (Fed. Cl.). AmerGen purchased three plants in 1999 and 2000, and assumed the liability for decommissioning them in the future according to Nuclear Regulatory Commission rules. (NRC allows up to 60 years for decommissioning.) AmerGen estimated the cost to meet that liability to be \$1.7 billion (in 1999 and 2000 dollars). AmerGen sought to add that estimate to its cost basis in the plants as of the acquisition dates, and take additional depreciation and goodwill amortization deductions based on that inflated basis. The court ruled in our favor and found that AmerGen could not add \$1.7 billion of estimated future decommissioning costs to the cost basis of the three nuclear power plants.

The Tax Division has also litigated the significant question of the tax impact of insurance company demutualization. Demutualization is a process by which a mutual insurance company converts to a stock company. In the late 1990s and early 2000s, more than 30 mutual insurance companies converted into stock companies through demutualization, raising tax issues for their more than 30 million shareholders who faced the amount of gain they needed to recognize from the demutualization. The government did not prevail in the first case decided because the court applied the open transaction doctrine in Fisher v. United States, 82 Fed. Cl. 780 (Fed. Cl. 2008). And, after Fisher was decided, numerous taxpayers filed refund claims with untold millions at issue. Shortly thereafter, another taxpayer filed a refund action in the United States District Court for the District of Arizona related to taxes paid on the sale of stock received in the demutualization of five insurance companies, and in 2013 the United States District Court for the District of Arizona rejected the analysis of Fisher and held that the open-transaction doctrine did not apply to determine the basis of stock received by taxpayers in the demutualization of insurance companies. Dorrance v. United States (D. Ariz. 2013). In Reuben v. United States (C.D. Cal. 2013), the court granted summary judgment in favor of the United States and found that the open transaction doctrine did not apply in determining the basis of stock received in an insurance company demutualization and that plaintiff failed to meet his burden that insurance premium payments were attributable to membership rights. As a result, the court determined that plaintiff had zero basis in the shares.

⁹ See IRS Tax Stats - 2013 Data Book.

The insurance company demutualization litigation is an example of the Division's work to both make the law clear for taxpayers, as well as protect the federal fisc. Hundreds of millions of dollars have been protected through the Division's work.

Civil Appellate Cases

The Tax Division's appellate attorneys represent the United States in all appeals involving federal tax statutes in the United States courts of appeals and their state government equivalents (except for appeals from the Southern District of New York). The Division's appellate attorneys also assist the Solicitor General of the United States by preparing initial drafts of pleadings and briefs in tax cases filed in the Supreme Court. The Division likewise closely reviews all adverse decisions entered by the lower courts in tax cases to determine whether the government should appeal, and prepares a recommendation to the Solicitor General. The appellate section generally recommends appeal only in those cases where there is a substantial likelihood the government will ultimately prevail or where an important principle is at stake. Careful review of these cases not only ensures that Department resources are spent wisely on only meritorious appeals, but also advances the Tax Division's mission of promoting the fair and correct development, and uniform enforcement of the federal tax laws.

From 2009 through 2013, the Division's Appellate Section won (in whole or in part) over 94% of taxpayer appeals. Some of the more important recent appellate victories have been in tax shelter cases. In Scott Blum v. Commissioner (10th Cir.), for example, the Government prevailed on appeal in which the taxpayer claimed a \$45 million loss generated by an abusive tax shelter. In WFC Holdings Corp. v. United States (8th Cir. 2013), Wells Fargo, utilizing a contingent-liability tax shelter promoted by KPMG, (i) created high-basis/low-value stock by transferring 21 "underwater" leases with an expected \$430 million liability from one subsidiary to a second subsidiary, along with an offsetting asset, in exchange for the second subsidiary's stock, and then (ii) sold the stock to Lehman Brothers, recognizing a \$423 million loss on the stock sale. The Eighth Circuit affirmed that the loss-generating transaction satisfied the literal terms of the corporate-basis provisions of the Code, but lacked economic substance.

CRIMINAL PROSECUTIONS AND APPEALS

The Tax Division authorizes, and either conducts or supervises almost all prosecutions arising under the federal tax laws. ¹⁰ The Division's twin goals are to prosecute criminal tax violations and to promote a uniform nationwide approach to criminal tax enforcement. In many cases, the Tax Division receives requests from the IRS to prosecute tax violations after the IRS has investigated them administratively. In other cases, the IRS asks the Tax Division to authorize grand jury investigations to determine whether tax crimes have occurred. Tax Division prosecutors review, analyze, and evaluate these referrals to assure that uniform standards of prosecution are employed and that criminal tax violations warranting prosecution are prosecuted. After the Division authorizes tax charges, the cases are handled either by a United States Attorney's Office (USAO) or, in complex or multi-jurisdictional cases, or cases in which the USAO is recused or requests assistance, by the Tax Division's experienced prosecutors. In addition to their substantial litigation caseloads and review work, Tax Division prosecutors also conduct training seminars for IRS criminal investigators and Assistant U.S. Attorneys and often provide advice to other federal law enforcement personnel, including the DEA and FBI.

¹⁰ The Tax Division does not review or supervise most excise tax cases, which are the responsibility of the Criminal Division.

The Tax Division's criminal workload has grown and the sophistication of criminal cases has increased steadily over the past few years. A greater proportion of cases now involve high net-worth taxpayers and tax professionals who sell and implement complex tax products. During FY 2013, Division prosecutors obtained 125 indictments and 107 convictions.

The Tax Division's criminal trial attorneys investigate and prosecute individuals and entities that attempt to evade taxes, willfully fail to file returns, submit false tax forms, steal identities for use in tax refund schemes, or otherwise violate the federal tax laws. They also investigate and prosecute tax violations along with other associated criminal conduct including securities fraud, bank fraud, bankruptcy fraud, health care fraud, organized crime, public corruption, mortgage fraud, and narcotics trafficking. In addition, Tax Division attorneys investigate and prosecute domestic tax crimes involving international conduct, such as the illegal use of offshore trusts and foreign bank accounts to conceal taxable income and evade taxes. They also conduct terrorism-related and Organized Crime and Drug Enforcement Task Force (OCDETF) criminal investigations and prosecute organizers of internet scams.

The Tax Division's Criminal Appeals and Tax Enforcement Policy Section (CATEPS) is responsible for appeals in criminal tax cases prosecuted by Division attorneys and supervises aspects of appeals in matters tried by USAOs around the country. Similar to the initial review of tax cases by criminal trial attorneys, the appellate review plays a vital role in promoting the fair, correct, and uniform enforcement of the internal revenue laws. CATEPS also assists in negotiating international tax assistance treaties and in researching numerous policy issues, such as the application of the sentencing guidelines.

Pure Tax Crimes

The core of the Tax Division's criminal work involves so-called "legal source income" cases. These cases encompass tax crimes involving unpaid taxes on income earned legally (e.g., a restaurateur who skims cash receipts or a doctor who inflates deductible expenses.) When these cases involve difficult issues of tax law or complex methods of proof, United States Attorneys' Offices often call upon the special skills that Tax Division prosecutors bring to the Justice Department's goal of combating financial fraud and reducing white-collar crime.

Evasion of taxes on income from legal sources significantly erodes the federal tax base. The Division's enforcement activities are a strong counter to that erosion, providing a significant deterrent to those who contemplate shirking their tax responsibilities. These prosecutions often receive substantial local press and media coverage and assure law-abiding citizens who pay their taxes that tax cheats are not getting away with it. The government's failure to prosecute such cases effectively would undermine the confidence of law-abiding taxpayers and jeopardize the government's ability to operate a revenue collection system whose cornerstone is voluntary compliance. For example, in February 2013, James and Michael Farnell were sentenced to imprisonment of 42 months and 18 months, respectively, for tax evasion. The Farnell brothers sold stock in the name of nominee trusts and did not report the capital gains or pay the taxes on the capital gains.

Stolen Identity Refund Fraud

The nationwide reach of the Tax Division's centralized criminal tax enforcement serves another important goal; it facilitates the Government's ability to respond efficiently and forcefully to often-changing patterns of wrongdoing. The recent explosion in the use of stolen social security numbers and other personal identification information to file false tax returns seeking fraudulent refunds is an example of this type of challenge.

Referred to as stolen identity refund fraud or SIRF, the crime may be simple to describe, but has proven complex both in its reach and in the extent of the criminal enterprises involved. The most vulnerable members of our communities - the elderly, the infirm and grieving families - have been the victims when social security numbers have been stolen or bought from institutions such as hospitals, nursing homes, and public death lists. In a very real sense, every taxpayer is a victim when the IRS issues a fraudulent refund to these thieves.

In recognition of the severity of the problem, the Tax Division, in conjunction with the IRS and United States Attorneys nationwide, has prioritized the investigation and prosecution of individuals who engage in SIRF. The Division is targeting individuals involved in all stages of these schemes, including those who illegally obtain the personal identifying information, those who file the false returns with the IRS, those who knowingly facilitate cashing the checks or otherwise obtaining the refunds, and those who mastermind or promote these scams. Depending on the facts of a particular case, the Government can bring a variety of charges, including aggravated identity theft and theft of government property, in addition to traditional tax charges such as filing false claims for refund and filing false tax returns.

Our prosecutors have obtained significant sentences in these cases. In October 2013, a corrupt U.S. Postal Service mail carrier was sentenced to serve 111 months in prison for his role in a SIRF scheme. A Louisiana woman who operated a tax preparation business was sentenced to 132 months in July 2013 for her SIRF crimes. An Alabama state employee who had access to state databases stole identities for use in a SIRF scheme, and she was sentenced to 94 months in prison in September 2013.

Recognizing the need for streamlined procedures for SIRF cases, the Department implemented expedited procedures to enable law enforcement to move swiftly to shut down SIRF crimes, share expertise and resources, and provide the IRS with information to intercept fraudulent refund claims before the money is sent. Having been in place for over a year, U.S. attorneys request that the procedures have successfully allowed quick enforcement efforts to shut down SIRF schemes.

Because stolen identity refund fraud is affecting many jurisdictions, the Department is working closely with many United States Attorneys and the IRS to ensure effective information sharing and investigative cooperation as permitted by law. The approach is yielding significant results. In October and November 2013, two individuals pleaded guilty to SIRF-related charges in Tampa, Fla. The case began when traffic stops performed by local law enforcement revealed stolen personal identifying information and numerous prepaid debit cards in the names of others. The Tax Division recently announced the establishment of a SIRF Advisory Board to develop and implement a national strategy to ensure consistent and effective nationwide enforcement and to deter future SIRF crimes. The SIRF Advisory Board will engage in the gathering and sharing of information among the Tax Division, the IRS, U.S. Attorneys' Offices, and other agencies, as well as provide training and assistance.

Combating Offshore Tax Schemes

The Tax Division continues to play a leading role in investigations and prosecutions involving the use of foreign tax havens. Increased technical sophistication of financial instruments and the widespread use of the internet have made it easy to move money around the world. Using tax havens facilitates evasion of U.S. taxes and the commission of related financial crimes. According to a 2008 Senate report, the use of secret offshore accounts to evade U.S. taxes costs the Treasury at least \$100 billion annually.

Offshore tax schemes are often difficult to detect and prosecute, so the IRS has allocated resources to target taxpayers who engage in offshore activity for the purpose of underreporting income. Income tax evaders and other criminals use banks located in countries that have strict bank secrecy laws

and that will not, or cannot, provide assistance to investigators for the United States. Sophisticated criminals may also use non-traditional tax haven countries. Despite these difficulties, the Division has been successful in prosecuting these tax cheats.

In March 2013, Wegelin & Co., a Swiss private bank, was sentenced and ordered to pay approximately \$58 million to the United States for conspiring with U.S. taxpayers and others to hide approximately \$1.5 billion in Secret Swiss bank accounts from the IRS. The Tax Division has also successfully prosecuted individuals who hide money in offshore accounts. Sameer Gupta was sentenced to 19 months in prison in July 2013 for diverting funds from his wholesale merchandise business to undisclosed foreign accounts at HSBC in India among other places.

The Department of Justice announced in August 2013 a program to encourage Swiss banks to cooperate with the Department's ongoing investigations of the use of foreign bank accounts to commit tax evasion. Under the program, which is available only to banks that are not currently under investigation by the Department for their offshore activities, participating Swiss banks will be required to: agree to pay substantial penalties; make a complete disclosure of their cross-border activities; provide detailed information on an account-by-account basis for accounts in which U.S. taxpayers have a direct or indirect interest; cooperate in treaty requests for account information; provide detailed information as to other banks that transferred funds into secret accounts or that accepted funds when secret accounts were closed; and agree to close accounts of account holders who fail to come into compliance with U.S. reporting obligations. Banks meeting all of the above requirements will be eligible for non-prosecution agreements.

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 between the United States, UBS, and the Swiss government to settle a civil summons enforcement proceeding brought by the Tax Division, the 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. Indeed, the IRS credits the publicity surrounding the offshore enforcement efforts 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. According to the IRS, its offshore voluntary disclosure programs have resulted in the collection of more than \$6 billion in back taxes, interest and penalties from over 40,000 voluntary disclosures.

Prosecuting Abusive Promotions

The Division is actively engaged in prosecuting the promotion or use of fraudulent tax shelters and other schemes to evade taxes and hide assets. The number of taxpayers who use these bogus schemes to improperly reduce, or totally evade, their federal income tax liabilities has increased significantly in recent years. Some schemes use domestic or foreign trusts to evade taxes. Promoters of these schemes often use the Internet to aggressively market these trusts to the public, and rely upon strained, if not demonstrably false, interpretations of the tax laws. Employing what they often call "asset protection trusts" (ostensibly designed to guard an individual's assets from legitimate creditors, including the IRS), these promoters are in fact assisting taxpayers to fraudulently assign income and conceal ownership of income-producing assets in order to evade paying their taxes.

In November 2013, Paul Daugerdas was convicted by a jury of a multibillion-dollar criminal tax fraud scheme. Daugerdas, a lawyer, certified public accountant, and the former head of the tax practice at the Jenkens & Gilchrist law firm, designed, marketed, and implemented fraudulent tax shelters used by wealthy individuals to avoid paying taxes to the IRS. The ten-year scheme generated over \$10 billion of fraudulent tax losses and netted Daugerdas approximately \$95 million in profits. Numerous

other individuals connected to this scheme were also convicted and sentenced to prison. For instance, Donna Guerin, a former attorney at Jenkens & Gilchrist, pleaded guilty for her role in the scheme and was sentenced in March 2013 to eight years in prison.

Return-Preparer Fraud

Corrupt accountants and unscrupulous tax return preparers present a serious law enforcement concern. Some accountants and return preparers dupe unwitting clients into filing fraudulent returns, while others serve as willing "enablers," providing a veneer of legitimacy for clients predisposed to cheat. In either case, the professionals often commit a large number of frauds, and their status as professionals may be perceived as legitimizing tax evasion, thereby promoting disrespect for the law.

John T. Hoang was sentenced to 48 months in prison in December 2013 for preparing false income tax returns for himself and others. Hoang, who was a certified public accountant and an attorney, prepared false tax returns for his clients by creating wholly fictitious business income and expenses for what seemed to be a technology licensing business. The false information resulted in the clients reporting fake losses that decreased the tax liability.

National Tax Defier Initiative

A certain segment of our citizenry flatly refuses to accept its tax obligations. These individuals manufacture frivolous arguments against the clear language of the law. They also frequently devise complicated schemes to mask their activities. Often, they are affiliated with sovereign citizen movements, who challenge the United States Government in numerous ways.

Tax defiers, also known as illegal tax protesters, have long been a focus of the Tax Division's investigative and prosecution efforts. For decades, tax defiers have advanced frivolous arguments and developed numerous schemes to evade their income taxes, assist others in evading their taxes, and frustrate the IRS, under the guise of meritless objections to the tax laws. Frivolous arguments used by tax defiers include, for example, spurious claims that an individual is a "sovereign citizen" not subject to the laws of the United States, that the federal income tax is unconstitutional, and that wages are not income. Schemes utilized include the use of fictitious financial instruments in purported payment of tax bills, as well as the filing of false liens and IRS reporting forms, such as Forms 1099, designed to harass and retaliate against government employees and judges. In the most extreme circumstances, tax defiers have resorted to threats and violence to advance their anti-government agenda.

Because of this risk of violence, it is essential that local law enforcement be prepared to respond rapidly to threats against agents, prosecutors, and judges. The Tax Division has thus implemented a comprehensive strategy, using both civil and criminal enforcement tools, to address the serious and corrosive effect of tax defier activity. The Division's Tax Defier Initiative facilitates coordination among nationwide law enforcement efforts. This coordination allows new or recycled tax defier schemes and arguments to be quickly identified and a global, coordinated strategy to be developed.

For example, the "sovereign citizen" ideology overlaps with, and is often indistinguishable from, tax defier rhetoric and tactics. Through the Tax Defier Initiative, the Division has leveraged our expertise to develop a government-wide approach to monitoring and combating these crimes. As a result, our National Director for the Tax Defier Initiative, working with representatives of IRS Criminal Investigation, the Treasury Inspector General for Tax Administration, the FBI Domestic Terrorism Operations Unit, and the Department's National Security Division, developed and implemented a national training program for prosecutors and investigators. The close working relationships fostered by

our Initiative have enabled us to identify and respond more quickly and efficiently to such trends in the tax defier community.

In July 2013, James Timothy Turner was sentenced to 18 years in prison for promoting a tax fraud scheme. Turner, the self-proclaimed "president" of a sovereign citizen group called the "Republic for the United States of America," traveled the country conducting seminars teaching attendees how to defraud the IRS by preparing and submitting fictitious "bonds" in payment of federal taxes. Turner also taught people how to file retaliatory liens against government officials who interfered with the processing of the fictitious "bonds."

Counter Terrorism

Tax Division attorneys play an important role in the fight against international terrorism. Tax Division attorneys lend their expertise to attorneys at the National Security Division and at U.S. Attorneys' Offices in prosecuting those who take advantage of the tax laws to fund terrorism, including through the use of tax-exempt organizations. A Tax Division Senior Litigation Counsel is responsible for managing matters associated with counter-terrorism and terrorist financing and leads teams of attorneys in investigating, developing, and prosecuting criminal tax cases with a nexus to counter-terrorism and terrorism financing.

Corporate Fraud and other Financial Crimes

Through the President's Financial Fraud Enforcement Task Force, the Tax Division investigates and prosecutes financial crimes such as corporate fraud and mortgage fraud. The Division also cooperates with other law enforcement components in formulating national policies, programs, strategies and procedures in a coordinated attack on financial crime.

International Cooperation to Investigate Evasion of U.S. Taxes

The Tax Division regularly provides advice and assistance to United States Attorneys and IRS agents seeking extradition, information, and cooperation from other countries for both civil and criminal investigations and cases. Occasionally, the Tax Division provides assistance to attorneys from other agencies and offices of the United States government, including the Federal Bureau of Investigation, the Securities and Exchange Commission, and the Department of Homeland Security.

In addition, the Tax Division works to increase cooperation with foreign nations, recognizing that reciprocal engagements ultimately further the Division's mission. For example, the Division has participated in consultations both with France and Canada in an effort to improve the exchange of information under our income tax treaties with those countries. The Division periodically hosts visiting delegations of tax officials from countries interested in learning more about federal tax enforcement in the United States. The Division continues to work to increase cooperation between the United States and countries in Latin America and the Caribbean by providing instructors for the International Law Enforcement Academy in El Salvador.

The Tax Division is an important partner in the U.S. negotiating team for Double Taxation Conventions, Tax Information Exchange Agreements, and other international agreements concerning tax information. For example, the Tax Division participated in the historic negotiations that led to the signing of Tax Information Exchange Agreements with the Principality of Liechtenstein and with Gibraltar. Other negotiations are ongoing.

Civil/Criminal Coordination

Finally, as part of its effort to stop abusive tax scheme promotions, the Division uses parallel civil and criminal proceedings to pursue both civil injunctions and criminal prosecutions against those who promote illegal schemes. To ensure that the IRS and Division attorneys make maximum use of all available legal remedies, the Division has named two Special Counsel for civil/criminal coordination. The Special Counsel provide agents and attorneys with one-on-one assistance in handling parallel civil and criminal proceedings, lead an IRS-DOJ working group formed to promote better coordination of parallel proceedings, conduct training for IRS and Division attorneys, and participate in various bar panels. The Division also maintains an online resource library on criminal tax prosecutions and parallel proceedings.

| | | | PERFO | RMANCE AN | D RESOU | RCES TABL | E | | | | | |
|--|------------------------|--|-----------|---------------|-----------|--------------|-------------|---------------|--------------|-----------------------------------|--------|--------------|
| Decision Unit: Gene | rei Tax Matters | Strategic Goal 2/Strategic Ol | jective 2 | 6 - Protect t | he federe | flac and del | end the int | erests of the | Inited State | • | | |
| RESOURCES | | | | | , | | | | | | | |
| | | į. | T | arget | | ctual | ۲ | arget | | nges | Reque | sted (Total) |
| | | | FY | 2014 | FY | 2014 | F | Y 2018 | Adjustme | Services nts and FY rogram | FY 201 | & Request |
| Total Costs and FTE | | | FIE | \$000 | FTE | \$000 | FTE | \$000 | RJE | \$000 | FTE | \$000 |
| treimburseble FTE an not included in the to | | nbursable costs are bracketed and | 534 | \$104,470 | 465 | \$104,470 | 834 | \$105,574 | • | \$5,404 | \$34 | 8113,078 |
| ТУРЕ | STRATEGIC DBJECTIVE | PERFORMANCE | Fì | 2014 | FY | 2014 | F | Y 2016 | Adjustme | Services nts and FY program | FY 291 | \$ Request |
| Program Activity: Criminal Prosecution | | | FTE | \$000 | FIE | \$000 | FTR | 2000 | PTE | \$000 | FTE | 5000 |
| & Appeals | | | 154 | \$30,128 | 134 | \$30,128 | 154 | \$30,764 | | \$1,847 | 154 | \$32,611 |
| Performance Messure: Workload | 2.6 | Number of Cases received from the IRS and USAO for Authorization and Review | · | n/s | | r/a | | n/a | | Va. | | N/a |
| Performance Measure: Output | 2.6 | Number of investigations Authorized | | n/a | | n/a | | n/e | | v. | | n/e |
| Performance Measure: Output | 2.6 | Number of Prosecutions Authorized | | n/a | | n/e | | svin | | Va. | | na/ |
| Performance Measure: Outcome | 2.6 | Success Rate for Oriminal Tax Cases Handled by the Division | | 95% | | 99% | | 90% | | va. | | 90% |
| Program Activity: Civil Litigation & Appeals | | | FTE | \$060 | FTE | 5000 | FTE | \$000 | FTE | \$700 | FTE | \$000 |
| | L | L | 380 | \$74,342 | 331 | \$74,342 | 380 | 875,910 | 0 | 84,557 | 360 | \$80,467 |
| Performance Measure: Outcome | 2.8 | Civil Cases Successfully Litigated in the Trial Courts | | 90% | | 00% | | 20% | | Va . | | 80% |
| Performance Measure: Outcome | 2.8 | Civil Came Successfully Litigated - Texpayer Appeals | | 85% | | M%. | | 85% | | v. | | 85% |
| Performance Measure: Outcome | 26 | Civil Cases Successfully Lidgated - Government and Cross Appeals | | 85% | | 54% | | 50% | | va . | | 60% |
| Performance Measure: Outcome | 2.6 | Tax Dollars Collected and Retained by Court Action and Settlement (\$ in millions) | | n/a | | 1365 | | Na. | | ** | | n/a |

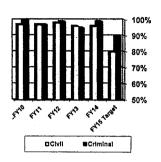
Performance Measure Table

| | | PERFORMANCE MEASURE TABLE | AEASURE 1 | rable | | | | | |
|------------------------|-----------------------|--|----------------|------------|-----------|-----------|------------|--------|--------|
| | Decision Unit: Genera | General Tax Matters | | | | | | | |
| | | | FY 2010 | FY 2011 | FY 2012 | FY 2013 | | FY2015 | FY2016 |
| Strategic Objective | Pertormance | ormance keport and Performance Plan Targets | Actual | Actual | Actual | Actual | Actual | Target | Target |
| 2.6 | Performance Measure | Number of Criminal Investigations Authorized | 883 | 850 | 938 | 749 | 664 | n/a | n/a |
| 2.6 | Performance Measure | Number of Criminal Prosecutions Authorized | 1,381 | 2,320 | 1,751 | 1,495 | 1,233 | n/a | n/a |
| 2.6 | Outcome Measure | Success Rate for Criminal Tax Cases Handled by the Division | 100% | %26 | %66 | 95% | %66 | %06 | %06 |
| 2.6 | Outcome Measure | Civil Cases Successfully Litigated in the Trial Courts | %96 | %26 | 896 | %96 | %96 | 80% | 80% |
| 2.6 | Outcome Measure | Civil Cases Successfully Litigated - Taxpayer Appeals | 85% | %96 | 86% | %26 | 94% | 85% | 85% |
| 2.6 | Outcome Measure | Civil Cases Successfully Litigated - Government and Cross Appeals | %09 | 29% | 55% | %89 | 64% | %09 | %09 |
| 2.6 | Outcome Measure | Tax Dollars Collected and Retained by Court Action and Settlement (\$ in millions) | \$1,280.7 | \$552.0 | \$1,430.4 | \$1,212.2 | \$365.2 | n/a | n/a |
| | n/a = In ac | n/a = In accordance with Department guidance, there is no target for this measure. | arget for this | measure | | | | | |

3. Performance, Resources, and Strategies

The General Tax Matters Decision Unit contributes to the Department's Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and enforce Federal Law. Within this Goal, the Decision Unit's resources specifically address Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.

Cases Favorably Resolved (TAX)



Data Definition: Favorable civil resolutions are through a judgment or settlement. Each civil decision is classified as a Government win, partial win, or taxpayer win; for this report, success occurs if the Government wins in total or in part. Criminal cases are favorably resolved by convictions which includes defendants convicted after trial or by plea agreement at the trial court level in prosecutions in which the Tax Division has provided litigation assistance at the request of a USAO.

Data Collection and Storage: The Tax Division utilizes a litigation case management system called TaxDoc.

Data Validation and Verification: The Tax Division has established procedures to collect and record reliable and relevant data in TaxDoc. Management uses the data to set goals, manage cases and project workload. The statistics in this table are provided on a monthly basis to Division management for their review.

Data Limitations: The Tax Division lacks historical data on some activities that are now tracked in the case management system. The information system may cause variations in the way some statistics are presented.

The goals of the Tax Division are to increase voluntary compliance, maintain public confidence in the integrity of the tax system, and promote the sound development of law.

Performance Measure 1: Percentage of Cases Favorably Resolved

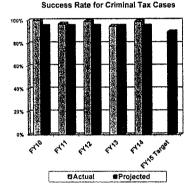
FY 2014 Actual: 96% for Civil Trial and 99% for Criminal.

Discussion: The outcome measure for this decision unit is favorable resolution of all cases. The Department of Justice Strategic Plan sets Department-wide goals for the litigating components: 90% of criminal cases favorably resolved Department-wide and 80% of civil cases favorably resolved. As illustrated in the chart "Cases Favorably Resolved (TAX)," the Tax Division has exceeded the Department's goal for the last several years. In FY 2014, favorable outcomes were achieved in 96% of all civil and 99% of all criminal cases litigated by the Tax Division, including non-tax cases. To meet the targets for this measure, the Tax Division requires \$113,078 thousand. These resources are essential if we are to continue attaining the Department's targets for this measure.

2,000 1,000



500



Data Definition: Investigation and Prosecution Referrals are grand jury investigation and criminal prosecution requests referred to the Tax Division for review to ensure that federal criminal tax enforcement standards are met. The number of prosecution referrals authorized is a defendant count; investigations may involve one or more targets. The Success Rate is convictions divided by the total of convictions and acquittals. "Convictions" includes defendants convicted after trial or by plea agreement at the trial court level in criminal tax prosecutions in which the Tax Division has provided litigation assistance at the request of a USAO. Defendants acquitted are defendants acquitted in the district court in cases in which the Tax Division provided litigation assistance.

Data Collection and Storage: The Tax Division utilizes a litigation case management system known as TaxDoc. The Division periodically reviews the complement of indicators that are tracked.

Data Validation and Verification: There are procedures to collect and record pertinent data, enabling Section Chiefs to make projections and set goals based on complete, accurate and relevant statistics.

Data Limitations: The Tax Division lacks historical data on some activities that are tracked in the case management system.

Performance Measure 2: Criminal Investigation and Prosecution Referrals Authorized

FY 2014 Actual: 664 Grand Jury Investigations and 1,233 Prosecutions

Discussion: The Tax Division also measures the number of authorized investigation and prosecution referrals in criminal cases. In FY 2014, the Division authorized 664 grand jury investigations and 1,233 prosecutions of individual defendants. Changes in the number of authorized investigations are largely proportional to the number of investigations initiated by the Internal Revenue Service.

Consistent with Department guidance, there is no FY 2015 or FY 2016 performance goal for authorized investigations and prosecutions.

Performance Measure 3: Success Rate for Criminal Tax Cases

FY 2014 Actual: 99%

Discussion: The Tax Division's Criminal Trial Sections assume responsibility for some cases at the request of the USAOs, generally multi-jurisdictional investigations and prosecutions, and cases with significant regional or national importance. Although many of these cases are difficult to prosecute, the Division has maintained a conviction rate at or greater than 95%. In FY 2014, the Division's conviction rate was 99% in tax cases.

For FY 2015, and FY 2016, the Tax Division has established a conviction rate goal of 95%. While the Tax Division is very proud of its conviction rate, the emphasis is on uniform and fair enforcement of the tax laws.

Performance Measure 4: Civil Cases Successfully Litigated

FY 2014 Actual: Trial Courts – 96%

Taxpayer Appeals – 94%

Government and Cross Appeals – 64%

Discussion: For civil cases, the Tax Division measures cases successfully litigated, in total or in part, by the resolution of a claim through judgment or other court order.

We anticipate that maintaining this level of success will result in legal precedent that provides taxpayers, including individuals, businesses and industries, with guidance regarding their tax obligations; the collection of significant tax revenues; and the protection of the government against unfounded taxpayer claims. Many of the government appeals (and cross-appeals) during the reporting period involve the same (or similar) issues, so that a loss in a single case affects the outcome of multiple appeals.

Performance Measure 5: Tax Dollars Collected and Retained

FY 2014 Actual: \$112 Million Collected and \$253 Million Retained

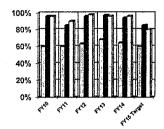
Discussion: The Tax Division collects substantial amounts for the federal government in affirmative litigation, and retains even more substantial amounts in defensive tax refund and other litigation. For FY 2014, the Division collected \$112 million and retained \$235 million.

In addition to this measurable impact, the Division's litigation affects the revenue at issue in many cases being handled administratively by the IRS, and determines tax liabilities of litigants for many tax years not in suit. Its litigation successes also foster overall compliance with the tax laws. This substantial financial impact is a consequence of the Division's consistent and impartial enforcement of the tax laws. The Division does not measure these indirect effects of its litigation. Without sufficient resources, the Division will be forced to focus the majority of its resources on defensive cases which would result in affirmative cases - cases the IRS requests the Division to prosecute - being declined. If this occurs, the Division will not be able to meet its targets for this measure.

a. Strategies to Achieve the FY 2016 Goals:

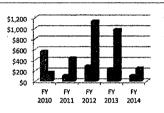
A strong tax system is vital to our national strength. It is essential that taxpayers believe, with good reason, in the integrity





□Appellate Courts - Gov't & Cross Appeals
■Appellate Courts - Taxpayer Appeals
□Trial Courts

Tax Debts Collected and Dollars Retained
(Ss in Millions)



Tax Debts Collected Tax Dollars Retained

Data Definition: A decision is the resolution of a claim through judgment or other count order. Each decision is classified as a Government win, partial win, or taxpayer win; for this report, success occurs if the Government wins in whole or in part. Appellate cases are classified as Taxpayer Appeals, Government Appeals, or Cross Appeals. The number of Government or Cross Appeals is generally less than 10% of the number of taxpayer appeals. Tax Debts Collected represents dollars collected on pending civit cases and outstanding judgments. Tax Dollars Retained represents the difference between claim amount sought and received by opposing parties in refund suits closed during the period.

Data Collection and Storage: The Tax Division utilizes a case management system known as TaxDoc.

Data Validation and Verification: The Tax Division has established procedures to collect and record reliable and relevant data in TaxDoc. Management uses the data to set goals, manage cases and project workload. The statisties in this table are provided on a monthly basis to Division management for their review.

Data Limitations: The Tax Debts Collected and Dollars Retained indicator fluctuates in response to the type and stage of litigation resolved during the year. of the tax system. It is fundamental that we meet our obligations to our citizens to ensure the full, fair, and consistent enforcement of our tax laws. The Division's long-standing coordinated approach to tax enforcement is a particularly effective component to the Administration's goal to reduce the tax gap. Because the Tax Division's work already encompasses the elements of an effective tax enforcement program, the organization is well suited to expand existing programs with greater benefits in return.

The Tax Division's primary civil strategy to achieve its goals is to litigate federal civil tax cases filed by and against taxpayers in the federal courts. Through this litigation, the Division ensures the tax laws are properly enforced, by targeting particularly acute tax enforcement problems that threaten tax administration. In carrying out its mission, the Tax Division conducts in each civil tax case an independent review of the IRS's views and administrative determinations to help ensure that the Government's position is consistent with applicable law and policy. This independence, backed by a willingness to engage in aggressive litigation where appropriate, promotes the effective collection of taxes owed, while also serving as a check against potential abuses in tax administration.

While the Tax Division is and will remain responsive to shifts in criminal tax schemes, enforcement of the criminal tax statutes against individuals and businesses that engage in attempts to evade taxes, willful failure to file returns, and the submission of false returns, are at the core of the Division's mission. Enforcement of the internal revenue laws serves the goals of both specific and general deterrence. Enforcement of our criminal tax laws also helps us meet our responsibility to all taxpayers who meet their obligations, to pursue those who do not.

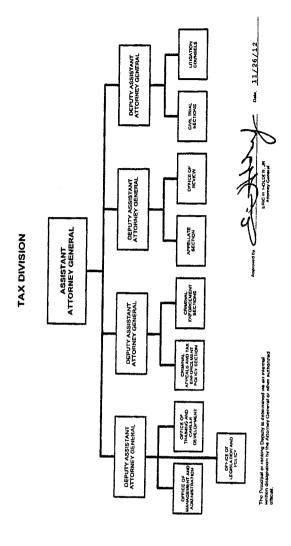


Exhibit A - Organizational Chart

. 3. 3.

Summary or Requirements
Tax Division
Salaries and Expenses
(Dollars in Thousands)

| | FY 2 | FY 2016 Request | |
|--|------------------|-----------------|---------|
| | Olrect Positions | FTE | Amount |
| 2014 Enacled | 623 | 465 | 104,470 |
| Total 2014 Enacted | 629 | 465 | 104,470 |
| 2015 Enacted | 639 | 534 | 106,674 |
| Base Adjustments Pay and Banefits Domestic Entland recibiles | 200 | | 1,687 |
| Vota cases Angianness 2015 Current Services Program Changes | 0 | 0 . | 6,404 |
| Olastis. Miscellaneous Program and Administrative Reductions Subtolei, Offsets | | 00 | |
| Total Program Changes | 0 | 0 | 113,078 |
| 2016 Total Request | 850 | n C | 113,078 |

Summary of Requirements Tax Division Salaries and Expenses (Dollars in Thousands)

B. Summary of Requirements

| Program Activity | | 2014 Enacted | cted | | 2015 Enacted | pet | 2016 | Technical and Adjustments | 2016 Technical and Base Adjustments | 2016 | 2016 Current Services | Services |
|--|----------------|--------------|---------|----------------|-------------------------|---------|----------------|------------------------------|--|----------------|-------------------------|--------------|
| | Direct Pos. | Actual | Amount | Direct Pos. | Direct Est. FTE Pos. | Amount | Direct Pos. | Est. FTE | Direct Est. FTE Amount Pos. | Direct Pos. | Direct Est. FTE Pos. | Amount |
| General Tax Matters | 629 | 465 | 104,470 | 623 | 534 | 106,674 | 0 | 0 | 6,404 | 639 | 534 | 113,078 |
| Total Direct | 639 | 465 | 104,470 | 639 | 534 | 106,674 | 0 | 0 | 6,404 | 639 | 534 | 113,078 |
| Balance Rescission Total Direct with Rescission | | | 104,470 | | | 106,674 | | | 6,404 | | | 0 113,078 |
| Reimbursable FTE Total Direct and Reimb, FTE | | 465 | | | 534 | | | 00 | | | 0 534 | ; |
| Grand Total, FTE | | 465 | | | 534 | | | 0 | | | 534 | |
| | | | | | | | | | | | | |

| | | 2016 Increases | 3988 | i | 2016 Offsets | ets | | 2016 Request | uest |
|--|----------------|------------------|--------|----------------|-------------------------|--------|----------------|-------------------------|--------------|
| Program Activity | Direct Pos. | Direct Est. FTE. | Amount | Direct Pos. | Direct Est. FTE Pos. | Amount | Direct Pos. | Direct Est. FTE Pos. | Amount |
| General Tax Matters | ٥ | 0 | 0 | 0 | О | ٦ | 639 | 534 | 113,078 |
| Total Direct | 0 | 0 | 0 | 0 | ٥ | 3 | 639 | 534 | 113,078 |
| Balance Rescission Total Oirect with Rescission | : | | 00 | | - | 30 | | | 0 113,078 |
| Reimbursable FTE Total Direct and Reimb, FTE | | 00 | | - | 00 | | | 534 | |
| Grand Total, FTE | | 0 | | | 0 | | | 534 | |

FY 2016 Program Changes by Decision Unit Tax Division Salaries and Expenses (Cotass in Trocasura)

| Program Offsets | Location of Description in | | General | General Tax Matters | e | | ᄚ | Total Offsets | |
|--|-------------------------------|----------------|---------|---------------------------------|--------|----------------|------|--------------------------------------|--------|
| | Marrativo | Direct Pos. | Agt. | Sirect AgtJ Est. FTE Pos. Atty. | Amount | Direct Pos. | Agt. | Direct Agt/ Est. FTE / Pos. Atty. | Amount |
| Misceffaneous Program and Administrative Reductions | Page 26 | 0 | 0 | 0 | G | 0 | • | 0 | |
| Total Program Offsets | | 0 | ٥ | • | 0 | 0 | ٥ | 0 | _ |

Exhibit C - Program Changes by Decision Unit

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective Tax Dhision States and Expenses (Ostes the Thorstands)

| Stratesic Goal and Stratesic Dilective | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 Curr | 2016 Current Services 2016 Increases | 2016.1 | ncreases | 2016 | 2016 Offsets | 2016 To | 2516 Total Request |
|--|------------------------|------------------|------------------|------------------|------------------|--------------------------------------|-------------------------|----------|-------------------------|--------------|--------------|--------------------|
| Altraction defication and alleganing | Direct Reimb FTE | Direct Amount | Direct/ Relmb | Direct Amount | Direct/ Relmb | Direct | Olrect/ Reimb FTE | Direct | Direct/ Reimb FTE | Direct | Reimb FTE | Direct |
| Goal 2 Prevent Crime, Protect the Rights of the American People, and Entones Federal Lines and defend the interests of the United 2.5 Protect the federal first and defend the interests of the United | | | | | | | | | | | | |
| States | 485 | 104,470 | 25 | 108,674 | 5 5 | 113,078 | 00 | 0.0 | 0 (| 0 | Š | • |
| TOTAL | | 104,470 | | 106,674 | H | 113,078 | 0 | 0 | 90 | 5 6 | 3 3 | 113,078 |

Justifications for Technical and Base Adjustments
Technical
Technical
Series of Execusion
(News in Incess)

| | ğ | E | |
|--|-----|---|--------------|
| For your description. 2018.English in property of property of property of property of 2018. The smooth request \$710,000, represents the representation of property of the foreign property of the property of the foreign property of the property of the foreign property of the property of | | | |
| Security of the Control | | | Ę. |
| 3 Changin in Companie Ders | • | | 題 |
| A FERS Broading a Februaries Reference Contribution | a | • | 287 |
| Elected October (1, 2014 PC) 2015, the may appear; contributed on man of 1125 (up from the current 1125, or at location of 135), and 1255 for the effortment appearable (254,000), and 1255 for the effortment appearable (254,000), and 1255 for the effortment of the contribute of 1255 for the effortment of the contribute of 1255 for the effortment of the contribute of 1255 for the effortment of the contribute of 1255 for the effortment of 1255 for the | | | *** |
| 5 Haalt Insures. Effects Americ 2015 to components contribution to Federal employees' health electrical increases by 5.0 persen. Applied against the 2014 software 5.5194/500, the achievant amount required is 1446,500. | | | 2 |
| O <u>Institutos.</u> Aprilo primento concludios lacense as employes undar CSRS inte and an injancia ly FBRS unspiyese. Based on U.S. Department Aden Aprilo performant or applied an internation CSRS in State of 12 process par year. The neutral or TSRS is filled a nature of 12 process par year. The neutral or TSRS in State of 12 process par year. The neutral or TSRS or STATE or Institute of 18 process par year. The neutral or ISRS or | | | |
| Substitut, Pay and Burnellin | ٩ | ۰ | 36, |
| Security Heart and F-statistics (LOAD, Rect. Security Heart and F-statistics (LOAD, Rect. Security Heart and P-statistics (LOAD, Rect. Security Heart and P-statistics (LOAD, Rect. For advantage of the Control in the West opportunes from charged to commercial institutes for opportunity from the Personal circums of 17 (LOS) on request of the Control in request of the control in request of the Control in request of the Control in request of the Control in request of the Control in the Control in the Control in the Control in the Control in the Control in the Control in the Control in the Control in the Control in the Control in Control in the | | | |
| | ٥. | • | 21.2 |
| A SPECIAL DESTRUCTURE AND ADMINISTRATION COURT SESCUENCY AND REASON AND INCOME. THE INQUISIT provides for the costs associated with one office national caused by the acquision of sesses in FV 2016. | - 0 | 0 | 3,975 |
| 3 Galled Services, tronses The notions Department of Homelend Security (CHIS) Reseat Protective Service charges, Austra Preseative Service Chief security services services he country. The requested increase of \$20,000 a required to need these commitments | | | 8 |
| Subtotal, Domestip Rank and Fecilities | ٵ | 0 | 4717 |
| TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS | | ٵ | 3 |

Crosswalk of 2014 Availability
Tax Division
Salaries and Expenses
(Dower in Thousends)

| | L | 2014 Enacted | clad | Repro | Reprogramming/Transfors | nefors | Carryover | Recoveries/ Refunds | ž | 2014 Availability | llty. |
|---|--------|--------------|---------|--------|--|--------|-----------|--------------------------------------|----------------|-------------------|-------------|
| Program Activity | Direct | Prect Actual | Amount | Direct | Drect Actual Amount Direct Estim, FTE Amount | Amount | Amount | Amount Direct Actual Amount Pos. FTE | Direct Post | Actual | Amount |
| | 929 | , igy | 1 | | ٦ | 1.500 | 392 | 92 | 639 | 465 106,454 | 106.454 |
| General Lax Matters | 2 | 1 | 400 470 | ٦ | - | 1 500 | 392 | 85 | 639 | İ | 465 106,454 |
| 10tal Direct | ١ | ١ | ١ | • | | | | | Ī | a | |
| Reimbursable FTE | | - 485 | | | | | | | | \$65 | |
| Des Carco and San San San San San San San San San San | | | | | | | | | | 207 | |
| Grand Total, FTE | | 465 | | | ° | | | | | CQ. | |

Reprogramming/Transfers: Funding of \$1.5M was restocated from GLA's ALS account.

Recoverlas/Refunds: Direct recoverles from TAX's no-year ALS account total \$92K.

Crosswalk of 2015 Availability Tax Division Salaries and Expenses (Dotars in Thousands)

| Program Activity | ك | FY 2015 Enacted | nacted | Reprogramming/Transfers | ıming/Tra | nsfers | Carryover | Carryover Rescission | 2015 | 2015 Availability | 2- |
|---|----------------|-----------------|---------|---------------------------|--------------|--------|-----------|----------------------|---------------------------|-------------------|----------------|
| • | Direct Post | Estim. FTE | Amount | Direct Pos. Estim. Amount | Estin FTE | Amount | Amount | Amount | Direct Pos. Estim. FTE | Estim. FTE | Amount |
| General Tax Matters | 639 | 534 | 106.674 | 0 | 0 | ٥ | 1,360 | 689 | 638 | | 534 107,541 |
| Total Direct | l | | | 0 | ٥ | ٥ | 1,380 | -493 | 623 | 534 | 107,541 |
| Balance Rescission Total Ornet with Rescission | | | 106.674 | | | | 493 | | | | 490 106,674 |
| Reimburgable FTE Total Direct and Reimb. FTE | | 2 % | | | 00 | | 00 | | | . X | |
| Grand Tolal, FTE | | 534 | | | 0 | | 0 | 493 | | 534 | |

Carryover: The Tax Division brought forward \$1,360K from funds provided in FY 2014 from ALS.

Reclasion A \$10M unobligated balance rescission was spread among the GLA components' carryover funding

Exhibit G - Crosswalk of 2014 Availability

Exhibit H - Summary

nbursable Resources

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources Tax Division Salaries and Expenses (Dollars in Thousands)

| | | 2014 Actual | nai | | 2015 Planned | peu | ľ | 2016 Request | uest | - | Increase/Decrease | crease |
|---------------------------|--------|-------------|--------|--------|--------------|--------|--------|--------------|--------|--------|-------------------|--------|
| Collections by Source | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount |
| | Pos. | FTE | | Pos. | FTE | | Pos. | E. | | Pos | E | |
| Internal Revenue Service | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | o | 0 | 0 |
| Debt Collection (3% Fund) | 8 | 8 | 7,670 | 6 | 0 | 8,352 | 0 | o | 8,352 | 0 | 0 | 0 |
| Treasury | _ | _ | 128 | 0 | 0 | 0 | 0 | 0 | 0 | ٥ | 0 | 0 |
| DOJ-OCDETF | Ó | <u>~</u> | 0 | Ö | 0 | 0 | 0 | 0 | 0 | | 0 | 0 |
| DOJ - EOUSA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | o | 0 | 0 | ٥ | 0 |
| Budgetary Resources | 21 | 21 | 7,798 | 0 | 0 | 8,352 | 0 | 0 | 8,352 | 0 | 0 | 0 |

| - | | 2014 Actual | ual | | 2015 Planned | pau | | 2016 Request | uest | Ju | Increase/Decrease | crease |
|---------------------------------|----------------|---------------|--------|----------------|---------------|----------------------------------|----------------|---------------|--------|----------------|-------------------|--------|
| Obligations by Program Activity | Reimb. Pos. | Reimb. FTE | Amount | Reimb. Pos. | Reimb. FTE | Reimb. Reimb. Amount Pos. FTE | Reimb. Pos. | Reimb. Reimb. | Amount | Reimb. Pos. | Reimb. FTE | Amount |
| Internal Revenue Service | 0 | 0 | 2,068 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Ö |
| Debt Collection (3% Fund) | 8 | 8 | 5,684 | 0 | 0 | 7,670 | <u></u> | ō | 0 | 0 | 0 | -7,670 |
| Treasury | _ | - | 186 | 0 | 0 | 128 | 0 | 6 | 0 | 0 | 6 | -128 |
| DOJ-OCDETF | 0 | 0 | 2 | 0 | 0 | 0 | 0 | - | ō | 0 | 0 | 0 |
| DOJ - EOUSA | 0 | O | 189 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Budgetary Resources | 21 | 21 | 8.147 | 0 | 0 | 7.798 | 0 | 0 | 0 | c | c | 7 798 |

Detail of Permanent Positions by Category
Tax Division
Salaries and Expenses
(Dotters in Trousends)

| | | | | | | - | | | |
|--|-------------|--------------|-------------------------|-------------|------|----------------------|--------------------|----------------------|----------------------|
| Category | 2014 E | 2014 Enacted | 2015 Enacted | racted | | | 2016 Request | | |
| | Orrect Pos. | Reimb. Pos. | Reimb. Pos. Direct Pos. | Reimb. Pos. | ATBs | Program Increases | Program Offsets | Total Direct Pos. | Total Reimb. Pos. |
| Personnel Management (200-299) | 8 | 0 | 80 | Ö | Ö | 0 | Ö | 8 | 0 |
| Clerical and Office Services (300-399) | 108 | 6 | 108 | 0 | 0 | 0 | 0 | 2 | 5 |
| Accounting and Budget (500-599) | đi. | 0 | ð | 0 | 0 | 0 | 6 | on | Φ, |
| Attorneys (905) | 377 | 0 | 377 | 0 | 0 | 0 | 6 | 377 | ō |
| Paralegals / Other Law (900-998) | 125 | ō | 125 | 0 | 0 | 0 | 0 | 125 | <u>.</u> |
| .lbrary (1400-1499) | - | 0 | _ | 0 | 6 | • | 0 | - | ō |
| nformation Technology Mgmt (2210) | = | 0 | Ξ | 0 | 0 | 0 | 0 | Ξ | ٥ |
| Total | 629 | 0 | 623 | 0 | 0 | 0 | 0 | 669 | 0 |
| Headquarters (Washington, D.C.) | 611 | 0 | 611 | 0 | 0 | Ö | 0 | 611 | 0 |
| U.S. Field | 28 | - | 28 | 0 | 0 | 0 | 0 | 28 | 0 |
| Total | 623 | 0 | 639 | 0 | 0 | - | 8 | 629 | 0 |

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes Tax Division Salanes and Expenses (Doders in Tousands)

| | General | General Tax Matters | Total Disease | |
|---|----------------|---------------------|------------------------|-----------|
| apleaty | Progra | Program Offsets | i otal rrogram Changes | m changes |
| | Direct Pos. | Amount | Direct Pos. | Amount |
| SES | 0 | 0 | 0 | 0 |
| GS-15 | 0 | 0 | 0 | 0 |
| GS-14 | 0 | 0 | 0 | 0 |
| GS-13 | - | 0 | 0 | 0 |
| GS-12 | 5 | 0 | 0 | 0 |
| GS-11 | 0 | 0 | 0 | 0 |
| GS-10 | 0 | 0 | 0 | 0 |
| 6-89 | 7 | 0 | 0 | 0 |
| GS-8 | 7 | 6 | 0 | 0 |
| GS-7 | 0 | o | 0 | 7 |
| 989 | G | 0 | 0 | 0 |
| GS-5 | 0 | 0 | 0 | 0 |
| Total Positions and Annual Amount | 0 | 0 | 0 | 0 |
| Lapse (-) | 0 | | 0 | 0 |
| 11.5 Other Personnel Compensation | | 0 | | 0 |
| Total FTEs and Personnel Compensation | 0 | 0 | • | 0 |
| 13.0 Benefits for former personnel | | 0 | | 0 |
| 21.0 Travel and Transportation of Persons | | 0 | | 0 |
| 22.0 Transportation of Things | | 0 | | 0 |
| 23.1 Rental Payments to GSA | | 0 | - | 0 |
| 23 3 Communications, Utilities, and Miscellaneous Charges | | 0 | | 0 |
| 24.0 Printing and Reproduction | | 0 | | 0 |
| 25.1 Advisory and Assistance Services | | ٥ | | ō |
| 25.2 Other Services from Non-Federal Sources | | 0 | | 6 |
| 25.3 Other Goods and Services from Federal Sources | | 0 | | 0 |
| 25.5 Research and Development Contracts | | 0 | | 0 |
| 25.7 Operation and Maintenance of Equipment | | ō | | 0 |
| 26.0 Supplies and Materials | | 0 | | 0 |
| 31.0 Equipment | | 0 | | 0 |
| Total Program Change Requests | ō | 0 | 0 | 0 |

Summary of Requirements by Object Class Tax Division Searies and Expenses (Dober in Thousands)

| | 261 | 2014 Actual | 2015/ | 2015 Availability | 2016 | 2016 Reguest | increas | ncrease/Decrease |
|---|-----|-------------|--------|-------------------|--------|--------------|---------|------------------|
| Object Class | T T | Amount | Direct | Amount | Cinera | Amorint | Direct | Amount |
| | E | | H | | H | | H | |
| 11.1 Full-Time Permanent | 453 | 53,630 | 520 | 62.428 | 520 | 63.028 | | 909 |
| 11.3 Other than Full-Time Permanent | 12 | 1,071 | 4 | 931 | 7 | 950 | 0 | 19 |
| 11.5 Other Personnel Compensation | 0 | 982 | - | 0 | ٥ | 0 | 0 | 0 |
| Overtime | 0 | 42 | 0 | 0 | 0 | ō | 0 | 0 |
| Other Compensation | - | 8 | 0 | Þ | 0 | 0 | 0 | 0 |
| 11.8 Special Personal Services Payments | - | 57 | - | 0 | 0 | o | 0 | 0 |
| Total | 465 | 55,740 | 534 | 63,359 | 534 | 63,978 | 0 | 619 |
| Other Object Classes | | | | | | | | |
| 12.0 Personnel Benefits | | 15,081 | | 17,707 | | 17,908 | | 201 |
| 13.0 Benefits for former personnel | | 80 | | | | - | | 0 |
| 21.0 Travel and Transportation of Persons | | 2.602 | | 3,352 | | 3,352 | _ | 0 |
| 22.0 Transportation of Things | | 740 | | 993 | | 993 | | 6 |
| 23.1 Rental Payments to GSA | | 11.656 | | 12,669 | | 13,381 | | 712 |
| 23.2 Rental Payments to others | | 416 | | | | | | 0 |
| 23.3 Communications, Utilities, and Miscelfaneous Charses | | 949 | | 1,078 | _ | 1,078 | | 0 |
| 24.0 Printing and Reproduction | | 38 | | 98 | | 8 | | Ó |
| 25.2 Other Services from Non-Federal Sources | | 5.726 | | 4,880 | | 8.855 | | 3.975 |
| 25.3 Other Goods and Services from Federal Sources | | 2.054 | | 2.422 | | 2,452 | | 8 |
| 25.4 Operation and Maintenance of Facilities | | 20 | | | | | | |
| 25.6 Medical Care | | 52 | | | | | | |
| 25.7 Operation and Maintenance of Equipment | _ | 53 | | | | | | _ |
| 26.0 Supplies and Materials | _ | 749 | | 909 | | 909 | | C |
| 31.0 Equipment | | 4.763 | | 400 | | 400 | | Đ |
| 32.0 Leasehold improvements | | 2,800 | | 0 | | 0 | | 0 |
| | | | | | | | | |
| lotal Obligations | | 103,475 | | 107,541 | | 113,078 | | 5,537 |
| Subfract - Unobligated Balance, Start-of-Year | | -392 | | -1,360 | | 0 | | 0 |
| Subtract - Reallocation | | -1,500 | | ٥ | | 0 | | 6 |
| Subtract - Recoveries/Refunds | | -92 | | 0 | | 0 | | 0 |
| Add - Recission | | 0 | | 493 | | 0 | | 0 |
| Add - Unobligated End-of-Year, Available | | 1,360 | | 0 | | Ö | | 0 |
| Add - Unobligated End-of-Year, Expiring | _ | 1,619 | | 0 | | o | | 0 |
| Total Direct Requirements | 0 | 104,470 | 0 | 108,674 | 0 | 113,078 | 0 | 5,537 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 0 | | 0 | | 0 | | 0 | |
| 23 4 Books Occurrents to Och /Projection of the | | | | , | | • | | |
| Astronomy and Services from Federal Sources - DHS Security (Reimbursable) | | 5 0 | | 9 0 | | 5 6 | | - |

Department of Justice: Criminal Division



FY 2016 President's Budget

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I. Overview for Criminal Division

A. Criminal Division Mission and FY 2016 Budget Summary

The Criminal Division's mission is to develop, enforce, and supervise the application of all federal criminal laws, except those specifically assigned to other divisions. Furthermore, the Division must identify and respond to critical and emerging national and international criminal threats and lead the enforcement, regulatory, and intelligence communities in a coordinated nationwide response to reduce those threats.

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

To sustain mission needs, the Criminal Division requests a total of 1,063 permanent positions, 1,173 direct Full-Time Equivalent work years (FTE), and \$242,476,000 in its Salaries and Expenses appropriation for Fiscal Year (FY) 2016. The Division's request will maintain the current level of services, while providing funding for necessary resources to reform the Mutual Legal Assistance Treaty (MLAT) process, support our international training programs, namely the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) and the International Criminal Investigative Training Assistance Program (ICITAP), and combat the growing and evolving cyber threat as well as the increasing threat of transnational intellectual property crime.

B. Program Activities and Major Responsibilities

The Criminal Division engages in several program activities to achieve its mission: (1) investigating and prosecuting, (2) providing expert guidance and advice, (3) reviewing the use of law enforcement tools, and (4) fostering global partnerships. Every day, the Criminal Division performs these functions at the forefront of federal criminal law enforcement.

(1) Investigating and Prosecuting

- Investigating and prosecuting the most significant cases and matters
- Coordinating a wide range of criminal investigations and prosecutions that span multiple jurisdictions and involve multiple law enforcement partners

With its investigation and prosecution activities, the Division strives to support its mission by investigating and prosecuting aggressively, but responsibly. By providing both national perspective and leadership, the Division undertakes complex cases and ensures a consistent and coordinated approach to the nation's law enforcement priorities, both domestically and internationally. The Division has a "birds-eye" view of white collar crime, public corruption,

organized crime, narcotics, violent crime, and other criminal activities, and consequently is uniquely able to ensure that crimes that occur across borders do not go undetected or ignored.

Select Recent Criminal Division Accomplishments

- In FY 2014, the Fraud Section continued its investigation and prosecution of individuals
 and entities for violations of the Foreign Corrupt Practices Act ("FCPA") and related
 crimes. During the fiscal year, the Fraud Section resolved 11 cases against corporations
 with penalties and forfeiture in excess of \$550 million, and it charged, or resolved
 charges against 13 individuals in FCPA or FCPA-related cases.
- The Securities and Financial Fraud Unit ("SFF") of the Fraud Section continues to focus on the prosecution of complex and sophisticated securities, commodities, and other financial fraud cases. SFF has tackled some of the largest frauds in the financial services industry and a wide mix of market manipulation and insider trading cases, including conducting an ongoing investigation into possible manipulation of foreign exchange rates, LIBOR, and other international interest rate benchmarks. During FY 2014, SFF resolved five cases against corporations with penalties, restitution, and forfeiture exceeding \$484 million, and it charged, or resolved charges, against 49 individuals including the conviction of three former corporate executives.
- On June 30, 2014, BNP Paribas S.A. (BNPP), a global financial institution headquartered in Paris, agreed to enter a guilty plea and pay \$8.973 billion, including forfeiture of \$8.833 billion and a fine of \$140 million, for conspiring to violate the International Emergency Economic Powers Act (IEEPA) and the Trading with the Enemy Act (TWEA) by processing billions of dollars of transactions through the U.S. financial system on behalf of Sudanese, Iranian, and Cuban entities subject to U.S. economic sanctions. The agreement by the French bank to plead guilty was the first time a global bank has agreed to plead guilty to large-scale, systematic violations of U.S. economic sanctions. The case was prosecuted by the Money Laundering and Bank Integrity Unit of the Criminal Division's Asset Forfeiture and Money Laundering Section (AFMLS), and the Money Laundering and Asset Forfeiture Unit of the U.S. Attorney's Office for the Southern District of New York.

(2) Providing Expert Guidance and Advice

- Developing and supporting effective crime reduction strategies and programs
- Driving policy, legislative, and regulatory reforms
- Providing expert counsel and training in criminal enforcement matters to state, local, federal enforcement partners

The Criminal Division serves as the strategic hub of legal and enforcement experience, expertise, and strategy in the fight against national and international criminal threats. Consequently, its expert guidance and advice are crucial to the successful application of criminal law throughout the country. The Division leads the national effort to address emerging criminal trends, including the increasingly international scope of criminal activity. The guidance provided to

U.S. Attorneys' Offices and other federal law enforcement partners ensures the uniform application of the law and furthers the Department of Justice's mission to ensure justice.

Select Recent Criminal Division Accomplishments

From June 16-27, 2014, the Albanian State Police deployed over 1,000 officers in a multi-day operation to dismantle narcotics production in the town of Lazarat in southern Albania. Lazarat is known as a lawless, marijuana hub that has been off limits to the police for approximately 15 years. Total annual production of marijuana has been estimated at 1,000 tons, with an estimated street value in Western Europe of \$6 billion. For several months prior to the operation, ICITAP-trained undercover officers had successfully infiltrated the village and were providing critical information. Despite coming under fire from high-powered rifles, mortars, and rocket-propelled grenades, the police units combined operational tactics with proactive negotiation resulting in the surrender of cartel leaders and the arrest of 33 criminals. During the operation, police used extensive personal protective equipment supplied by ICITAP and the New Jersey National Guard. The police seized 362 light weapons; 24 machine guns; one anti-aircraft gun; 210,000 rounds of ammunition; 1,200 bricks of high explosives; 625 grenades; 360 mortar rounds: 19 anti-personnel mines; and assorted drug processing equipment. In addition, the police seized and burned over eight kilograms of heroin and nearly 57 metric tons of processed marijuana along with 135,000 marijuana plants.

(3) Reviewing the Use of Law Enforcement Tools

 Approving and overseeing the use of the most sophisticated investigative tools in the federal arsenal

The Division serves as the Department's "nerve center" for many critical operational matters. It is the Division's responsibility to ensure that investigators are effectively and appropriately using available sensitive law enforcement tools. These tools include Title III wiretaps, electronic evidence-gathering authorities, correspondent banking subpoenas, and the Witness Security Program, to name a few. In the international arena, the Division manages the Department's relations with foreign counterparts and coordinates all prisoner transfers, extraditions, and mutual legal assistance requests. Lastly, the Division handles numerous requests for approval from the field to use sensitive law enforcement techniques, in conjunction with particular criminal statutes. For example, the Division reviews every racketeering indictment that is brought across the nation. In these ways, the Division serves a critical and unique role.

Select Recent Criminal Division Accomplishments

In 2014, the Computer Crimes and Intellectual Property Section (CCIPS) dismantled an
extremely damaging botnet and prosecuted its administrator. CCIPS was at the forefront
of a multi-national effort to disrupt the Gameover Zeus Botnet – a global network of
infected victim computers used by cyber criminals to steal millions of dollars from
businesses and consumers – and unsealed criminal charges in Pittsburgh, Pennsylvania,
and Omaha, Nebraska against Evgeniy Mikhailovich Bogachev, a Russian national who

served as an administrator of the botnet. In a related action, U.S. and foreign law enforcement officials worked together to seize computer servers central to the malicious software or "malware" known as Cryptolocker, a form of "ransomware" that encrypts the files on victims' computers until they pay a ransom. This criminal scheme generated over \$27 million in illicit profits. The Department obtained court authorization for the FBI to provide victim information to Computer Emergency Response Teams (CERTs) around the world and to private industry partners in a position to assist victims in ridding their computers of the Gameover Zeus malware.

During FY 2013, the attorneys in the Division's Office of Enforcement Operations'
Electronic Surveillance Unit reviewed 2,170 requests to conduct electronic surveillance,
covering 7,444 facilities. Those requests continue to increase in complexity, reflecting
targets' (primarily narcotics traffickers) ever-increasing efforts to conceal their criminal
activities from law enforcement scrutiny and interference. Several of those cases
involved obtaining authorization for the first time ever to conduct electronic surveillance
on facilities using new and emerging technologies.

In addition, the Unit continued to be very active in providing electronic surveillance training and guidance to Assistant United States Attorneys, as well as to investigative agents from many law enforcement agencies. These trainings result in higher-quality submissions from the field, allowing the unit to obtain the required authorizations from the Criminal Division's Deputy Assistant Attorneys General without unnecessary delays.

(4) Fostering Global Partnerships

- Helping international law enforcement partners build capacity to prosecute and investigate crime within their borders by providing training and assistance
- Negotiating Mutual Legal Assistance Treaties with international parties to enhance cooperative efforts with international parties

The Division reaches out to its international partners to ensure the safety of Americans at home and abroad. Posts in ten countries are maintained to foster relationships and participate in operations with international law enforcement and prosecutors. The Division also has personnel in developing democracies across the globe, providing assistance to foreign governments in developing and maintaining viable criminal justice institutions; their responsibility is to sustain democracy and promote greater cooperation in transnational criminal matters, and the capacity to provide modern professional law enforcement services, based on democratic principles and respect for human rights.

Select Recent Criminal Division Accomplishments

Per the request of the U.S. Embassy in Kiev and the Prime Minister of Ukraine, ICITAP
deployed an elections security advisor on short notice to help the country prepare for the
May 25, 2014, presidential elections. On May 19, ICITAP took part on a U.S. Embassy
election security team that briefed Prime Minister Yatsenyuk and the heads of his
criminal justice and security ministries on recommendations to help ensure a stable and

secure environment at 40,000 nationwide polling stations. ICITAP presented its recommendation to immediately establish a Joint Operational Center (JOC), which would allow for a single point to process election and security information and serve as a nexus for unity of command during elections. Of the team's 10 proposed recommendations, the prime minister only approved ICITAP's recommendation and directed the JOC to be stood up immediately. During the week leading up to the elections, ICITAP responded to the prime minister's direct request for assistance in establishing the JOC. Ukraine's cabinet of ministers approved ICITAP's recommendation on the same day it was proposed and agreed to locate the JOC at Ukraine's Central Elections Commission.

- OPDAT's Resident Legal Advisors (RLAs) in Indonesia supply on-going, vital support to the Government of Indonesia on terrorism issues, working closely with the Attorney General's Terrorism and Transnational Crime Task Force (Satgas), which was created with OPDAT assistance. This long-term relationship has been very productive, resulting in the conviction of close to two hundred terrorists, as well as dozens of successful human trafficking, intellectual property, and money laundering prosecutions. The Satgas task force concept has served as a model for the creation of other specialized units, most notably, the Anti-Corruption Task Force and the Natural Resources Crimes Task Force.
- In just its first full year of operation, the OPDAT RLA program in Niger had a major impact on the terrorism investigation and prosecution efforts in that country. Niger has been confronted with threats from a variety of violent extremist organizations, including this year's incursions by Boko Haram. The OPDAT RLA, working cooperatively with French, European Union, and other international partners, implemented a series of activities designed to encourage Nigerien prosecutors, investigators, and judges to utilize their laws, modern law enforcement tools, and cooperation to more fully and effectively combat the terrorist threats. These efforts contributed to the successful use by Niger's specialized terrorism prosecutors and investigators of new investigative and procedural tools that resulted in the arrest and indictment of multiple suspected terrorists.
- In 2014, the OPDAT RLA program in Kenya, designed to improve the country's capacity to combat terrorism, terror financing (CFT), and money laundering (AML), achieved a number of successes. For example, the RLA's technical support to Kenyan counterparts was critical to the establishment of Kenya's new Financial Reporting Center (FRC), an agency that handles AML/CFT reporting. The RLA's work with the FRC and with the Kenya prosecutor's office to improve its efforts to enforce the new terrorism and money laundering laws and to begin to implement aspects of the mutual legal assistance and asset forfeiture legislation led the international Financial Action Task Force to remove Kenya from the International Cooperation Review Group (ICRG) process (the "black list"). This was a significant milestone because it increases Kenya's opportunities to engage in international commerce and facilitates economic development.
- Corruption remains the most significant crime problem in the Philippines, and
 historically, most defendants have been acquitted after lengthy trial proceedings.
 Accordingly, the OPDAT RLA has focused his efforts on supporting the institutional
 development of the Office of the Ombudsman, which has the legal authority to prosecute

major corruption cases and is now enjoying an improving conviction rate. With assistance from the RLA, the Ombudsman created pilot prosecutor/investigator teams for high-profile cases, including the Pork Barrel scam, the most important corruption case in recent Philippine history. This case has resulted in the indictment of three senators as well as the investigation of various congressmen for steering development funds to non-existent non-governmental organizations in return for large kickbacks.

- In Mexico, OPDAT's relationships with the three branches of Mexican government have resulted in transformational changes in the Mexican justice sector. The past year has been particularly groundbreaking, as OPDAT RLAs have worked closely with the Mexican legislature and Office of the Attorney General (PGR) to develop Mexico's new Code of Criminal Procedure, which finally passed on February 5, 2014. The new code, which includes significant input from OPDAT, puts Mexico on a path towards an accusatorial system, and is the basis for a three year training program to prepare the PGR for the transition and greater coordination with the U.S. justice system.
- OPDAT RLAs working on Trafficking in Persons (TIP) in the Western Hemisphere are helping DOJ respond to the Unaccompanied Children crisis by delivering critical technical assistance to justice sector institutions in the region, as well providing information to Department leadership and Congressional delegations as to the root causes and circumstances surrounding the crisis. Specifically, the OPDAT RLA in Honduras is traveling across the region to establish relationships and promote collaboration among the neighboring countries, and is providing technical assistance in cases not only in Honduras, but also in Guatemala and El Salvador. In Mexico, OPDAT RLAs are expanding TIP programming to include other countries in the region, also contributing to a much-needed regional approach and collaboration on this issue which affects U.S. national security.

C. The Criminal Division's Strategic Priorities

The Criminal Division leverages its substantial expertise in a broad array of federal criminal subject matters to help the Department achieve all three Strategic Goals: (1) Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law, (2) Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law; and (3) Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels (see table below).

| Departme | ent of Justice's Strategic Plan |
|---|--|
| Goal One: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law | 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats 1.2 Prosecute those involved in terrorist acts 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and |

| | prosecution of cyber threat actors |
|---------------------------------------|--|
| | 2.1 Combat the threat, incidence, and prevalence of |
| | violent crime, by leveraging strategic partnerships |
| | to investigate, arrest, and prosecute violent |
| | offenders and illegal firearms traffickers |
| | 2.2 Prevent and intervene in crimes against vulnerable |
| | populations and uphold the rights of, and improve |
| Goal Two: Prevent Crime, Protect | services to America's crime victims |
| the Rights of the American People, | 2.3 Disrupt and dismantle major drug trafficking |
| and Enforce Federal Law | organizations to combat the threat, trafficking, |
| and Emoice redetal Law | and use of illegal drugs and the diversion of illicit |
| | drugs |
| | 2.4 Investigate and prosecute corruption, economic |
| | crimes, and transnational organized crime |
| | 2.5 Promote and protect American civil rights by |
| | preventing and prosecuting discriminatory |
| | practices |
| | 3.1 Promote and strengthen relationships and |
| | strategies for the administration of justice with |
| Goal Three: Ensure and Support the | law enforcement agencies, organizations, |
| Fair, Impartial, Efficient, and | prosecutors, and defenders, through innovative |
| Transparent Administration of Justice | leadership and programs |
| at the Federal, State, Local, Tribal | 3.6 Prevent and respond to genocide and mass |
| and International Levels | atrocities and ensure that perpetrators of such |
| | crimes are held accountable in the United States, |
| | and if appropriate, their home countries |

In working to achieve these goals, the Division has identified the following key strategic outcomes to address the country's most critical justice priorities:

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

 Supporting national security and crime-fighting efforts across federal, state, and local governments.

The Division also plays a key role in the development and implementation of the Department's Smart on Crime initiative, a comprehensive review of the criminal justice system in order to identify reforms that would ensure federal laws are enforced more fairly and efficiently. Examples of the Division's work in this initiative are as follows:

- Participated in a Department working group that assisted the Attorney General in developing the Smart on Crime Strategy, including new charging policies for drug offenses, a new policy on the collateral consequences of conviction, and a new guidance memo on prosecution priorities for US Attorneys.
- Worked with the Bureau of Prisons to craft a new policy on compassionate release for elderly and infirm prisoners.
- Advocated, as the Department's ex-officio member of the U.S. Sentencing Commission, for reductions in guideline drug penalties enacted by the Commission in 2014 as well as for their retroactive application to tens of thousands of imprisoned drug offenders.
- Participated in the Federal Reentry Roundtable, an inter-branch working group focused
 on improving Federal offender reentry outcomes, and served as the policy advisor to the
 Charles Colson Task Force on Federal Corrections, a congressionally mandated task
 force to study and make recommendations to improve federal sentencing and corrections.

D. Challenges to Achieving Outcomes

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

External Challenges

- 1. Globalization of Crime: The increasing globalization of crime and the emergence of transnational threats will continue to bring new challenges to law enforcement, both at home and abroad. In its commitment to combat transnational threats, the Criminal Division continues to serve as the Department's "global headquarters," effectively developing criminal policies and legislation, while monitoring both national and transnational criminal trends. As important, the Division is the central clearinghouse for all requests by foreign countries for evidence of crimes that may be in the United States and for all requests by U.S. law enforcement authorities for evidence of crimes that may reside abroad. The Division has the breadth of experience and the unique capability to build essential global partnerships to successfully combat transnational crimes, but requires critical resources to keep pace with the increasing demand for its services.
- Advances in Technology: New technologies have generated cutting-edge methods for committing crimes, such as use of the Internet to commit identity theft and use of peer-topeer software programs to share large volumes of child pornography in real-time. These

technologies continue to pose many challenges to law enforcement agents and prosecutors alike. It is the Division's job to keep pace with these cutting-edge methods of technology and provide training and assistance to other prosecutors and investigators.

- 3. Weak International Rule of Law: Some countries lack effective policies, laws, and judicial systems to investigate and prosecute criminals in their countries. These weaknesses create obstacles for the Division, as it tries to bring criminals to justice and seize their ill-gotten profits.
- 4. <u>Increasing Statutory Responsibilities in a Challenging Fiscal Environment</u>: New legislation that increases the Division's responsibilities has placed additional demands on the Division's resources. This includes the steady increase in the number of mandatory reporting requirements to which the Division must respond.

Internal Challenges

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

- Automated Litigation Support: Cases and matters the Division prosecutes and investigates are complicated and complex and require a massive amount of data to be processed and stored.
- Information and Network Security: To stay one step ahead of criminals, the Division
 needs to acquire the most advanced IT equipment and software available. Additionally, it
 must ensure that it is invulnerable to cyber attacks or computer intrusions.

E. Budget and Performance Integration

This budget demonstrates how the Criminal Division's resources directly support the achievement of the Department's strategic goals and priorities – both nationally and internationally.

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

F. Environmental Accountability

The Criminal Division has taken significant steps to integrate environmental accountability into its daily operations and decision-making process:

 The Division has initiated (paperless) electronic transmittal of all service work requests and internal administrative services, which saves paper and reduces its carbon footprint.

- The Division has completed the balancing of the water system to conserve and provide more efficient use of its supplemental air conditioning units.
- The Division is continuing to work with building management to install occupancy sensors in all offices in the Bond building to save energy. New light fixtures will also be installed to satisfy energy saving requirements. These fixtures provide low watts per square foot with energy saving ballast and controls.
- The Division continues to take steps to improve the recycling and environmental awareness programs within the Division. The Division has a comprehensive recycling program that includes the (1) distribution of individual recycling containers to every federal and contract employee, (2) inclusion of recycling flyers in all new employee orientation packages, (3) publication of energy and recycling articles in the Division's Security and Operations Support newsletter, and (4) creation of a recycling section on the Division's Intranet site. The Division is in ongoing discussions with two of its leased buildings to use "Single Stream" recycling which would enhance the Division's program overall by removing the requirement for tenants to separate recyclables.

II. Summary of Program Changes

| II. Summary | of Program Changes | | | garan filo Marana | |
|---|---|------|--|----------------------|------|
| Item Name | Description | | Maria Cara Maria 1 anto Maria 1 anto Maria 1 anto | | Page |
| 1.5 | | Pos. | FTE | Dollars (\$000) | |
| MLAT Reform | The requested positions and resources would allow the Division to implement the four elements—(1) Centralization, (2) Training and Outreach, (3) Reducing the Backlog, and (4) Technology—as the Department has defined to address the MLAT issues. | 141 | 141 | \$32,111 | - 20 |
| International Law Enforcement and Justice Development | This request would fully fund the headquarters operating expenses of its International Criminal Investigative Training Assistance Program (ICITAP), the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT), and the Office of Administration's International Training and Financial Management unit (ITFM), which solely supports the financial management and execution of ICITAP's and OPDAT's programs. | 107 | 83 | \$12,434 | 30 |
| Strategic Initiatives to Address Cyber Threats | This request would allow the Criminal Division to combat the growing and evolving cyber threat. The additional resources will increase the Division's capability in four key areas: cybercrime investigations and prosecutions; advice and advocating legal tools and authorities; international cooperation and outreach; and forensic support. | 54 | 29 | \$6,123 | 40 |
| Intellectual Property | This request would help the Criminal Division to better combat the increasing threat of transnational intellectual property crime. The additional resources will be used to place two DOJ Attachés overseas that will serve as regional International Computer Hacking and Intellectual Property coordinators (ICHIPs). A portion of this enhancement also be used to increase the capacity of the Division's domestic IP program to provide critical support to the ICHIP/Attachés and ensure the coordinated use of ICHIP resources overseas. | 11 | 6 | \$2,205 | 48 |

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

No changes to appropriations language.

IV. Program Activity Justification

A. Enforcing Federal Criminal Laws

| Enforcing Federal Criminal Laws | Direct Pos. | Estimate FTE | Amount (000) |
|---|----------------|-----------------|--------------|
| 2014 Enacted | 750 | 620 | \$174,189 |
| 2015 Enacted | 750 | 674 | \$178,042 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$11,561 |
| 2016 Current Services | 750 | 674 | \$189,603 |
| 2016 Program Increases | 313 | 259 | \$52,873 |
| 2016 Program Offsets | 0 | 0 | \$0 |
| 2016 Request | 1,063 | 933 | \$24,476 |
| Total Change 2015-2016 | 313 | 259 | \$64,434 |

1. Program Description

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

The Division complements the work of its foreign and domestic law enforcement partners by centrally housing subject matter experts in all areas of federal criminal law, as reflected by the 16 Sections and Offices that make up the Division's Decision Unit "Enforcing Federal Criminal Laws:"

- · Appellate Section;
- · Asset Forfeiture and Money Laundering Section;
- · Capital Case Section;
- · Child Exploitation and Obscenity Section;
- · Computer Crime and Intellectual Property Section;
- Human Rights and Special Prosecutions Section;
- International Criminal Investigative Training Assistance Program;
- · Narcotic and Dangerous Drug Section;
- Office of Administration;

- Office of the Assistant Attorney General;
- Office of Enforcement Operations;
- · Office of International Affairs:
- Office of Overseas Prosecutorial Development, Assistance and Training;
- Office of Policy and Legislation;
- · Organized Crime and Gang Section; and
- · Public Integrity Section.

The concentration of formidable expertise, in a broad range of critical subject areas, strengthens and shapes the Department's efforts in bringing a broad perspective to areas of national and transnational criminal enforcement and prevention. To capture this range of expertise, the Division's Performance and Resource Table is organized into three functional categories: prosecutions and investigations; expert guidance and legal advice; and the review of critical law enforcement tools. In addition, the chart shows the Division support of the Department's Strategic Goals and Objectives.

2. Performance Tables

| | | | BE | RFORMAN | PERFORMANCE AND RESOURCES TABLE | JRCES TA | BLE | | | | |
|---------------------|--|-------------------------------------|---------|-----------|---------------------------------|---------------|-------------|---------|--|-------------------|-----------|
| Decision Un | Decision Unit: Enforcing Fed | Federal Criminal Law | | | | | | | | | |
| RESOURCES | S | | Target | jet | Actual | | Projected | | Changes | Requested (Total) | d (Total) |
| | | | FY 2014 | 014 | *107.14 | | FY 2015 | Adju | Current Services Adjustments and FY 2016 Program Changes | FY 2016 Request | Request |
| Total Costs and FTE | Total Costs and FTE | | FTE | \$000 | FTE \$000 | D FTE | E \$000 | FTE | \$000 | ᆵ | \$000 |
| (comparison) | ric are incruded | | 971 | \$174,189 | 620 | \$178,528 674 | 4 \$178,042 | 259 | \$64,434 | 933 | \$242,476 |
| TYPE | STRATEGIC | PERFORMANCE | FY 2014 | 014 | FY 2015 | | FY 2015 | Adju Cu | Current Services Adjustments and FY 2016 Program Changes | FY 2016 Request | Request |
| | | | FTE | \$000 | FTE \$900 |) FTE | E \$000 | FTE | \$000 | FIE | \$000 |
| Program Activity | 1.2, 1.4, 2.1, 2.2, 2.3, 2.4, 2.5, 3.6 | Prosecutions and Investigations | 466 | \$83,611 | 298 | \$83,293 324 | 4 \$85,460 | 2 | \$9,432 | 329 | \$94,892 |
| Workload | | Cases Opened | 430 | 0 | 345 | | 352 | | 5 | 8 | 357 |
| Workload | | Cases Closed | 378 | 8 | #C# | | 278 | | 4 | 28 | 282 |
| Workload | | Cases Pending | 1,171 | 71 | 1901 | | 1,041 | | 75 | 1,1 | 1,116 |
| Workload | | Appellate Work - Opened | 3,207 | 70 | 3,364 | | 2,595 | | 0 | 2,5 | 2,595 |
| Workload | | Appellate Work - Closed | 3,198 | 86 | 2,795 | | 1,995 | | 0 | 1,9 | 1,995 |
| Workload | | Appellate Work Pending | 3,088 | 88 | 3,319 | | 3,915 | | 609 | 4,5 | 4,515 |
| Workload | | Matters Opened | 932 | 2 | 769 | | 762 | | 12 | 7 | 774 |
| Workload | | Matters Closed | 994 | 4 | 943 | | 805 | | 12 | 88 | 817 |
| Workload | | Matters Pending | 1,365 | 65 | 1,259 | | 1,108 | | -44 | 1,(| 1,064 |

| | | | PE | REORMANC | PERFORMANCE AND RESOURCES TABLE | ABLE | | | | | |
|--------------|---|---|-----|-----------------|---------------------------------|------|--|----------------------|--|-------------------|----------|
| Decision Uni | t: Enforcing | Decision Unit: Enforcing Federal Criminal Law | | | | | en en en en en en en en en en en en en e | | | | |
| RESOURCES | . | | Ta | Target | Actual | | Projected | | Changes | Requested (Total) | (Total) |
| | | | Æ | FY 2014 | TIRL. | | FY 2015 | Cu Adju 2016 I | Current Services Adjustments and FY 2016 Program Changes | FY 2016 Request | ednest |
| | | | FTE | \$000 | FTE \$000 | E | \$000 | FE | \$000 | FTE | \$000 |
| Activity | 1.1, 1.2, 1.4, 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, 3.6 | 2. Expert Guidance and Legal Advice | 359 | \$64.450 | 27.9 | 249 | \$12.434 | 26 | \$20.043 | 346 | \$32.477 |
| Workload | 1 | Number of Legislative and Policy Analysis matters Completed | | | | | | | 1 | | |
| Workload | | Number of Programmatic Coordination Activities | 11 | 11.127 | 11.428 | | 4,000 | | 202 | 4,950 | 25 |
| Workload | | Number of Legal Advisory Matters Completed | 33 | 33.406 | 39.626 | | 35.054 | | 1.971 | 37.025 | 150 |
| Workload | | Number of Training Sessions/Presentations | 3,6 | 3,605 | 3628 | | 4,053 | | 228 | 4.281 | |
| | | | FTE | \$000 | FTE \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| Activity | 1.1, 1.2, 1.4, 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, | | | | | | | | | | |
| | ı | 3. Law Enforcement Tools | 146 | \$26,128 | 53 258 028 | 101 | \$26,706 | 157 | \$34,959 | 258 | \$61,665 |
| Workload | | Number of Mandatory Reviews Completed | 20, | 20,944 | 711.17 | | 19,218 | | 2,000 | 21,218 | 18 |
| Workload | | Favorably Resolved Criminal Cases | 36 | %06 | 9,86 | | %06 | | | %06 | ق. |
| Workload | | Favorable Resolved Civil Cases | 98 | 80% | MA | | 80% | | | 80% | 9 |

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

| | | | O., | ERFORMA | PERFORMANCE MEASURE TABLE | URE TABLE | | | | |
|------------------------|--------------------|---|-------------|---------|---------------------------|-----------|--------|---------|---------|---------|
| | Decision U | Decision Unit: Enforcing Federal Criminal Laws | Criminal La | IWS | | | | | | |
| | Performance | Performance Report and Performance | FY 2010 | FY 2011 | FY 2012 | FY 2013 | F | FY 2014 | FY 2015 | FY 2016 |
| Strategic Objective | | Plan Targets | Actual | Actual | Actual | Actual | Target | Actual | Tamot | Tannot |
| | OUTPUT Measure | Number of Legislative and Policy Analysis Matters Completed | 6,524 | 7,458 | 5.875 | 6.493 | 5.314 | 906.9 | 7 660 | |
| | OUTPUT Measure | Number of Programmatic Coordination Activities | 3,509 | 4,492 | 5,226 | 11,892 | 11.127 | 11.428 | 10 757 | 11 362 |
| 1.1, 1.2, 1.4, | OUTPUT | Number of Legal Advisory Matters | 19,039 | 24,438 | 39,726 | 42,986 | 33.406 | 39.620 | 35.054 | 37 025 |
| 2.4, 2.5, 3.1, 3.6 | OUTPUT Measure | Number of Training Sessions/Presentations | 2,767 | 3,612 | 3,845 | 5,133 | 3,605 | 3.628 | 4.053 | 4 281 |
| | OUTPUT | Number of Mandatory Reviews Completed | 46,125 | 19,237 | 19,090 | 26,977 | 20.944 | 21.477 | 19.218 | 21 218 |
| | OUTCOME | Favorably resolve criminal cases | %06 | %96 | %26 | %26 | %06 | %68 | 7606 | Solet. |
| | OUTCOME Measure | Favorably resolve civil cases | 100% | 100% | WA | 100% | 80% | N/A | 80% | 80% |

3. Performance, Resources, and Strategies

a. Performance Plan and Report for Outcomes

Outcome Measure

The Department's long-term outcome goal for the litigating divisions, including the Criminal Division, is the percentage of criminal and civil cases favorably resolved during the Fiscal Year. The goals are 90 percent (criminal) and 80 percent (civil). The Division has consistently met or exceeded the goals. In FY 2014, the Division met both outcome goals and is on track to meet both of them in FY 2015.

Prosecutions and Investigations Workload

The Division leads complex investigations and tries significant prosecutions. Many of these cases are of national significance, require international coordination, have precedent-setting implications, and involve the coordination of cross-jurisdictional investigations.

Other Critical Division Workload

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

Strategies to Accomplish Outcomes

The Criminal Division's mission is to develop, enforce, and exercise general oversight for all federal criminal laws. In fulfilling this mission, the Division plays a central role in assisting the Department in accomplishing its Strategic Goals and Objectives. The Division contributes to ten of the Department's eighteen strategic objectives. The performance measures and outcome measures, reported in the budget, measure performance in a combination of strategic objectives covering the entire breadth of the Division's work.

c. Priority Goals

The Criminal Division contributes to two priority goals:

<u>Financial Fraud/Healthcare Fraud</u>: Protect the American people from financial and healthcare fraud: In order to efficiently and effectively address financial fraud and healthcare fraud, by September 30, 2015, reduce by 3 percent the number of financial and healthcare fraud investigations pending longer than 2 years.

<u>Vulnerable People</u>: Protect vulnerable populations by increasing the number of investigations and litigation matters concerning child exploitation, human trafficking, and non-compliant sex offenders; and by improving programs to prevent victimization, identify victims, and provide services. By September 30, 2015, working with federal, state, local, and tribal partners, to protect potential victims from abuse and exploitation through three sets of key indicators:

- Open investigations concerning non-compliant sex offenders (4% over average of FYs 2012, 2013), sexual exploitation of children (3% over average of FYs 2011, 2012, 2013), and human trafficking (2% over FY 2013)
- Open litigation matters concerning sexual exploitation of children and human trafficking (5% increase over baseline)
- Percent of children recovered within 72 hours of issuance of an AMBER alert (90%)

The Division's progress regarding these two goals is reported quarterly to the Department.

V. Program Increases by Item

Item Name:

Mutual Legal Assistance Treaty (MLAT) Reform

| Strategic Goal: | |
|---|---|
| Goal One: Prevent Terrorism and | 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats |
| Promote the Nation's Security Consistent with the Rule of Law | Prosecute those involved in terrorist acts Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors |
| G. J.T Proved Crime Product | 2.1 Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers 2.2 Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims |
| Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law | 2.3 Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs |
| | 2.4 Investigate and prosecute corruption, economic crimes, and transnational organized crime |
| | 2.5 Promote and protect American civil rights by preventing and prosecuting discriminatory practices |
| Goal Three: Ensure and Support the | 3.1 Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, |

Budget Decision Unit(s):

International Levels

Fair, Impartial, Efficient, and Transparent Administration of Justice

at eh Federal, State, Local, Tribal and

Enforcing Federal Criminal Law

leadership and programs

prosecutors, and defenders, through innovative

atrocities and ensure that perpetrators of such crimes are held accountable in the United States, and if appropriate, their home countries

3.6 Prevent and respond to genocide and mass

Organizational Program:

Criminal Division

Program Increase: Positions 141 Atty 77 FTE 141 Dollars \$32,111,000

Description of Item

In order to safeguard our nation and our citizens, the United States must actively and timely share critical law enforcement information with our foreign partners. United States and foreign law enforcement authorities make formal requests to each other for evidence in criminal cases through a process referred to as "mutual legal assistance" (MLA), made often through our Mutual Legal Assistance Treaties (MLATs). Over time, and with the increase in electronic evidence, it is essential that the Department transform and update how we handle international MLA requests in criminal and counterterrorism matters. Without modernizing the MLA process, our relationships with our international law enforcement partners and U.S. Internet communication providers are at risk, and our national security and diplomatic efforts are threatened.

The Criminal Division's Office of International Affairs (OIA) serves as the "central authority" for the entire United States under our international treaties for responding to MLA requests and sending MLA requests overseas. State, local, and federal prosecutors in the United States work through OIA to obtain foreign evidence in their cases, and foreign prosecutors send their requests for evidence located in the United States to OIA. The centrality of OIA and its critical role in handling formal requests for evidence cannot be overstated: requests for evidence from overseas must be made through OIA, and foreign counterparts must work through OIA to obtain evidence located in the United States. OIA has seen a dramatic growth in mutual legal assistance requests in general, and for cases involving Internet Service Provider (ISP) records in particular, but resources for OIA have fallen far behind, resulting in a large backlog of requests and significant delays in response time. OIA's difficulty in responding to foreign requests promptly jeopardizes the effectiveness of U.S. law enforcement and our diplomatic efforts. OIA's difficulty in ensuring that foreign authorities have the evidence to prosecute crime and terrorism in their countries damages our interests in effective law enforcement worldwide and threatens reciprocal cooperation when we seek evidence from other countries for our own cases.

Further, the delays in responding to requests for ISP records in particular threaten the competitiveness of ISPs and our model of Internet governance. Because of the difficulties in timely responses to foreign requests for ISP records, we have seen increased foreign calls for moving or mirroring U.S. ISP data storage overseas; foreign demands that U.S. ISPs produce information directly in response to foreign orders; and foreign proposals that U.S. ISPs be subjected to national or multilateral data protection regimes. These proposals place U.S. companies in difficult positions and threaten our own cybersecurity.

The President, through his National Security Strategy, has recognized the importance of centralizing international mutual cooperation in criminal justice and counterterrorism matters. The Strategy calls for our law enforcement agencies to "cooperate effectively with foreign governments" in order to "provide safety and security," and, in particular, states that the U.S. will "strengthen our international partnerships" to counter cybersecurity threats. To this end, President Obama has called upon our allies and partners to "join in building a new framework for international cooperation to protect all our citizens from the violence, harm, and exploitation wrought by transnational organized crime."

We can build the "new framework for international cooperation" envisaged by the President's National Security Strategy. To do so, however, the Criminal Division's OIA must be provided with the resources necessary to modernize the process by which MLA requests are handled and receive resources so that those requests can be handled in a timely manner. The payoff would be dramatic. We would strengthen foreign countries' ability to gather evidence to fight crime in their countries and before it reaches our shores, and we would strengthen reciprocal obligations for foreign countries to provide evidence that U.S. prosecutors request for criminal cases here. We would undercut key arguments for "decentralizing" the Internet or negotiating a new U.N. Cybercrime Convention – arguments that have only gained force following Edward Snowden's disclosures from the National Security Agency – while also demonstrating that effective cooperation is possible under the Budapest Cybercrime Convention. Further, we demonstrate that the United States is leading the transformation of the way that MLA requests are handled worldwide.

To achieve these goals, the Division is requesting an increase of 141 positions (77 attorneys), 141 FTE, and \$32,111,000.

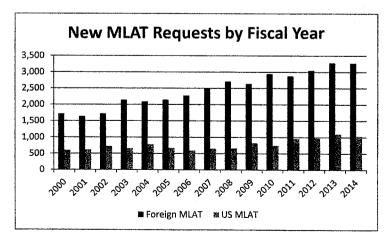
Support of the Department's Strategic Goals

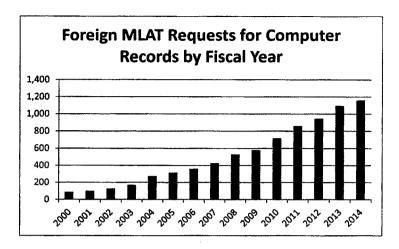
As MLA requests are made in all types of criminal cases, this budget request directly supports all three of the Department's strategic goals and many of its objectives. The requested increase will improve efficiency and effectiveness of the MLA handling process and strengthen our international programs.

Justification

1. The Department's Increasing Workload Shouldered by Decreasing Personnel

MLA requests generally are made in the following situations: (1) if a court order is needed to obtain the evidence; (2) to meet formalities to assure the evidence is admissible; and/or (3) where use of the MLAT process is dictated by the domestic law of one of the two countries. Since FY 2000, the number of requests for assistance from foreign authorities handled by OIA has increased nearly 85 percent, and the number of requests for computer records has increased over 1,000 percent.





As illustrated above, the growth of foreign requests for computer records far outpaces that for MLA requests generally. The increased number of cases is not the only challenge, however. The high legal standards for obtaining ISP records, particularly for the content of communications, makes the process of evaluating foreign requests difficult and time consuming. The legal standard required when content of communications is sought is probable cause – typically requiring a search warrant – and OIA usually must work closely with our foreign partners and U.S. law enforcement agents stationed abroad to compile the evidence and prepare the required documents to secure court approval.

In fiscal year 2014, OIA opened 3,270 foreign requests for assistance. That same year, OIA granted assistance in whole or in part, in 1,465 cases, or 45% of the requests.

While its workload has dramatically increased, OIA has seen minimal changes in its staffing, and in fact suffered significant attrition during the Department-wide hiring freeze. The significant period of short staffing has increased OIA's case backlog.

Importantly, not all OIA resources can be devoted to MLA requests. OIA's work with foreign MLATs is only one of several of its unique, and largely non-discretionary functions, including preparing U.S. requests for extradition of foreign fugitives and working with foreign authorities to secure the surrender of fugitives; preparing all U.S. requests for foreign evidence and witnesses; negotiating all extradition treaties and MLATs with the Department of State; and formulating international criminal justice policy. There are more than 1,000 fugitive requests alone every year.

2. Limited Technology

The case management system currently in use for managing all of OIA's case work has not seen a significant upgrade since its implementation in 1999. As a result, there is a lack of transparency for OIA to see the progress of each request at each iterative step, e.g., receipt of the request, conclusion of review by OIA, receipt of the request by a U.S. Attorney's Office, court order date, and date evidence when it was received. More importantly, a significant source of frustration for our state, local and foreign partners is that no public-facing system or website is

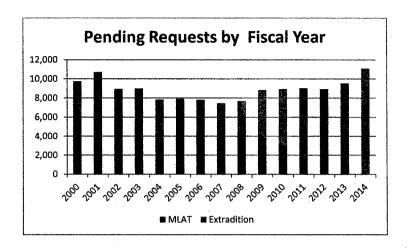
available for them to monitor the status of their requests. Creating a secure, external website with information available to state and local counterparts as well as foreign authorities would reduce time and resources spent in communicating basic information, providing guidance, and transmitting exemplars and templates, and it would be a significant step toward transparency in the process.

3. Structural Impediments

President Obama signed into law the Foreign Evidence Request Efficiency Act of 2009, codified at Title 18, United States Code Section 3512, which, among other things, was intended to implement efficiencies and create flexibility in the execution of foreign assistance requests. It creates venue in the District of Columbia for court orders to compel the production of evidence sought by foreign authorities. This significant structural change allows OIA to respond directly to requests for evidence that require court orders, rather than working through U.S. Attorneys' Offices (USAOs) in the district in which the evidence is located. Through this legislation, the Obama Administration has made possible a paradigm shift in how mutual legal assistance requests are handled; but to actualize this shift, OIA requires additional legal and professional personnel to undertake work currently performed by USAOs.

Because of the lack of OIA resources, OIA still relies on USAOs to handle many requests for evidence. This process results in many inefficiencies. Often, Assistant U.S. Attorneys (AUSAs) defer execution of foreign MLA requests while they address more pressing cases in their districts. Moreover, duplication of efforts occurs because all matters must be reviewed by OIA for legal sufficiency and consistency with DOJ and federal policy, but all matters that are referred to the USAOs for execution are likewise reviewed for legal sufficiency by the AUSAs responsible for securing the necessary court orders. Currently, OIA has approximately 4,800 pending foreign MLA requests and, of those, approximately 1,500 to 2,000 are pending execution with USAOs and U.S. law enforcement agencies.

Between FYs 2002 and 2008, OIA managed its steadily increasing volume of work without additional resources, through the efficient use of paralegals and improved case management practices. In FY 2009, however, OIA reached its saturation point and its backlog began to increase steadily as a result. In FY 2014, as illustrated in the chart below, OIA's backlog reached more than 11,000 cases for the first time since FY 2001.



Currently, OIA is handling approximately 5,400 requests from U.S. prosecutors directed to foreign countries for the return of fugitives and production of evidence, and approximately 5,300 requests for fugitives and evidence received from foreign counterparts. Approximately 4,800 of those foreign requests are for evidence, and of that 4,800, approximately 1,600 of the requests are for computer records.

Based on historical experience and a qualitative review of OIA's existing process, it has been determined that between 120 and 150 cases would be a manageable caseload per OIA attorney under the current model, where AUSAs are still responsible for court filings and appearances. Yet, OIA case attorneys currently carry nearly three times the manageable caseload -- an average caseload of 362 cases each -- a caseload that has increased 81 percent in the last six years, from an estimated caseload of 200 cases per attorney in FY 2008.

Projected OIA Backlog Increases FY 2015-2020 (No Additional Resources)¹

| $\mathbf{F}\mathbf{Y}$ | Projected Backlog | Projected Caseload |
|------------------------|-------------------|--------------------|
| | | Backlog per |
| | | Attorney |
| 2015 | 11,522 | 281 |
| 2016 | 12,066 | 294 |
| 2017 | 12,721 | 310 |
| 2018 | 13,600 | 332 |
| 2019 | 14,713 | 359 |
| 2020 | 16,067 | 392 |

¹ These projections are based on FY 2014 pending cases and attorney resources as well as anticipated increases in caseload. Actual case execution and changes to pending cases can vary depending on the types of requests OIA receives and the personnel resources available to execute them.

OIA has been rendered unable to meet all incoming foreign requests, even after refusing cases on "de minimis" grounds, over the objections of the Department's foreign counterparts that there is no treaty exception for such cases. As a result, we are facing criticisms and increasing frustration from our foreign counterparts, such as:

- On February 20, 2013, the Latvian Prosecutor General held a press conference to publicly
 criticize the United States for its failure to respond in a timely manner to Latvia's
 requests for mutual legal assistance. To this point, Latvia has been one of the U.S.'s most
 reliable partners in Eastern Europe.
- On April 5, 2013, the Division received a letter from Germany's Director General of Criminal Law criticizing OIA's "de minimis" policy. He stated that while focusing on only serious forms of criminality "can be one way of ensuring effective criminal prosecutions" in an age experiencing a "significant rise in cross-border offenses," the de minimis policy is "not a path provided for in the mutual legal assistance agreements that the USA has concluded with the European Union and with Germany. Those agreements provide for an obligation to execute mutual legal assistance requests. They do not provide for a refusal of execution in cases involving less serious offenses. Germany's approach has been to provide the necessary increase in staff." (emphasis in original).

Solutions and Resourcing Strategy

Several concurrent approaches are required to address this multi-faceted problem, namely: (1) centralization; (2) training and outreach, (3) reducing the backlog, and (4) technology. Centralizing the handling of requests within OIA as envisioned by the *Foreign Evidence Request Efficiency Act of 2009* will yield the most efficient and effective MLAT process. In addition, coordinated training and outreach to foreign partners is critical to ensure MLAT requests meet U.S. legal standards. There is an urgent need for increased resources to reduce the backlog and keep pace with incoming requests. Finally, new technology, including a web-based system for interacting with foreign partners, is necessary to provide transparency and better communication to meet the expectations of our state, local, and foreign partners.

1. Centralization:

The Department requires additional resources to use the authorities provided by the 2009 legislation and centralize the execution of foreign MLAs with OIA, working with the USAO in the District of Columbia, rather than distributing the requests to USAOs in the districts in which the evidence is located. A few matters involving physical searches, witness interviews, or related case investigations will continue to be referred to USAOs where the evidence is located, and the USAO in the Northern District of California will need to deal directly with ISPs on novel or particularly complex issues. But centralization will significantly reduce the delays and redundancy in the handling the vast majority of MLA requests.

OIA has engaged in a pilot project, with the support and expertise of the Criminal Division's Computer Crime and Intellectual Property Section (CCIPS) and the USAO in the District of Columbia to refine and centralize the process. Based upon the experience with a centralized

process in OIA's pilot project, time for executing legally sufficient, straightforward requests for subscriber and transactional information would be reduced. With respect to requests for content of communications requiring a probable cause standard, which now take up to one year to execute, OIA expects that additional, adequate resources would cut response time in half.

2. Training and Outreach:

Training our foreign counterparts, particularly ones from different legal systems, will be critical to improving the MLAT process. Many foreign partners require assistance in showing that the probable cause standard required to receive the content of communications is met. The Department of Justice – OIA, CCIPS and the FBI – will develop a comprehensive program to train foreign authorities in U.S. legal standards for obtaining evidence and in cyber investigations.

OIA would also train its own attorneys, particularly the ones hired specifically to work on MLAT modernization, and work with the AUSAs in the USAOs in the District of Columbia and the Northern District of California to secure uniformity and guidelines for review and tracking.

Additionally, DOJ, with the Department of State, would engage in outreach with foreign governments and encourage them to empower their MLAT "Central Authorities" (or equivalents) so that they can screen their own requests for evidence located in the United States and help their prosecutors and law enforcement agencies in making MLA requests that meet U.S. legal standards.

By focusing training on high-volume MLAT partners who have particular difficulty in meeting U.S. legal standards and working with sophisticated partners who are already eager to engage in improving MLAT success, the quality of the requests received should improve and result in faster processing times. OIA would assign DOJ Attachés to work directly with foreign counterparts in countries such as Brazil and Turkey, as well as other important partners such as Germany, the Dominican Republic, Australia and Eastern Europe. These in-country attachés would able to work directly with foreign counterparts, as well as U.S. Embassy law enforcement agency attachés, to resolve problems and address legal and treaty issues in complex and urgent cases before requests are sent to OIA, and to provide consistent, hands-on advice to cure systemic problems.

3. Reducing the Backlog and Improving Response Times:

Additional resources also are needed to address the current backlog of pending MLA requests. With those resources, OIA would staff an "intake unit" to handle all incoming MLA requests. Additional personnel resources would directly reduce response time.

Once adequately staffed, OIA would strive first to reduce its pending case levels to its 2008 low of approximately 7,500. This would include reducing backlogs of cases at both at OIA and among cases already awaiting action at USAOs. It is expected that the additional resources would, over time, allow OIA to eliminate the backlog, so that the number of cases closed in a given year will match (if not exceed) the number of new cases opened. These additional

attorneys will not only handle any existing backlog, but will also take on new MLAT and extradition requests, and some will be dedicated to supporting the necessary operation of the office, including legislative and policy development, litigation, and management.

4. Improved Technology:

New technology is vital to modernize OIA's case tracking and management system, with an estimated expense of \$3 million per year for three years. With additional resources, OIA would: (a) update its neglected internal website used currently by OIA and others within DOJ; (b) establish an external website of resources and email interface for foreign users; (c) fund in-house technological and analytic resources to manage those systems and keep them current; and (d) provide online advice and exemplars for foreign partners to accept MLAT requests electronically (beyond the email and PDF capacities now in use) and allow for automated status updates.

Conclusion

The MLAT handling process must be overhauled in a comprehensive and responsible manner to address the globalization of crime and growth of electronic communications, and to ensure U.S. law enforcement retains the ability to seek reciprocal assistance from foreign partners. Just as critical is our need to safeguard U.S. security and economic interests that have become threatened by foreign frustration with a U.S. predominance of the Internet that is coupled with a perceived U.S. unresponsiveness to foreign authorities' need for U.S.-based evidence.

Impact on Performance

The requested positions will allow the Division to implement the four elements — (1) centralization, (2) training and outreach, (3) reducing the backlog, and (4) technology improvement—that the Department has identified as required to modernize the handling of MLA requests. Because MLA requests involve numerous types of crime, including terrorism and threats to our national security, child exploitation, financial fraud, transnational organized crime, and cybercrime, fulfilling this request will contribute to accomplishing many performance objectives of the Department.

Funding

Base Funding

| mr (q. 1) 4. Nyfer | FY | 2014 E | nacted | 1 | FY | 2015 En | acted | 1, 5 | FY 20 | 16 Curre | nt Services |
|-----------------------|------|--------|----------|-----|------|---------|----------|------|-------|----------|-------------|
| Pos | atty | FTE | \$(000) | Pos | atty | FTE | \$(000) | Pos | atty | FTE | \$(000) |
| 90 | 61 | 82 | \$19,550 | 90 | 61 | 82 | \$19,982 | 90 | 61 | 82 | \$21,280 |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---|--|-------------------------------------|-------------------------------|--|--|
| Clerical and Office Services (0300-0399) (Full Year Clerical) | \$101 | 2 | \$202 | \$0 | \$0 |
| Clerical and Office Services (0300-0399) (Full Year Professional) | \$168 | 5 | \$840 | \$0 | \$0 |
| Attorneys (0905) (Full Year Domestic) | \$232 | 70 | \$16,240 | \$0. | \$0 |
| Attorneys (0905) (Full Year Foreign) | \$740 | 7 | \$5,180 | \$0 | \$0 |
| Paralegals / Other Law (0900- 0999) (Full Year) | \$168 | 57 | \$9,576 | \$0 | \$0 |
| Total Personnel | | 141 | \$32,038 | \$0 | \$0 |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------------------------|-----------|----------|-------------------------------|---|---|
| IT Equipment | N/A | N/A | \$0 | \$500 | \$0 |
| Travel | N/A | N/A | \$73 | \$0 | \$0 |
| Foreign Service National | \$60 | 7 | \$0 | \$420 | \$0 |
| Total Non- Personnel | N/A | N/A | \$73 | \$920 | \$0 |

Total Request for this Item

| Legistra Legistra | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|----------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 90 | 61 | 82 | \$21,280 | \$0 | \$21,280 | \$0 | \$0 |
| Increases | 141 | 77 | 141 | \$32,038 | \$73 | \$32,111 | \$920 | \$0 |
| Grand Total | 231 | 138 | 223 | \$53,318 | \$ 73 | \$53,391 | \$920 | \$0 |

V. Program Increases by Item

Item Name: International Law Enforcement and Justice Development

AG Targeted Priority Options:

| | Protecting Americans from national security threats |
|-------------------|--|
| | Protecting Americans from violent crime |
| AG Priority Goals | Protecting Americans from healthcare and financial fraud |
| | Protecting the most vulnerable members of society |

Strategic Goals and Strategic Objectives:

| Goal Three: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels | 3.1 Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors, and defenders through innovative leadership and programs 3.6 Prevent and respond to genocide and mass |
|---|---|
| Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law | 2.1 Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers 2.2 Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to, America's crime victims 2.3 Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of illicit drugs 2.4 Investigate and prosecute corruption, economic crimes, and transnational organized crime 2.5 Promote and protect American civil rights by preventing and prosecuting discriminatory practices |
| Goal One: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law | 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats 1.2 Prosecute those involved in terrorist acts 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors |

| atrocities and ensure that perpetrators of such |
|---|
| crimes are held accountable in the United States, |
| and if appropriate, their home countries |

Budget Decision Unit:

Enforcing Federal Criminal Laws

Organizational Program:

Criminal Division

Program Increase: Positions 107 Atty 13 FTE 83 Dollars 12,434,000

Description of Item

The Criminal Division is requesting 107 positions, including 13 attorneys, 83 FTE, and \$12,434,000 to fully fund the headquarters operating expenses of its International Criminal Investigative Training Assistance Program (ICITAP), the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT), and the Office of Administration's International Training and Financial Management unit (ITFM), which solely supports the financial management and execution of ICITAP's and OPDAT's programs.

Justification

ICITAP's and OPDAT's headquarters operations are vital to the funding, origination, development, oversight, management, and implementation of DOJ's foreign assistance programs. Without the efforts of headquarters personnel – who participate in a myriad of interagency initiatives, develop program plans and proposals, ensure funding and oversight for program implementation, liaise with international partners, apply extensive institutional knowledge of justice sector standards and development assistance best practices, and advocate on behalf of the Attorney General – the Department would have no voice in Security Sector Assistance (SSA) and related rule of law and governance assistance discussions and decision-making. Indeed, without such efforts, there would be no DOJ overseas technical assistance programs, significantly undermining our national security goals.

As presently structured, a majority of funding for the headquarters and field operations of both sections comes from Interagency Agreements and the overhead provided for in this agreements. Currently, only senior management for ICITAP and ICITAP are funded out of departmental resources. No Department funds are budgeted for headquarters operations, including headquarters staff salaries, office space (including furnishings, rent, and utilities), information technology, and security needs. The budget items requested are solely for the support of the base headquarters operations of ICITAP and OPDAT, such as headquarters salaries, office space, and related headquarters business needs. The budget items requested are not for assistance programs, which would continue to be funded through Interagency Agreements.

Base operating budgets for ICITAP and OPDAT headquarters are essential to the Department's ability to fulfill its critical new role and increased responsibilities under Presidential Policy Directive 23 on Security Sector Assistance (PPD-23), which significantly advances the Department's own priorities and builds upon OPDAT and ICITAP's solid track record. Base budgets will enable the Department to maintain a core group of experienced justice sector assistance experts at ICITAP and OPDAT to: 1) sustain a consistent presence in ongoing interagency SSA policy, strategic planning, and program development activities; 2) participate in

interagency assessments and deftly manage implementation of SSA in priority countries; and 3) be at the ready to swiftly and effectively respond in times of crisis or emergency.

Current Funding Source Is Unpredictable and Undermines Mission Objectives

The current funding model for the headquarters operation of ICITAP and OPDAT relies completely upon funding allocated as the result of negotiated percentages of each Interagency Agreement (IAA) with its funders, primarily the Department of State (State).

Funding ICITAP and OPDAT headquarters' operations as a percentage of each individual agreement has proven to be very unpredictable and, therefore, inefficient. In any given year, these two offices – and accordingly the Division and the Department – are unsure how much funding they will have to operate. Furthermore, the timing, planning, and focus of the offices' assistance programs are almost totally dependent on the priorities of the funding agencies, which prevents the Division from fully and timely leveraging its expertise as it relates to the justice sector and rule of law priorities of the Department.

In underwriting the annual headquarters operating expenses of ICITAP and OPDAT, the Department of Justice will establish a stable funding source for its overseas SSA and related rule of law and good governance initiatives, in support of the U.S. government's national security missions and foreign policy priorities.

Presidential Policy Directive 23 on Security Sector Assistance (PPD-23)

Through ICITAP and OPDAT, the Department of Justice plays a central role in the policy formulation, strategic development, and implementation of global assistance programs that further U.S. national security interests. As described below, PPD-23 calls for an integrated interagency approach to international security sector assistance. For this reason, one of the Department's three strategies to achieve Objective 1.1 of the Department of Justice Strategic Plan for 2014-2018 is to "Build and maintain a Security Sector Assistance (SSA) workforce aimed at strengthening the ability of the United States to promote national security by assisting allies and partner nations to build their own security capacity." The two components most responsible for Department of Justice SSA to partner nations are ICITAP and OPDAT. It is therefore incumbent on the Department of Justice to maintain and secure the base operations of ICITAP and OPDAT in order to achieve Objective 1.1 and to meet its commitments under PPD-23.

PPD-23, which was signed by President Obama on April 5, 2013, mandates a whole-of-government approach to the government's policy development, strategic planning, engagement, and implementation of international SSA. The Directive is "aimed at strengthening the ability of the United States to help allies and partner nations build their own security capacity, consistent with the principles of good governance and the rule of law." SSA, as defined in PPD-23, includes assistance to international partners who are "state security and law enforcement providers, government security and justice management and oversight bodies, civil society, institutions responsible for border management, customs and civil emergencies, and non-state justice and security providers."

As set forth in PPD-23, the Department of Justice, along with the Departments of Homeland Security and Treasury, is a presumptive implementer of SSA in areas "involving [those agencies'] expertise, experience, or counterpart ministries, agencies, or equivalents," including counterterrorism and justice sector matters. In addition to implementation responsibilities, the Department of Justice is expected to be a full participant in policy formulation, as well as assistance program planning and development. This is consistent with the whole-of-government approach articulated in the National Security Strategy, the State Department's 2010 Quadrennial Diplomacy and Development Review (QDDR), and the Presidential Policy Directive 6 on Global Development.

The Department currently participates in a broad array of interagency initiatives that address security sector interests, as well as complementary rule of law and good governance issues. As PPD-23 is implemented, there will be increased demands on the Department to actively participate in ongoing interagency policy formulation, strategic planning, assessment, program design, and SSA delivery. While the Department of State will lead the implementation of PPD-23, the Department of Justice plays a critical role in the development and implementation of SSA policy, planning, and programming.

In order to meet its responsibilities and duties under PPD-23, the Department must seek critical funding for the primary components responsible for leading its SSA efforts: ICITAP and OPDAT. A base budget for two offices will enable the Department of Justice to be a full participant in the ongoing interagency SSA process and thereby fulfill the mandates of PPD-23. At the same time, it will allow the Department to form SSA policy, as well as to design and implement SSA programs in priority countries in a manner that significantly advances the Department's strategic goals listed above.

ICITAP and OPDAT are recognized within the interagency realm and by foreign counterparts as having a longstanding record of excellence in the area of SSA, and they thus provide an existing, credible platform upon which the Department can build its capacity to deliver SSA in accordance with PPD-23. Both organizations possess highly qualified and experienced headquarters personnel with significant expertise in developing and implementing effective and sustainable overseas SSA and related assistance in the rule of law and governance areas. No other components within the Department of Justice currently provide this expertise and function for the Department.

Specifically, ICITAP furnishes development assistance and training to foreign police, criminal and anticorruption investigative entities, forensic laboratories, and correctional systems. OPDAT helps to develop sustainable foreign justice sector institutions, including prosecutors and courts, and legislation consistent with international standards. Jointly, ICITAP and OPDAT strengthen the capacities of foreign criminal justice institutions to work together to both prevent and reduce transnational crime and terrorism and to ensure the fair, effective, and secure administration of justice. They promote evidence-based investigations and prosecutions, the safeguarding of human rights, and adherence to international norms and best practices. Further, ICITAP and OPDAT work together to harness the expertise of other Department components and offices to provide cohesive policy and program development and implementation. ICITAP

and OPDAT ultimately help to establish interoperability and cooperation between the U.S. and foreign criminal justice systems.

Currently, the combined global reach of ICITAP and OPDAT spans 88 countries worldwide. In over 40 countries, ICITAP and OPDAT have established field offices and deployed federal staffs who serve as members of the U.S. embassy team. These individuals are subject matter experts who work with the host country to achieve complex objectives, such as the creation and passage of new legislation and the development of new law enforcement policies and procedures based on new or existing laws and international standards. These subject matter experts develop country-specific knowledge of law enforcement capabilities and culture and establish meaningful relationships with local law enforcement and government officials.

Such relationships are critical to developing strong international partners for the Department of Justice. Crimes committed in the United States often have ties to networks or operations in other countries. To address these threats, the partnerships developed by ICITAP and OPDAT enable DOJ to combat transnational crime, including terrorism, at its source in line with Goal 3 of the Department's FY2014-18 Strategic Plan, and, in particular, Objective 3.1.

ICITAP and OPDAT Protect and Promote National Security

The development of the capacity of foreign justice components – including police, prosecutorial, forensics, and corrections services – is not simply a matter of foreign assistance; it is also a matter of our national security. Properly conducted, such development helps protect the United States in two ways: first, it provides the foreign country with the means to investigate and prosecute terrorism and transnational crime, before it reaches the borders of the United States; and second, it provides the United States with effective foreign law enforcement partners on whom we can draw to address terrorism and transnational criminal issues that do reach the United States. The national security interests of the United States in this regard are particularly vital when the foreign countries in question are ones that require significant reconstruction and stabilization, for it is precisely these countries that can become havens for transnational crime and terrorism.

Consistent with PPD-23, the Department, through the Criminal Division, and specifically through ICITAP and OPDAT, is appropriately playing an ever-increasing and central role in U.S. government-funded international SSA programs and associated rule of law development initiatives. This central role strengthens the Department's ability to achieve the top priority goal of its FY 2014-18 Strategic Plan: "Protect Americans from terrorism and other threats to National Security." To perform this role effectively at home and abroad, the Division must maintain a permanent capacity to manage these complex global programs. The Division's knowledge and expertise – not only in the development of international best practices, but also in the establishment of critical relationships with foreign law enforcement and criminal justice sector counterparts through ICITAP and OPDAT – are inextricably linked to and underpin the Department's efforts to investigate and prosecute terrorists and international criminal groups,

Permanent Funding Source Will Enable the Division to Fulfill Mission Objectives

Because of their longstanding, unique expertise and experience in international justice sector development assistance, ICITAP and OPDAT are best suited to lead in SSA and related international rule of law and good governance efforts. With permanent funding, ICITAP and OPDAT will, for the first time, establish a stable platform for planning and implementing criminal justice reform and capacity building programs abroad, ensuring the consistent use of best practices and also maximizing the influence of the Department's resident knowledge and expertise in key policy and strategic decision-making regarding SSA and related rule of law matters. Most importantly, this would demonstrate the Department of Justice's commitment to lead and coordinate overseas justice sector and rule of law activities, in line with the directives of PPD-23, as a full partner of the Department of State and other agencies engaged in this whole-of-government endeavor.

The requested funds would also permit both sections to maintain the appropriate level of staffing to enable the Criminal Division to carry out critical coordinating functions and other responsibilities in support of national security and other high priority international law enforcement initiatives such as:

- Partnerships in Africa and the Middle East. In the aftermath of the "Arab Awakening" and in response to increased activities by extremist groups in the Sahel, ICITAP and OPDAT are helping U.S. allies in this critical region fight terrorism, counter violent extremism, and sustain moderate, secular institutions. An example of ICITAP and OPDAT's efforts to build these partnerships is a recently developed asset recovery project under the auspices of the Deauville Partnership with Arab Countries in Transition, which was implemented in partnership with the Asset Forfeiture and Money Laundering Section. Furthermore, in cooperation with other USG agencies, donor nations, and the Syrian authorities, ICITAP and OPDAT are leveraging their considerable post-conflict experience and expertise to engage in an institutional development program for Syria, designed to create a fair and competent criminal justice sector that will protect Syrian democracy and serve as an effective partner with the U.S. justice sector.
- Strategy to Combat Transnational Organized Crime. On July 25, 2011, the National Security Staff released its Strategy to Combat Transnational Organized Crime: Addressing Converging Threats to National Security. Priority 6 of the Strategy is to promote the development of criminal justice capacities on a worldwide basis, to the point where international law enforcement capabilities and cooperation among states are selfsustaining.
- Global Counterterrorism Forum (GCTF). Launched in September 2011, the GCTF is an informal multilateral counterterrorism (CT) platform, with 30 member states, that regularly convenes key CT policymakers and practitioners from around the globe. With its primary focus on countering violent extremism and strengthening criminal justice and other rule of law institutions necessary to prevent and counter terrorism, the GCTF aims to diminish terrorist recruitment and increase the number of countries capable of dealing with terrorist and related security threats within their borders and regions. The Department has been an active participant in the GCTF since its inception and has played a key role in the GCTF's Criminal Justice Working Group. The Working Group's

signature contribution to date is the Rabat Memorandum of Good Practices for Effective Counterterrorism Practice in the Criminal Justice Sector. The Department is currently implementing capacity building programs to address specific good practices articulated in the Rabat Memorandum. Working with the Department of State Counterterrorism Bureau (S/CT) and the United Nations Interregional Crime and Justice Research Institute (UNICRI), the Department also produced a document that enumerates and promotes a number of "best practices" for terrorist rehabilitation and reintegration programs in prisons. This document, formally known as the "Rome Memorandum of Good Practices for the Rehabilitation and Reintegration of Violent Extremist Offenders," was endorsed by the 30 foreign GCTF member countries at the June 2012 GCTF Ministerial.

Supplemental Terrorism Funding. The Criminal Division continues to serve as a ready
resource to develop the capacity of foreign counterparts in countries that are key allies in
thwarting terrorism, including capacity building in the areas of anti-money laundering,
combating the financing of terrorism, and cybersecurity.

Without permanent base funding for ICITAP and OPDAT, the Division will not be able to support ongoing projects, if funding streams decline or if the timing of the receipt of new agreements lags. Additionally, the ebb and flow created by the current uneven funding process will create undue inefficiencies and loss of institutional capabilities. Worse, the Department and the Division will play a less active role in international rule of law development and justice sector capacity building programs, which will negatively impact our law enforcement personnel and prosecutors as they pursue criminals in foreign countries and attempt to bring them to justice either in the United States or abroad.

Further, because ICITAP and OPDAT must rely on IAAs to fund a majority of their headquarters' expenses, the lack of a predictable funding source for ICITAP and OPDAT compromises the Division's ability to build and maintain the organizational capacity to support future initiatives, implement law enforcement strategies, and perform essential headquarters functions. Additionally, if this continues, it will leave the State Department with only one option: turn to private contractors who, in many cases, are inexperienced and unfamiliar with U.S. government policy positions and legislative drafting standards, and who are often mistakenly perceived as representing or speaking on behalf of U.S. law enforcement. Among the many serious consequences of this practice is the loss to the Division and the Department of critical opportunities to build the very strategic partnerships between the U.S. and foreign law enforcement that the Department's own current strategic plan highlights as essential to prosecuting transnational crime and terrorism.

Impact on Performance

The Division's international training and development programs, ICITAP and OPDAT, together provide unique and significant roles and functions that support and advance the Department's 2014-2018 Strategic Plan, specifically Goal One: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law; Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law; and Goal 3: Ensure and Support the Fair,

Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels.

The Department of Justice will continue to play an increasing leadership role in the U.S. government's foreign assistance process at all stages. This is consistent with the Attorney General's role and responsibility as the chief law enforcement officer of the federal government and with his responsibilities on national security issues. As highlighted in the Department's Strategic Plan, the Department is "committed to expanding the scope and depth of international partnerships by enhancing collaboration; helping to establish rule of law through international treaties and training and assistance; and using international working groups to foster communication to enhance investigations, intelligence sharing, and threat awareness." Moreover, as directed by the President in PPD-23, the Department is now a full participant in the planning, assessment, program design, and implementation of interagency security sector assistance. The Criminal Division needs to be ready when called upon to act.

The work of the Criminal Division unquestionably furthers and strengthens the strategic goals of both the Department of Justice and the U.S. Government in preventing and combating transnational crime, building strong international partners, and institutionalizing criminal justice sector best practices and rule of law on a global scale. The Department will significantly strengthen its position in USG planning, development, and implementation of international justice sector development if it is able to fully fund its existing institutional capacity for overseas rule of law development: namely, ICITAP's and OPDAT's base budgets. If ICITAP's and OPDAT's headquarters' operations are not funded, the Department will neither be able to enlarge its role nor ensure its current level of involvement in rule of law development missions in the future.

Funding

Base Funding

| FY 2014 Enacted FY 2015 Enacted | | | | | | | | | FY 20 | 16 Curre | nt Services |
|---------------------------------|------|-----|---------|-----|------|-----|---------|-----|-------|----------|-------------|
| Pos | atty | FTE | \$(000) | Pos | atty | FTE | \$(000) | Pos | atty | FTE | \$(000) |
| 12 | 6 | 10 | \$2,530 | 12 | 6 | 10 | \$2,586 | 12 | 6 | 10 | \$2,758 |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---|--|-------------------------------------|-------------------------------|---|--|
| Clerical and Office Services (0300-0399) – Encumbered Expert Professional | \$186 | 5 | \$930 | \$150 | \$0 |
| Clerical and Office Services (0300-0399) – NEW Expert Professional | \$99 | 11 | \$1,089 | \$ 957 | \$330 |
| Clerical and Office Services (0300-0399) – Encumbered Professional | \$110 | 24 | \$2,640 | \$1,248 | \$0 |
| Clerical and Office Services (0300-0399) – NEW Professional | \$66 | 26 | \$1,716 | \$1,144 | \$1,352 |
| Clerical and Office Services (0300-0399) – Encumbered Clerical | \$81 | 2 | \$162 | \$30 | \$0 |
| Clerical and Office Services (0300-0399) - NEW Clerical | \$58 | 3 | \$174 | \$114 | \$0 |
| Accounting and Budget (0500-0599) – Encumbered Expert Professional | \$186 | 2 | \$372 | \$60 | \$0 |
| Accounting and Budget (0500-0599) — Encumbered Professional | \$110 | 8 | \$880 | \$416 | \$0 |
| Accounting and Budget (0500-0599) – NEW Professional | \$66 | 7 | \$462 | \$308 | \$364 |
| Attorneys (0905) - Encumbered | \$234 | 13 | \$3,042 | \$0 | \$0 |
| Business & Industry (1100-1199) - Encumbered Expert Professional | \$186 | 2 | \$372 | \$60 | \$0 |
| Business & Industry (1100-1199) – Encumbered Professional | \$110 | 1 | \$110 | \$52 | \$0 |
| Forensic/Physical Sciences (1300-1399) – NEW Expert Professional | \$99 | 1 | \$99 | \$87 | \$30 |
| Education/Training (1700-1799) — Encumbered Expert Professional | \$186 | 1 | \$186 | \$30 | \$0 |
| Travel Services (2101) – Encumbered Professional | \$110 | 1 | \$110 | \$52 | \$0 |
| Total Personnel | | 107 | \$12,344 | \$4,708 | \$2,076 |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------|-----------|----------|-------------------------------|---|---|
| Travel | N/A | N/A | \$90 | \$0 | \$0 |
| Total Non- Personnel | N/A | N/A | \$90 | \$0 | \$0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 12 | 6 | 10 | \$2,758 | \$0 | \$2,758 | \$0 | \$0 |
| Increases | 107 | 13 | 83 | \$12,434 | \$90 | \$12,434 | \$4,708 | \$2,076 |
| Grand Total | 119 | 19 | 93 | \$15,192 | \$90 | - \$15,282 | \$4,708 | \$2,076 |

V. Program Increases by Item

Item Name: Strategic Initiatives to Address to Cyber Threats

AG Targeted Priority Options: Protecting Americans from national security threats

Strategic Goal:

| Goal One: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law | 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors |
|---|---|
| Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law | Investigate and prosecute corruption, economic crimes, and transnational organized crime |

Budget Decision Unit(s): Enforcing Federal Criminal Laws

Organizational Program: <u>Criminal Division</u>

Program Increase: Positions 54 Atty 24 FTE 29 Dollars \$6,123,000

Description of Item

Cyber threats continue to evolve and the harm they cause – both in terms of financial loss and their impact on security and privacy – continues to mount. In its recent Cyber Threat Strategic Report to Congress (March 16, 2014), the Department declared that it places a high priority on responding to these threats and identified six strategic initiatives that the Department must pursue. The Criminal Division will play a central role in each of these initiatives: it is best situated to provide training to investigators and attorneys on cybercrime and digital evidence; it can enhance the number and capacity of digital forensic experts; it provides technical and legal expertise throughout the Department; it promotes information sharing efforts with the private sector; it builds and strengthens relationships with foreign law enforcement partners, which are critical to the sharing of electronic evidence; and it excels at the development of sound cyber policy. In order to fulfill this critical role, the Division requires an increase of 54 positions (24 attorneys), 29 FTE, and \$6,123,000.

Justification

Threats to the nation's computer networks and cyber systems continue to evolve, as do the nature and capabilities of those responsible for the threats. Cybercrime has increased dramatically over the last decade, and our financial infrastructure has suffered repeated cyber intrusions. It has become far too commonplace an occurrence that our email accounts are hijacked, our financial information siphoned away, and our personal information compromised. The technology revolution – which has brought enormous benefits to individuals, U.S. companies, and the U.S. economy as a whole – has also facilitated these criminal activities, making available a wide array of new methods that identity thieves can use to access and exploit the personal information of others. Skilled criminal hackers are now able to perpetrate large-scale data breaches that leave, in some cases, tens of millions of individuals at risk of identity theft. Today's criminals, who often sit on the other side of the world, can hack into computer systems of universities, merchants, financial institutions, credit card processing companies, and data processors to steal large volumes of sensitive and valuable information. They then peddle the stolen information to other criminals, use the information for their own financial gain, or sometimes even terrorize and extort their victims.

In December 2013, Target, the second-largest U.S. discount chain, announced that credit and debit card data for as many as 40 million consumers were compromised. Target then disclosed on January 10, 2014 that thieves had also accessed the personal information, including names, phone numbers, home addresses, and/or email addresses, of as many as 70 million people — information that is valued by criminals because it can be used to lure victims with fake emails or hack into other accounts. A few days later, retailer Neiman Marcus Inc. reported that it also was the victim of a suspected cyberattack over the holidays in which some of its customers' credit card information may have been stolen. Target and Neiman Marcus are just two of the latest known victims.

Criminal hacking can have serious consequences even when conducted on a smaller scale or where not committed for financial gain. The Department has vigorously pursued hackers who have used the Internet to invade Americans' privacy. In 2011, for example, the FBI successfully investigated a hacker named Luis Mijangos. He infected the computers of victims with malicious software that gave him complete control over their computers. He deliberately targeted teens and young women, reading their emails, turning on their computer microphones and listening to conversations taking place in their homes, and, most importantly for him, watching them through their webcams as they undressed. Even more disturb, Mijangos then extorted certain victims by threatening to post intimate pictures on the Internet unless the victims provided him with even more salacious images or videos of themselves. When one victim shared Mijangos' threats with a friend, Mijangos retaliated by posting nude pictures of the victim on her friend's social networking page. At the time of his arrest, FBI computer forensics experts had determined that Mijangos had infected more than 100 computers that were used by approximately 230 individuals, at least 44 of them minors. The Court sentenced Mijangos to 72 months in federal prison.

The Justice Department is vigorously responding to hacking and other cybercrimes through the tenacious work of the Criminal Division's Computer Crime and Intellectual Property Section,

also known as CCIPS, which partners with Computer Hacking and Intellectual Property Coordinators in U.S. Attorney's Offices across the country as part of a network of almost 300 Justice Department cybercrime prosecutors. In addition to the direct investigation and prosecution of cybercrimes, the Division has provided extensive legal and policy guidance in furtherance of these goals. It has supported and trained the members of the National Security Cyber Specialist program – prosecutors focused on cyber threats from terrorists and foreign governments – both in the National Security Division and in U.S. Attorneys' Offices around the country. The Division has consistently led legislative development addressing emerging criminal threats to both the security of computer systems and networks and to the nation's intellectual property. It has engaged in complex legal reviews of tools and programs that protect critical government and private sector networks against security threats and attacks. Attacks on American companies that have been attributed to sophisticated criminal organizations and even foreign nations in recent months, causing many millions of dollars of damage, have only increased the interest in such legislation and legal reviews.

To further these efforts as well as to provide assistance to organizations seeking to protect themselves, the Criminal Division announced in December 2014 that it had created a dedicated Cybersecurity Unit within CCIPS, which will have responsibility on behalf of the Criminal Division for efforts to enhance public and private cybersecurity. Amid the growing complexity and volume of cyber attacks, prosecutors from the Cybersecurity Unit will provide a central hub for expert advice and legal guidance regarding the criminal electronic surveillance statutes for both U.S. and international law enforcement conducting complex cyber investigations to ensure that the powerful law enforcement tools are effectively used to bring the perpetrators to justice while also protecting the privacy of everyday Americans. This Unit will also work to ensure that the advancing cyber security legislation is shaped to most effectively protect our nation's computer networks and individual victims from cyber attacks. Because the private sector has proved to be a crucial partner in our fight against all types of online crime, prosecutors from the Cybersecurity Unit will be engaging in extensive outreach to facilitate cooperative relationships with our private sector partners. The resources sought in this request will help to expand the work and outreach of the Cybersecurity unit, and permit the lessons learned from ongoing investigations and prosecutions to be communicated to both public-sector and private-sector partners. These efforts will ultimately aid in public and private sector efforts to protect themselves from cyber threats and enable investigators and prosecutors across the country to hold those responsible to account.

The Criminal Division, through CCIPS, in conjunction with the FBI and the U.S. Attorneys' Offices in Pittsburgh and Omaha, used traditional law enforcement actions and innovative legal and technical measures to block and disrupt the ability of the two malware schemes. In April, 2014, these threats were neutralized by a combination of (a) court orders to authorize disruption of the malicious software, (b) the indictment of a key defendant, (c) the seizure of servers in 6 different countries by law enforcement partners, and (d) coordinated remediation by the Department of Homeland Security and private-sector partners. This dramatic result was made possible by the leadership and energies of CCIPS attorneys.

As cyber threats have expanded exponentially over the last decade, the investigative agencies have responded by doubling or tripling the number of agents assigned to cyber cases. Indeed, as

recently as FY 2014, the FBI received \$86.6 million and 152 positions (60 agents) in support of its Next Generation Cyber (NGC) initiative to increase victim engagement, improve cyber collection and analysis, and extend centralized capabilities to the field. It is essential that the number of prosecutors keeps pace with the resources the investigative agencies are dedicating to cyber cases.

On May 16, 2014, the Department transmitted to Congress a multiyear Cyber Threat Strategic Report. This report described the Department's decades-long efforts to address cyber threats and associated challenges; the structure of DOJ's cyber threat response; and DOJ's way forward to thwart cybercrime and cyber threats to the national security and other key targets. In order to accomplish this critical result, the Report identified six Strategic Initiatives:

- Ensure that all of DOJ's investigators and attorneys receive training on cybercrime and digital evidence.
- Increase the number of digital forensic experts and the capacity of available digital forensic hardware.
- 3. Enhance DOJ's expertise in addressing complex cyber threats.
- 4. Improve information sharing efforts with the private sector.
- 5. Expand and strengthen relationships with international law enforcement and criminal justice partners on cybercrime to enhance the sharing of electronic evidence.
- 6. Enhance capacity in the area of cyber policy development and associated legislative work.

The Division, through CCIPS, plays a central role in fulfilling each of these initiatives. The Division requires a budget enhancement to enable the Department to succeed in fulfilling this important mission.

1. Ensure that all of DOJ's investigators and attorneys receive training on cybercrime and digital evidence.

CCIPS has extensive experience conducting top-flight cyber training. CCIPS attorneys and technical experts have developed detailed courses on collecting electronic evidence, computer forensics for prosecutors, complex online crimes, and investigating and prosecuting the theft of trade secrets. These courses consistently receive excellent reviews. CCIPS provides annual training to CHIP prosecutors from across the country as well, through presentations at U.S. Attorneys' Offices. CCIPS creates manuals, develops briefing materials, sends out several monthly newsletters on cybercrime topics, and posts advice and FAQs on its intranet site (traffic to the site has grown dramatically). As nationally recognized experts on cybercrime and digital evidence, CCIPS will be central to the Department's goal of training its entire workforce.

In order to fulfill this initiative, the Division will require additional resources. CCIPS will create training materials, including video and other multimedia, and conduct a "train-the-trainers" program that could provide basic cyber training to prosecutors across the country. Advanced training will also be necessary, and CCIPS attorneys and digital investigative analysts are in the best position to supply it.

Increase the number of digital forensic experts and the capacity of available digital forensic hardware. The Cyber Threat Strategic Report stated that "prosecutors and investigators must have additional support from appropriately trained digital analysis experts that are committed solely to the needs of the prosecutor, not only during the evolving investigative phase of cyber cases, but throughout trial preparation, trial, and sentencing." It pointed out that this support must include:

- early assessment pre-seizure planning of digital evidence to address technical and legal complications;
- o triage and in-depth examinations that recognize and address the complexities with the collection of evidence:
- o a team approach with investigative agency forensic resources to provide more surgically tailored exams to identify critical pieces of digital evidence earlier in an investigation:
- o expert consultation throughout the investigation and prosecution regarding digital evidence issues, including supplemental analysis to identify digital evidence artifacts in aid of the prosecution to anticipate or rebut defenses;
- assistance in trial preparation, including the development of innovative and accurate ways to present digital evidence, common technologies, and network processes at trial; and,
- o support during trial, including consultation regarding defense expert testimony and assistance in responding to changing defense strategies.

The CCIPS Cybercrime Lab has advocated for just this sort of digital investigative capability and it has shown the way forward by modeling the very type of digital forensic support that most effectively supports successful prosecutions. Yet the Report correctly noted that "[a]lthough the lab has proven to be a great asset to DOJ, its effectiveness is necessarily limited by its current size. DOJ must increase the size of the CCIPS Cybercrime Lab to ensure it can provide support for prosecutors handling legally and technically complex investigations and prosecutions."

3. Enhance DOJ's expertise in addressing complex cyber threats.

The Cyber Threat Strategic Report emphasized that the Department "must also enhance the expertise of its workforce regarding cyber threats and related cyber issues. Specifically, in light of the growth in number and complexity of cyber threats, DOJ must further develop two mutually supportive cadres of experts: First, it must increase the number of cyber experts that are available to respond to complex cyber threats, and ... [s]econd, DOJ needs to increase its capacity of experts focused on identifying and developing solutions to future cyber attacks." The Criminal Division, through CCIPS, is ideally situated to play this important role (and indeed is explicitly identified as one such component in the Report). CCIPS has led the way in developing innovative prosecutorial strategies to respond to new and complex cyber threats. It has a unique combination of highly technical digital investigative analysts and specialized attorneys dedicated to the problems of cybercrime and digital evidence. It has effectively coordinated multi-district and international efforts to address global criminal enterprises. CCIPS has asserted a leadership role in efforts against botnets and malicious software (such as Gameover Zeus and Cryptolocker), illegal online marketplaces, and

criminal carding forums. Additional resources are necessary to allow CCIPS to continue to maintain that leadership role as these problems grow in complexity.

4. Improve information sharing efforts with the private sector.

The Cyber Threat Strategic Report recognized that the Department "must increase its focus on building and maintaining relationships with the private sector for the purpose of information sharing." For example, early outreach to companies that store large amounts of credit card data and other sensitive personal information can make the difference, when the company later suffers a security breach, between a prompt report to law enforcement and no report at all. Expanding industry outreach would enhance the generation of cases, and — perhaps just as importantly—identify areas of particular need or importance so that resources can be focused on prosecutions that have the greatest impact.

Building and maintaining such relationships requires a sustained effort by attorneys with a deep understanding of the investigation and prosecution of cyber crime and the needs and motivations of business. With enhanced funding, the Division, through CCIPS, is the right component to meet this growing need.

5. Expand and strengthen relationships with international law enforcement and criminal justice partners on cybercrime to enhance the sharing of electronic evidence.

The Cyber Threat Strategic Report explained the critical role that foreign law enforcement plays in addressing cyber threats. Because so many cyber investigations involve evidence or offenders located in foreign countries, working with foreign law enforcement is often the only way to solve these crimes and bring offenders to justice. Criminals continue to use gaps and inefficiencies in international law enforcement capabilities to evade detection, attribution, and punishment.

The Division has long recognized this difficulty and has for years devoted significant resources to building relationships through robust training programs for foreign law makers and law enforcement officials to enhance their capacity to investigate cybercrime and collect electronic evidence. Using a balanced approach of frank policy discussions with countries that have similar capabilities, combined with multilateral training initiatives aimed at countries whose legal or technical infrastructure to address cyber threats is at an earlier developmental stage, the Division has improved the capacity to address cybercrime around the world. CCIPS attorneys lead efforts in Africa, Eastern Europe, and Latin America, including through multi-lateral organizations such as the Organization of American States and the Asia-Pacific Economic Cooperation. As computer infrastructures expand in developing countries, and offenders who victimize Americans inevitably follow, the need for this sort of international engagement continues to grow.

CCIPS is ideally situated to fulfill this role, but has already had difficulty meeting the current demand. With additional resources, the Division, through CCIPS, will reach out more effectively to foreign law enforcement partners to expand and strengthen these key relationships.

Enhance capacity in the area of cyber policy development and associated legislative work.

The Cyber Threat Strategy Report emphasized that the Department must "maintain and further develop specialized personnel responsible for addressing policy issues in legislative and interagency forums." Such personnel will permit the Department to contribute its expertise to the development and implementation of the Administration's directives, executive orders, initiatives, and legislative proposals related to cyber threats, cybersecurity, and investigative tools. The Department "must provide leadership in policy issues that arise in interagency policy-making discussions of cyber issues."

The Department also needs to continue to examine ways to expand the use of existing tools to counter the cyber threat. Together with network operators, the Department "will pursue policies that promote creative solutions to the challenge of cybersecurity, consistent with the Department's commitment to protecting privacy and civil liberties." It will work collaboratively with Congress and the Federal Rules Committee on changes to legislation and procedural rules that affect DOJ's ability to detect, deter, and disrupt cyber threats.

Once again, the Division is the best place to develop personnel expert in cyber policy. CCIPS has drafted and negotiated cyber legislation, developed amendments to modernize the Federal Rules of Procedure, played a key role in Administration policy development, assisted in the development of national security and cybersecurity policies, and provided expert legal advice on a wide range of cyber issues. The Division needs additional resources in order to play a central role in fulfilling this important initiative.

Impact on Performance

Each additional Criminal Division attorney, laboratory professional, and related support position dedicated to this effort will have a widespread impact on the Department's ability to successfully prosecute cyber criminals, use digital evidence, and share information with the private sector. By training investigators and prosecutors, by developing relationships with foreign law enforcement partners, and by serving as a center of expertise, investment in CCIPS helps cyber investigators and prosecutors across the country succeed.

Increases in the seriousness of the threat and the investigative resources devoted to addressing it have caused commensurate increases in the Division's cyber workload – yet the resources devoted to it have not. To reverse this trend, and to fulfill the Department's strategic initiatives, the Criminal Division must receive increased resources.

Funding

Base Funding

| FY 2 | FY 2014 Enacted | | | | FY 2015 Enacted | | | | FY 2016 Current Services | | | |
|------|-----------------|-----|----------|-----|-----------------|-----|----------|-----|--------------------------|-----|----------|--|
| Pos | atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | atty | FTE | \$(000) | |
| 122 | 70 | 96 | \$28,414 | 118 | 76 | 92 | \$27,984 | 118 | 76 | 92 | \$29,763 | |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--|--|-------------------------------------|-------------------------------|--|--|
| Clerical and Office Services (0300-0399) | \$66 | 2 | \$132 | \$88 | \$104 |
| Clerical and Office Services (0300-0399) | \$58 | 3 | \$174 | \$114 | \$0 |
| Attorneys (0905) | \$117 | 24 | \$2,808 | \$2,616 | \$0 |
| Paralegals / Other Law (0900-0999) | \$66 | 13 | \$858 | \$572 | \$676 |
| Information Technology Mgmt (2210) | \$99 | 12 | \$1,188 | \$1,044 | \$360 |
| Total Personnel | | 54 | \$5,160 | \$4,434 | \$1,140 |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) | FY 2018 Net Annualization (change from 2017) | |
|-----------------------|-----------|----------|-------------------------------|--|--|--|
| | | | | (\$000) | (\$000) | |
| Equipment | N/A | N'A | \$900 | \$0 | \$0 | |
| Travel | N/A | N/A | \$63 | \$0 | \$0 | |
| Total Non- | N/A | N/A | \$963 | \$0 | \$0 | |
| Personnel | 14.7 | IN/A | 3703 | 30 | 30 | |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (S000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|-----------------------------|------------------|---|---|
| Current Services | 118 | 76 | 92 | \$29,763 | \$0 | \$29,763 | \$0 | \$0 |
| Increases | 54 | 24 | 29 | \$5,160 | \$963 | \$6,123 | \$4,434 | \$1,140 |
| Grand Total | 172 | 100 | 121 | \$34,923 | \$963 | \$35,886 | \$4.434 | \$1,140 |

V. Program Increases by Item

Item Name:

Intellectual Property Enforcement

Strategic Goal

Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law

2.4 Investigate and prosecute corruption, economic crimes, and transnational organized crime

Budget Decision Unit(s):

Enforcing Federal Criminal Law

Organizational Program:

Criminal Division

Program Increase: Positions 11 Atty 7 FTE 6 Dollars \$2,205,000

Description of Item

The Criminal Division requests an enhancement of 11 positions (including 7 attorneys), 6 FTE, and \$2,205,000 to place two DOJ Attachés overseas to fight transnational crime, with particular emphasis on intellectual property crime. These DOJ Attachés will serve as regional International Computer Hacking and Intellectual Property coordinators (ICHIPs) and will be well positioned to combat the increasing threat of transnational intellectual property crime. The Criminal Division also requests that a portion of this enhancement be used to increase the capacity of the Division's domestic IP program to provide critical support to the ICHIP/Attachés and ensure the coordinated use of ICHIP resources overseas.

Support of the Department's Strategic Goals

The requested enhancement will support Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law (Objective 2.4: Investigate and prosecute corruption, economic crimes, and transnational organized crime). The Division has been involved developing the Department's strategy to enforce intellectual property laws and will continue to play a critical role implementing these strategies and objectives moving forward.

Justification

Protecting intellectual property rights is essential to safeguarding confidence in our economy, creating economic growth, and ensuring integrity, fairness, and competitiveness in the global marketplace. In today's environment, however, where virtually every significant intellectual property crime investigated and prosecuted in the United States has an international component, it is impossible to address intellectual property crime adequately without significant and strong international engagement.

The Department of Justice has long recognized that intellectual property crime, including offenses involving copyrights, trademarks and trade secrets, among others, not only has a significant international component but in many cases also has a substantial overlap with other economic crimes, including those related to cyber offenses, money laundering and tax evasion, and smuggling. Because the vast majority of intellectual property and other computer crimes originate in other countries, the Department has made its efforts to strengthen international law enforcement relationships a top priority.

The Department has collaborated with other U.S. agencies and foreign law enforcement counterparts to address international intellectual property crime through a combination of joint criminal enforcement operations, case referrals for foreign investigations and prosecutions, training and technical assistance programs for foreign law enforcement, judiciary, and legislators, and engagement in bilateral and multi-lateral working groups that address trademark counterfeiting and copyright piracy.

The Department has also worked vigorously to develop international methods to address cybercrime through cooperative case work, rapid information sharing, and long-term engagement to train law enforcement and improve legal regimes to respond to the threat of Internet-based crime and the proliferation of electronic evidence in a wide range of offenses.

Instances of international intellectual property crime may be addressed effectively by direct contact between prosecutors and investigators on specific cases. However, to address systemic and pervasive international intellectual property crime effectively, greater and more sustained engagement is essential. For example, since 2006, through the Department's Intellectual Property Law Enforcement Coordinator (IPLEC) Program, the Department has deployed experienced federal prosecutors overseas to take the lead on our intellectual property protection efforts in key regions including Asia and Eastern Europe (from 2008 until 2011 in Sofia, Bulgaria, with a new IPLEC recently posted in Bucharest, Romania). Through the IPLEC program, the Department has seen a substantial increase in foreign enforcement and cooperative casework where U.S. law enforcement has had a visible and ongoing presence in the most active countries or regions. This enhancement request would allow for the expansion of the program to additional critical regions and also cover the rapidly developing and overlapping area of international cybercrime.

ICHIPs/Attachés

The Criminal Division has identified several important areas (in order of priority) for the placement of ICHIP Attachés. The cross-designation of these positions as ICHIPs/DOJ Attachés is critical to the success of the Department's overseas law enforcement mission. The effectiveness of cross-designating the current Asia IPLEC/Attaché position is well-documented and gives operational advantages not necessarily available to ICHIPs who do not also possess the DOJ Attaché designation. For example, a DOJ Attaché has greater access to case files and resources because they are not perceived as doing intellectual property work exclusively; ICHIPs, by contrast, can be marginalized by foreign law enforcement if they are thought of as limited to one area of expertise. Since intellectual property crime often intersects with other

types of cases, like international organized crime, the designation of these new positions as solely ICHIPs will hinder their effectiveness in fighting the intellectual property crime threat. The Division plans to hire attorneys with a strong background in criminal prosecution who are capable of and invested in focusing on the intellectual property crime threat in these regions. This approach will help ensure that the bulk of the ICHIP/Attachés' time and effort will contribute to the Department's efforts against intellectual property and cybercrime.

All foreign placements would be subject to approval of the State Department and individual embassies or consulates. Since conditions in these regions could change, countries in these regions will remain under review and the Division (in consultation with the State Department and the White House's Intellectual Property Enforcement Coordinator) will make a final determination regarding the locations in all identified regions if these resources are funded.

China: China continues to be the largest source of trademark counterfeiting and copyright piracy in the world and bears a direct or indirect relationship to the majority of economic espionage and federal trade secret prosecutions in the United States. The Department has met with some success in developing joint investigations through the Intellectual Property Criminal Enforcement Working Group (IPCEWG) of the U.S.-China Joint Liaison Group for Law Enforcement Cooperation. However, an ongoing presence in the country will move existing cases at a faster pace and greatly increase the ability to address new investigations and leads in a timely manner.

South Asia: The violation of intellectual property rights, particularly counterfeiting and copyright piracy, are ongoing problems in a number of South Asian countries. India and Pakistan have each been listed on the USTR Special 301 Priority Watch List for several years, and, after China, are two of the largest sources of manufacture for counterfeit and unauthorized pharmaceuticals. The U.S. has invested in training law enforcement officials in Pakistan and investigators, prosecutors, and judges in India to improve the protection of intellectual property rights. Additionally, South Asia has a burgeoning information technology industry and an increasingly electronically-sophisticated populace. Growing cyber threats and terrorism investigations in that region require enhanced law enforcement relationships and training to increase investigations, as well as cooperation in those investigations, that rely heavily on electronic evidence. A regional ICHIP/Attaché, most likely stationed at the U.S. Embassy in India, would substantially improve the opportunities to build on the foundation of training and develop joint cases.

Domestic Intellectual Property Program Support for ICHIP/Attachés

With the potential implementation of the ICHIP/Attaché program, there will be substantial need for support within the U.S., including attorneys, professional staff, and a cybercrime analyst.

Attorneys: Additional attorneys positioned at Criminal Division headquarters are necessary to meet the demands posed by increased international capacity and to ensure that ICHIP/Attaché resources are effectively used, managed, and supported. The Division's Computer Crime and Intellectual Property Section (CCIPS) provides subject matter expertise on computer and intellectual property crimes, manages the domestic Computer Hacking and Intellectual Property

(CHIP) program, and has assisted in and overseen aspects of the prior IPLECs' responsibilities. CCIPS is also the Department's liaison to the National Intellectual Property Coordination Center ("IPR Center") and its 20 domestic and international partner agencies. Likewise, the Criminal Division's Office of International Affairs (OIA) oversees the Department's Attaché program and coordinates the extradition or other legal return of international fugitives and all international evidence-gathering. Attorneys in each office will ensure that foreign leads are provided and followed by U.S. investigative agencies, and that appropriate cases are pursued within the U.S. to provide deterrence to foreign criminals and criminal organizations. Such attorneys will also provide legal support in the Northern District of California to address the overwhelming flow of legal process and evidentiary requests in intellectual property and cybercrime cases that are addressed to Silicon Valley companies.

Professional Staff: Additional professional staff are necessary to ensure the smooth administration of hiring, retention, and support of the ICHIP/Attaché program.

Cybercrime Analyst: In recent years, there has been a rapidly increasing demand for technical training by the CCIPS Cybercrime Lab by foreign countries seeking to develop expertise in cyber forensics and computer crime. The proposed additional cybercrime analyst will allow CCIPS to greatly increase the amount of training provided, while directly supporting foreign investigations.

This enhancement also requests individual travel and programming budgets to be administered by the ICHIPs within their regions as well as additional travel, litigation support, and domestic training resources that will be used to increase the capacity and effectiveness of the overall intellectual property program.

Impact on Performance:

These requested resources will directly support the Department's Strategic Goal 2: Prevent crime, protect the rights of the American people, and enforce federal law; Strategic Objective 2.4: Investigate and prosecute corruption, economic crimes, and transnational organized crime. In particular, they will allow the U.S. Government to:

Develop the capacity of nations in several important regions to combat intellectual property and computer crimes;

Increase the number and scope of cooperative international prosecutions targeting hightech and intellectual property crimes;

 Increase coordination of international cases involving computer crimes, intellectual property crimes, and digital evidence;

Build upon the successful integration of intellectual property and cybercrime expertise that currently exists in the domestic CHIP Network;

Strengthen the DOJ Attaché program's ability to address transnational organized crime.

Funding

Base Funding

| FY 20 | FY 2014 Enacted | | | | | FY 2015 Enacted | | | | FY 2016 Current Services | | |
|-------|-----------------|-----|---------|-----|------|-----------------|---------|-----|------|--------------------------|---------|--|
| Pos | atty | FTE | \$(000) | Pos | atty | FTE | \$(000) | Pos | atty | FTE | \$(000) | |
| 22 | 18 | 18 | \$5,173 | 19 | 16 | 15 | \$4,538 | 19 | 16 | 15 | \$4,833 | |

Personnel Increase Cost Summary

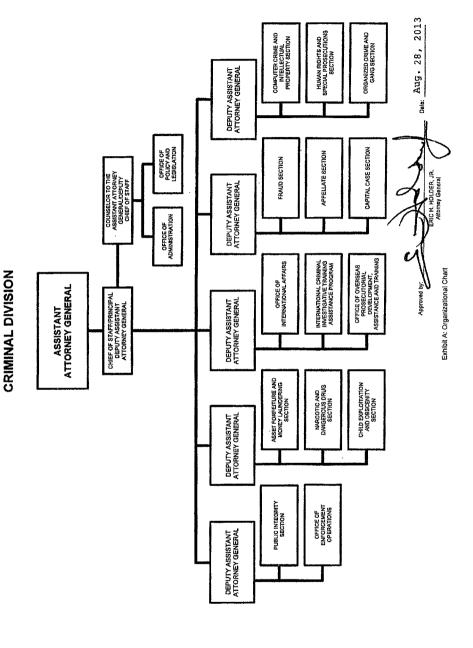
| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--|--|-------------------------------------|-------------------------------|--|--|
| Attorneys (0905) (Domestic) | \$117 | 5 | \$585 | \$545 | \$0 |
| Attorneys (0905) (Foreign) | \$504 | 2 | \$1,008 | \$602 | \$0 |
| Paralegals / Other Law (0900- 0999) | \$66 | 4 | \$264 | \$176 | \$208 |
| Total Personnel | | 11 | \$1,857 | \$1,323 | \$208 |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------|-----------|----------|-------------------------------|---|---|
| FSNs | \$60 | 2 | \$120 | \$0 | \$0 |
| Travel | N/A | N/A | \$228 | S228 | S0 |
| Total Non- Personnel | N/A | N/A | \$348 | \$228 | \$0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 19 | 16 | 15 | \$4,833 | \$0 | \$4,833 | \$0 | \$0 |
| Increases | 11 | 7 | 6 | \$1,857 | \$348 | \$2,205 | \$1,551 | \$208 |
| Grand Total | 30 | 23 | 21 | \$6,690 | \$348 | \$7,038 | \$1,551 | \$208 |



Organizational Chart

B. Jummary of Requirements

Summary of Requirements
Criminal Division
Salaries and Expenses
(Dollars in Thousands)

| | | FY 2016 Request | |
|---|-------------|-----------------|---------|
| | Direct Pos. | Estimate FTE | Amount |
| 2014 Enacted ¹¹ | 760 | 620 | 174,189 |
| Total 2014 Enacted | 750 | 620 | 174,189 |
| 2015 Enacted | 750 | | 178,042 |
| Base Adjustments | | | |
| Pay and Benefits | 0 | 0 | 2.810 |
| Domestic Rent and Facilities | 0 | 0 | 3,815 |
| Other Adjustments | 0 | 0 | 4 |
| Foreign Expenses | 0 | 0 | 4.932 |
| Total Base Adjustments | 0 | 0 | 11.561 |
| Total Technical and Base Adjustments | 0 | 0 | 11,561 |
| 2016 Current Services | 750 | 674 | 189,603 |
| Program Changes | | | |
| Increases: | | | |
| Mutual Legal Assistance Treaty (MLAT) Reform | 141 | 141 | 32,111 |
| International Law Enforcement and Justice Development | 107 | 83 | 12,434 |
| Strategic Initiatives to Address Cyber Threats | 54 | | 6,123 |
| Intellectual Property Enforcement | 11 | 9 | 2,205 |
| Subtotal, Increases | 313 | 259 | 52,873 |
| Total Program Changes | 313 | 259 | 52,873 |
| 2016 Total Request | 1,063 | 623 | 242,476 |
| 2015 - 2016 Total Change | 313 | 259 | 64.434 |

FY 2014 FTE is actual "

B. Summary of Requirements

Summary of Requirements
Criminal Division
Salaries and Expenses
(Dollars In Thousands)

| Program Activity | FY 2 | FY 2014 Appropriation | priation | Œ | FY 2015 Enacted | cted | FY 201 | 3 Technica | FY 2016 Technical and Base | FY 20 | 16 Curren | FY 2016 Current Services |
|---------------------------------|--------|-----------------------|----------|--------|-----------------|---------|--------|-----------------|----------------------------|--------|-----------|--------------------------|
| | | Enacted | - | | | - | | Adjustments | tts | | | |
| | Direct | Actual | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Est. FTE | Amount |
| | Pos. | FTE | | Pos. | | | Pos. | | | Pos. | | |
| Enforcing Federal Criminal Laws | 750 | 620 | 174,189 | 750 | 674 | 178,042 | O | 0 | 11,561 | 750 | 674 | 189,603 |
| Total Direct | 750 | 620 | 174,189 | 750 | 874 | 178,042 | 0 | 0 | 11,561 | 750 | 874 | 189,603 |
| Batance Rescission | | | 0 | | | ō | | | O | | | 0 |
| Total Direct with Rescission | | | 174,189 | | | 178,042 | | | 11,561 | | | 189,603 |
| Reimbursable FTE | | 276 | | | 297 | | | 0 | | | 297 | |
| Total Direct and Reimb. FTE | | 968 | | | 971 | | | 0 | | | 971 | |
| | | | | | | - | | | | | | |
| Other FTE | | | | | | | | | | | | |
| LEAP | | 0 | | | O | | , | 0 | | | Ö | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 968 | | | 971 | | | o | | | 971 | |
| | | | | | | | | | | | | |

| SMEC IIII | 7 | 2016 Increases | ases | | 2016 Offsets | sta | | 2016 Request | Jest |
|---------------------------------|--------|----------------|--------|--------|-----------------|--------|--------|-----------------|---------|
| | Direct | Est. FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | | | Pos | | | Pos. | | |
| Enforcing Federal Criminal Laws | 313 | 259 | 52,873 | 0 | 0 | O | 1,063 | 933 | 242,476 |
| Total Direct | 313 | 259 | 52,873 | 0 | ٥ | 0 | 1,063 | 933 | 242,476 |
| Balance Rescission | | | 0 | | | ° | | | ° |
| Total Direct with Rescission | | | 52,873 | | | 0 | | | 242,476 |
| Reimbursable FTE | | 0 | | | 96- | | | 261 | |
| Total Direct and Reimb, FTE | | 259 | | | -36 | | | 1,194 | |
| | | | | | | | | | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | O | | | 0 | |
| Grand Total, FTE | | 259 | | | 96- | | | 1,194 | |

Exhibit C - Program Changes by Decision Unit

FY 2016 Program Incr...ses/Offsets by Decision Unit Crimital Division Salaries and Expenses (Dollars in Thousands)

hanges by Decision Unit

S. F

| Program Increases | Location of | Enfo | cing Fed | Enforcing Federal Criminal Laws | rai Laws | | Total | Total Increases | |
|---|------------------------------------|------|------------|---------------------------------|----------|--------|------------|----------------------------|--------|
| | Description by Program Activity | ö۵ | Agl./Alty. | Direct Agl./Alty. Est. FTE Pos. | Amount | Direct | Agt./Atty. | Direct Agt./Atty. Est. FTE | Amount |
| Mutual Legal Assistance Treaty (MLAT) Reform | 20 | 141 | 77 | 141 | 32,111 | L | 7.7 | 141 | 32,11 |
| International Law Enforcement and Justice Development | 30 | 107 | 13 | 83 | 12,434 | 107 | 13 | 83 | 12,43 |
| Strategic Initiatives to Address Cyber Threats | 40 | 54 | 24 | 29 | 6,123 | 54 | 24 | 29 | 6,12 |
| Intellectual Property Enforcement | 48 | 11 | 7 | 9 | 2,205 | 1 | 7 | 9 | 2.20 |
| Total Program Increases | | 313 | 121 | 259 | 52,873 | 313 | 121 | 259 | 52,87 |

| Program Increases | Location of | Enfo | rcing Fede | Enforcing Federal Criminal Laws | al Laws | | Total | Total Increases | |
|---|------------------------------------|----------------|------------|---------------------------------|---------|--------|------------|----------------------------|--------|
| | Description by Program Activity | Direct Pos. | Agl./Alty. | Direct Agl./Alty. Est. FTE Pos. | Amount | Direct | Agt./Atty. | Direct Agt./Atty. Est. FTE | Amount |
| Mutual Legal Assistance Treaty (MLAT) Reform | 20 | 141 | 77 | 141 | 32,111 | į. | 7.7 | 141 | 32,111 |
| International Law Enforcement and Justice Development | 30 | 107 | 13 | 83 | 12,434 | 107 | 13 | 83 | 12,434 |
| Strategic Initiatives to Address Cyber Threats | 40 | 54 | 24 | 29 | 6,123 | 54 | 24 | 29 | 6,123 |
| Intellectual Property Enforcement | 48 | 11 | 7 | ω O | 2,205 | 1 | 7 | ٩ | 2.205 |
| Total Program Increases | | 313 | 121 | 259 | 52.873 | 313 | 121 | 259 | 1 |

D. Resources by DOJ Stragetic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal and Objective Crimial Division Salaries and Expenses (Obless in Thousands)

| Charles Coal and Charles Delination | ľ | | | | | | | | | | | |
|--|--------------------------|------------------|--------------------------|-----------------|--------------------------|-------------------|--------------------------|-------------------|-------------------|------------------|--------------------------|------------------|
| Strategic Goal and Strategic Objective | Apple | Appropriation | 17 201 | FY 2015 Enacted | FY 201 | P.Y. 2016 Current | FY 2016 | FY 2016 Increases | FY 201 | FY 2016 Offsets | | FY 2016 Total |
| | 1 | Enacted | İ | | Ser | Services | | | | | 2 | Request |
| | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb | Direct Amount | Direct & Reimb FTE | Direct Amount |
| Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law 1. Prevent, disrupt, and defeat terrorist operations before they cocur by integrating intelligence and law enforcement eligits to | 53 | 5,967 | SS | 5,964 | 53 | 6.351 | 15 | 2,373 | φ | | 62 | 8,724 |
| achieve a coordinaled response to terrorist threats. 1.2 Prosecute those involved in terrorist acts. 1.4 Combat cyber-based threats and attacks through the use of all available noots, strong public-private partnerships, and the investigation and prosecution of cyber threat actors. | | 6,445 | | 4,877 | | 5,194 | | 2,570 | 9.7 | 00 | | |
| Goal 2 Desirat colors acted the debts of the American contra | 142 | 32,162 | 142 | 27,336 | 142 | 29,111 | 8 | 12,170 | ۲. | | 194 | 41,281 |
| Code A create Limits protect use rights on the American people, and antioner federal law. 2.1 Contrast the threat, incidence, and prevalence of vicient crime by leveraging strategic partnerships to investigate, arrest, and prosecute volent offenders and illegal filterams traffickers. | 1117 | 28,720 | 116 | 26,163 | 116 | 27,862 | 56 | 5,406 | ņ | Ü | 0 139 | 33,268 |
| 2.2 Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims. | 98 | 18,168 | 65 | 16,985 | 99 | 18,088 | 5 | 2,536 | 7 | 5 | 92 0 | 20.624 |
| 2.3 Disrupt and dismantle major drug (refficking organizations to combat the hireat, trafficking, and use of illegal drugs and the diversion of licit drugs. | 192 | 36,802 | 193 | 31,307 | 193 | 33,340 | 54 | 10,656 | Ļ. | Ü | 0 240 | 43.996 |
| Investigate and prosecule corruption, economic crimes, and transnational organized crime. | 352 | 71,714 | 352 | 61,729 | 352 | 65,738 | 73 | 15,669 | | 0 | 418 | 81,405 |
| ı civil rights by pre ctices. | | 578 | | 578 | | 615 | - | 140 | ٥ | | 4 | 755 |
| Subtotal, Goal 2 | 729 | 155,982 | 729 | 136,762 | 729 | 145,641 | 166 | 34,407 | ۴- | | 778 | 180,048 |
| Goal 3 Ensure and support the fair, inpartial, efficient, and transparent administration of justice at the federal, state, local, tribal, and international levels 3.1 Promotic and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors and defenders, through innovative leadership and programs. | 73 | 7.697 | 73 | 7.497 | 73 | 7,965 | ŗ, | 5,689 | -10 | 0 | 94 | |
| 3.6 Prevent and respond to genocide and mass atrocties and ensure that perpetrators of such crimes are held accountable in the United States, and if appropriate, their home countries. | 27 | 6,646 | 27 | 6,447 | 27 | 6,866 | n | 607 | + | a | 29 | 7,473 |
| Subtotal, Goal 3 | | 14,343 | 100 | 13,944 | 100 | 14,851 | ¥ | 6,296 | F | 0 | 123 | 21,147 |
| TOTAL | 971 | 202,487 | 971 | 178,042 | 971 | 189,603 | 259 | 52,873 | -36 | 0 | 1,194 | 2 |

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Justifications for Technical and Base Adjustments

Criminal Division Salaries and Expenses (Dollars in Thousands)

| | Direct Pos. | Estimate FTE | Amount |
|--|----------------|-----------------|--------|
| Pay and Benefits | | | |
| 1 2016 Pay Raise - 1.3% | 0 | 0 | 1,245 |
| This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount request, \$1,245,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$1,003,000 for new and \$242,000 for hencits.) | | | |
| or purply and extraction of 2015 Pay Raise | 0 | 0 | 247 |
| This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase of 1.0 percent included in the 2015 President's Budget. The amount requested \$247,000, represents the pay | | | : : |
| amounts for 1/4 of the tiscal year plus appropriate benefits (\$ 188,000 for pay and \$59,000 for benefits). 3 Changes in Compensable Davs | - | 0 | 463 |
| The increased cost for one compensable day in FY 2016 compared to FY 2015 is calculated by dividing the FY 2015 estimated personnel companieshing \$40,000 and applicable banefite \$49,441,000 by 282 semanately. | | | |
| days. | | | |
| 4 Employees Compensation Fund | 0 | 0 | 09 |
| The \$60,000 request reflects anticipated changes in payments to the Department of Labor for injury benefits | | | |
| under the Federal Employee Compensation Act. | | | |
| 5 FERS Rate Increase | 0 | 0 | 486 |
| Effective October 1, 2015 (FY 2016), the new agency contribution rates of 13.7% (up from the current 13.2%, or | | | |
| an increase of 0.5%) and 30.1% for law enforcement personnel (up from the current 28.8%, or an increase of 1.3%). The amount requested, \$486,000, represents the funds needed to cover this increase. | | | |
| 6 Health Insurance | 0 | 0 | 239 |
| Effective January 2016, the component's contribution to Federal employees' health insurance increases by 3.5 | : | 1 | ! |
| percent. Applied against the 2015 estimate of \$5,457,000, the additional amount required is \$239,000. | | | |
| 7 Retirement | 0 | 0 | 70 |
| Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS | | | |
| employees. Based off 0.5. Department of Justice Agency estimates, we project that the UCJ workforce will convert from CSRS to FERS at a rate of 0.8 percent ner year for both LEQ and Non-LEQ hased on the past 5. | | | |
| years of DOJ retirement data. The requested increase of \$70,000 is necessary to meet our increased retirement | | | |
| obligations as a result of this conversion. | | | |

Exhibit E. Justifications for Technical and Base Adjustments

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Criminal Division Salaries and Expenses (Dollars in Thousands)

| | Direct | Estimate FTF | Amount |
|--|--------|-----------------|--------|
| Subtotal, Pay and Benefits | 1 | 0 | 2,810 |
| Domestic Rent and Facilities | | | |
| 1 GSA Rent GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent | 0 | 0 | 3,637 |
| space and related services. The requested increase of \$3,637,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective FY 2016 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occurried. | | | |
| 2 Guard Service This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across the country. The requested increase of \$178,000 is required to meet these commitments. | 0 | 0 | 178 |
| Subtotal, Domestic Rent and Facilities | 0 | 0 | 3,815 |
| Other Adjustments | | | |
| 1 Security Investigations The \$4,000 increase reflects payments to the Office of Personnel Management for security reinvestigations for | 0 | 0 | 4 |
| employees requiring security crearances. Subtotal, Other Adjustments | 0 | 0 | 4 |
| Foreign Expenses | | | |
| 1 Capital Security Cost Sharing | 0 | 0 | 4,664 |

ations for Technical and Base Adjustments

Justifications for Technical and Base Adjustments Criminal Division Salaries and Expenses (Dollars in Thousands)

| 11,561 | 0 | 0 | TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS |
|--------|-------------------|----------|--|
| 4,932 | 0 | 0 | Subtotal, Foreign Expenses |
| | | | The Department of State charges agencies for administrative support provided to staff based overseas. Charges are determined by a cost distribution system. The FY 2016 request is based on the projected FY 2015 bill for post invoices and other ICASS costs. |
| 208 | 0 | 0 | 3 <u>ICASS</u> The Department of State charges agencies for administrative support provided to staff based overseas. Charges |
| 09 | 5 | o | 2 Foreign Affaits Counter-I firefall (FACI) Training The State Deparment is now requiring Foreign Affairs Counter-Threat (FACT) Training for all U.S. Government personnel deployed overseas. FACT training was designed to prepare members of the foreing affairs community to operate safely in non-permissive environments. |
| • | 1 | • | this account. |
| | | | for DOJ include current and projected staffing. The estimated cost to the Department, as provided by State, for FY 2016 is \$146,558,944. CRM currently has 212 positions overseas, and funding of \$4,664,000 is requested for |
| *** | | | annually by OMB and Congress and has also been expanded beyond new embassy construction to include maintenance and renovation costs of the new facilities. For the purpose of this program State's personnel totals |
| | | | U.S. diplomatic facilities, without offsets, on the basis of the total overseas presence of each agency as determined by the Secretary of State." Originally authorized for FY 2000-2004, the program has been extended |
| | | | authorityshall participate and provide funding in advance for their share of costs of providing new, safe, secure |
| | | | Per P.L. 108-447 and subsequent acts, "all agencies with personnel overseas subject to chief of mission |
| | FTE | Pos. | |
| Amount | Direct Estimate | Direct | |

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability

Salaries and Expenses (Dollars in Thousands) Criminal Division

| Program Activity | FY | 2014 Appr | FY 2014 Appropriation | Repro | gramming | Reprogramming/Transfers | Carryover | Carryover Recoveries/ | Ŧ | FY 2014 Availability | lability |
|---------------------------------|--------|-----------------|-----------------------|--------|----------|-------------------------|-----------|-----------------------|--------|----------------------|----------|
| | | Enacted | Da | | | | | Ketunds | | | |
| | Direct | Direct Est. FTE | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Amount | Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | | | Pos. | | | | | Pos. | | |
| Enforcing Federal Criminal Laws | 750 | 620 | 174,189 | 0 | 0 | 2,330 | 1,351 | 11 | 750 | 620 | 177,881 |
| Total Direct | 750 | 620 | 174,189 | 0 | 0 | 2,330 | 1,351 | 11 | 750 | 620 | 177,881 |
| Balance Rescission | | | 0 | | | ō | 0 | 0 | | | 0 |
| Total Direct with Rescission | | | 174,189 | | | 2,330 | 1,351 | 11 | | | 177,881 |
| Reimbursable FTE | | 276 | | | 0 | | | | | 276 | |
| Total Direct and Reimb. FTE | | 968 | | | 0 | | | | | 896 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | | 0 | |
| Grand Total, FTE | | 968 | | | 0 | | | | | 896 | |

Reprogramming/Transfers: \$2,330,000 was reprogrammed from ALS to the Division.

Carryover: Funding includes \$1,351,000 for ALS.

Recoveries/Refunds:

lk of 2015 Availability

ن ن

Crosswalk c. 2015 Availability

Criminal Division

| | | | 03 | Salaries ar (Dollars in | Salaries and Expenses (Dollars in Thousands) | se (| | | | | |
|---------------------------------|----------------|-----------------|---------|----------------------------|--|-----------------------------|----------------------|------------|--------|----------------------|---------|
| Program Activity | | FY 2015 Enacted | acted | Repro | gramming | Reprogramming/Transfers | Carryover Rescission | Rescission | ΕY | FY 2015 Availability | ability |
| | Direct Pos. | Est. FTE | Amount | Direct Pos. | Est. FTE | Direct Est. FTE Amount Pos. | Amount | Amount | Direct | Direct Est. FTE | Amount |
| Enforcing Federal Criminal Laws | 750 | 674 | 178,042 | | 0 | 0 | 3,255 | -1,181 | 750 | 674 | 180.1 |
| Total Direct | 750 | 674 | 178,042 | ٥ | 0 | 0 | 3,255 | -1.181 | 750 | 674 | 180.1 |
| Balance Rescission | | | О | | | 0 | 0 | O | | l | |
| Total Direct with Rescission | | | 178,042 | | | 0 | 3.255 | -1.181 | | | 180.1 |
| Reimbursable FTE | | 297 | | | 0 | | | | | 297 | |
| Total Direct and Reimb. FTE | | 971 | | | 0 | | | | | 971 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | c | |
| Overtime | | o | | | 0 | | | | | - | |
| Grand Total, FTE | | 971 | | | 0 | | | | | 971 | |
| | | | | | | | | | - | | 1 |

180,116 180,116

Amount

Reprogramming/Transfers:

Carryover: 3,255,000 for ALS was carried over to FY 2015.

Recoveries/Refunds:

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources

| | Increase | Rein | F | 15 | 4 | 0 | |
|--|---------------|--------|------|--------|--------|---------|-------|
| | - | Reimb. | Pos. | 15 | | -59 | |
| | uest | Amount | | 45,000 | 48,000 | 168,750 | 2,200 |
| | 2016 Request | Reimb. | FTE | 65 | 92 | 91 | 13 |
| | | Reimb. | Pos. | 85 | 107 | 125 | 13 |
| nces nses (sp. | nate | Amount | | 45,000 | 48,000 | 135,000 | 2,200 |
| Criminal Division Salaries and Expenses (Dollars in Thousands) | 2015 Estimate | Reimb. | FTE | 48 | 98 | 150 | 13 |
| Crimir Salaries (Dolfars | | Reimb. | Pos. | 70 | 103 | 184 | 13 |
| | ual | Amount | | 54,738 | 38,409 | 300,000 | 2,064 |
| | 2014 Actual | Reimb. | FTE | 48 | 96 | 150 | 13 |
| | | Reimb. | Pos. | 70 | 103 | 184 | 13 |
| | | | ١ | | | | |

Collections by Source

Department of State Interagency Crime and Drug Asset Forfeiture Fund All Other Sources

Enforcement

Increase/Decrease Reimb. Reimb. Amount

FTE

33,750

9 65 0

| | | | | | l | | Į | | | | | |
|---------------------------------|--------|------------|---------|--------|---------------|---------|--------|--------------|------------------------------------|--------|-------------------|--------|
| Budgetary Resources | 370 | 297 | 395,211 | 370 | 297 | 230,200 | | 330 261 | 263,950 | 4 | -40 -36 | 33.750 |
| | | | | | | | | | | | | |
| Obligations by Program Activity | | 2014Actual | len | `` | 2015 Estimate | nate | | 2016 Request | lest | ٤ | Increase/Decrease | rease |
| | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Reimb. Reimb. Amount Reimb. Reimb. | Reimb. | Reimb. | Amount |
| | Pos. | FTE | | Pos. | FTE | | Pos. | FTE | | Pos | ETE | |
| Enforcing Federal Criminal Laws | 370 | 297 | 395,211 | 370 | 297 | 230,200 | 330 | | 263.950 | 40 | 36 | 33 750 |
| Budgetary Resources | 370 | 297 | | 370 | | 230,200 | | 330 261 | 263.950 | 40 | -36 | 33.750 |
| | | | | | | | | | A | | | |

Detail of Permane... Positions by Category

Criminal Division Salaries and Expenses (Dollars in Thousands)

| Category | FY 2014 Ap | FY 2014 Appropriation | FY 2015 | FY 2015 Enacted | | Ĺ | FY 2016 Request | ļ. | |
|---|-------------|-----------------------|-------------|-----------------|------|-----------|-----------------|--------------|--------------|
| | Enacted w | Enacted with Balance | | | | | | | |
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Reimb. |
| | | | | | | Increases | Offsets | Pos. | Pos. |
| Miscellaneous Operations (001-099) | _ | 0 | 1 | 0 | 0 | 0 | 0 | - | 0 |
| Security Specialists (080) | = | 0 | = | 0 | Ö | 0 | 0 | + | C |
| Intelligence Series (132) | • | 0 | _ | 0 | 0 | 0 | C | | , C |
| Personnel Management (0200-0260) | 19 | 0 | 19 | 0 | 0 | 0 | c | - 6 | C |
| Clerical and Office Services (0300-0399) | 146 | | 146 | 78 | ō | 83 | Ö | 229 | 5.0 |
| Accounting and Budget (500-599) | 9 | 36 | 0, | | 0 | 17 | C | 22 | 2 6 |
| Paralegals / Other Law (900-998) | 06 | 25 | | | 0 | 0 | 0 | 06 | 7 |
| Attorneys (905) | 439 | (A | 4 | 8 | Ö | 121 | 0 | 550 | 233 |
| Information & Arts (1000-1099) | - | = | 7 | _ | o | 6 | C | 4 | |
| Paralegal Specialist (0950) | 0 | 0 | ō | 0 | C | 74 | Ċ | 74 | - 6 |
| Business & Industry (1100-1199) | 2 | _ | 2 | - | 0 | 0 | C | | C |
| Physical Sciences (1300-1399) | 0 | 0 | 6 | - | o | - | 0 | · ~ | 5 6 |
| Forensic Scientists | 0 | = | 0 | 0 | Ó | - | C | · C | C |
| [Library (1400-1499) | 4 | 0 | 4 | 0 | 0 | 0 | C | 4 | o C |
| Equipment/Facilities Services (1600-1699) | 2 | 0 | 2 | 0 | 0 | 0 | 0 | . 0 | · c |
| Education (1700-1799) | 0 | - | ō | Ψ- | 0 | - | 0 | ۱ ۳۰۰ | C |
| Inspection, Investigation, Enforcement | ဖ | 0 | Ø | 0 | O | 0 | 6 | 9 | o |
| Analyst(1801) | | | | | | | | | |
| Transportation (2100-2199) | 0 | - | 0 | _ | 0 | Ţ- | ō | - | 6 |
| Information Technology Mgmt (2210-2299) | 18 | - | 18 | _ | 0 | 12 | 0 | 30 | - |
| Total | 750 | 370 | • | 370 | 0 | 313 | ō | 1.063 | 330 |
| Headquarters Washington D.C. | 962 | 237 | 736 | 237 | O | | 0 | 1.040 | 197 |
| US Fields | 0 | 8 | 0 | 0 | 0 | 70 | o | | C |
| Foreign Field | 14 | 133 | 14 | 133 | 0 | 6 | 0 | 23 | 133 |
| Total | 750 | 370 | 750 | 370 | 0 | 313 | 0 | 1.063 | 330 |

Financial Analysis of Program Changes Criminal Division Setates and Expanses (Debra & Trocants)

| Program Presses Program Presses Program Presses Program Presses Pres | Program Persesses Prog | Program Pacesses Program Pac | Amount 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Amount | 4 American | Amount Amo | Program Presses Program Pr | Program Presents Program Pre | Program Presses Program Pr |
|--|---|--|--|---|--|--|--|--|--|
| 2.5653 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 2,557 2,557 2,517 2,514 2,514 1,530 | 2227 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 2.2.7 2. | 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 | | 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 25227 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 2327 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 2.527 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 |
| 2, 563 2, 172 2, 172 3, 218 1, 230 1, 230 667 667 1, 5, 184 | 2 553 29 172 29 172 3 218 0 2 5914 0 667 667 667 667 15 184 | 227 C C C C C C C C C C C C C C C C C C | 227 C C C C C C C C C C C C C C C C C C | 1 | 2 | 20 4 4 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 | 227 C C C C C C C C C C C C C C C C C C | 25 25 25 25 25 25 25 25 25 25 25 25 25 2 | 2377 C 25687 C |
| 2917 3,217 2,917 11,23 50,09 | 2,56 29,17 2,91 1,23 66,09 66,09 | 8 2 2 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 | @ C 0 0 0 0 0 0 10 0 0 | | | | | 33 3 3 88 2 89 66 23 77 75 88 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 | 52 3 3 3 88 2 8 8 8 8 8 8 8 8 8 8 8 8 8 8 |
| 2 T 2 2 Z Z Z Z Z | | | | | | | | | |
| | | | | | | | | | |
| 0.55-13 0.55-1 0.57-7 Total Popitions and Ameual Amount Laise c.) | .) -) -) | .) Uhu, personnel compensa Cavel and Vansportation of Casel and Vansportation of | Directions from the first personnel con favel grid Harsporth (2015) personnel con from the first personnel from the first personnel from the first personnel for the first per | Dhu personnel con reavel and transport canegorlation of this communications the | .) Dibuz personnel con ravel grid transport rapel grid transport rapesportation of hir rapesportations, ub randrag and reprodu- | Direct personnel corrected to the season of | Dibre, presonnel con Dibre, presonnel con reavel and transport tonspectation of this braining and reproduces Promissiones and see Produces from the groods and see | 1.) The state of the state of | Dhe personnel con Travel and transport transportation of his transportation of his "hinting and episoda "hinting and episoda "hinting and episoda "hinting and episoda "hinting and episoda "hinting and episoda "hipting and an area." |
| GS-9 GS-7 Total Positions and Annual Amount Lause (-) | (-) Other personnel compense | (+) Other personnel con Travel and transport | (1) Other personnel con Travel and transport Transportation of this Communications, this | (-) Other personnel corr Travel and transport Travel and transport Communications, the formula and reprodu- | (1) Other personnel con Travel and transport Travel and transport Communeations, tall Printing and reprodu- Other services from | Other personnel corr Clave and tensporal Communications of the Communications in the Printing and repredu- Dible; goods and ser | Other personnel con Travel and transport Transportation of this Communications of the Printing and reproduce Other geords and ser- Other goods and ser- Medical core | Other personnel com Other personnel com Communication of the Communicati | Other personnel com Travel and fensional Travel and fensional Travel and fensional Travel and fensional Printing and reproduce Other geords and ser Medical com |
| Total Positions and Amount | Total Positions and Annual Amount (-) Other personnel compensation | 12) Othe personnel compensation Total projects and Amount Amount Total prid personnel Compensation Total prid personnel Compensation Total prid personnel Compensation Total prid persons | 101 Positions and famual Amounti Other preparel compensation. Total Pict and Personnel Compensation. Travel professionation of Persons. Travel professionation of Persons. Communications, Julius and monechampeus. | 10 Total Positions and Amusi Amounti Other personnel compensation Travel and transcontain or personnel Compensation Travel and transcontain or persons Transcontain or persons Transcontained france Communication studies and miscelaneous changes Pening and reproduction | 1019 Total Positions and Amount Amount (1) Total Positions and Amount Amount (1) Total Positions and Personnel Compensation Total Piet (1) Total Piet (1) Test (2) Total (1) Test (2) Total (2) Test (2) Total (2) Test (2) | Total Positions and Annual Amounti One personnel compensation Team and Personnel Compensation Team of Versonnel Compensation Team of Versonnel Compensation Team of Personnel Compensation Team of Personnel Compensation Team of Personnel Julius and muscinteepus charges. Printing and approduction Team of Personnel Compensation Team of Personnel Team of Pers | 10 Total Positions and Amount Amount Other presented compensation Total Positions and Amount One presented compensation Total Positions Travel put foreign of the Total positions of the Total positions of the Total positions of the Total positions of the Total positions of the Total positions of the Total position of the Total po | 11) One presented competension One presented competension Total Fits and personnel Competension Total Fits and personnel Competension Total Fits and personnel Competension Contron-common Julias and mischiategue citelines Contron-common Julias and mischiategue citelines Primiting and expediction in the deed sources Obling spaces and services from federal sources Obling spaces and services from federal sources Supplies and mischiate | 10 Total Positions and Amount Amount Other presented compensation Total Positions and Amount Other presented compensation Total Positions Travel preference for Indigentation of Princip and and Personnel Compensation Travel preference for Princip and and Personnel Communications, Julius and miscellations Communications, Julius and miscellation Communications, Julius and Princip and America from Inchedical Scauters (Communications, Julius and Princip and Princ |
| Total Positions and Annual Amount | Positions and Annual Amount | I Amount pensation | Il Amount Densation | d Amount | d Amount pensation | d Amount | i Amount pensation | pensation | pensation |
| | | pensation | pensation | nonserion | pensation | pensation | pensation | pensation | pensation |
| | 11.5 - Other personnel compensation | oensation | pensation | pensation | pensation | pensation | pensation | pensation | pensation |
| | | 22 0 - Transportation of things | 22 0 - Transportation of things 23 3 - Communications, utilities and miscellaneous charges | 22.0 - Transportation of things 23.3 - Communications, unlines and miscelianeous charges 24.2 - Priming and reproduction | 22 O. Treasportation of things 23 2. Communications: utilities and miscellaneous changes 440. Printing and reproductions and miscellaneous changes 52 2. Oliper general form non-lederal sources | 22 9 Transportation of throps: 223 - Communications und musciolateous cherges. 224 0 Printing and reproduction 225 - Communications under a production 227 - Coling represent from moderal sources. 227 - Coling roads and services from foreign sources. | 22 De - Transpolition et infraç. 223 - Communications utilities ann miscelaneous chiligras. 244 - Primiting and reproduction and an experience. 253 - Other grances from mon-federal sources. 255 - Other grances from federal sources. | 22 0 Transportation of throps: 223 - Commourceabons usulans and model/appear cherges. 224 - Commourceabons usulans and model/appear cherges. 225 - Object queries from model sources. 225 - Object queries from model sources. 225 - Object queries from model sources. 225 - Object queries from model sources. 225 - Magnés and manuellas. 226 - Magnés and manuellas. | 22 D Transpolition of information 22 de communeations authenties and miscelalencous children 22 de communeations authens and miscelalencous children 25 de Communeations authenties from mort-indexid sources 25 de Communeations and miscelalencous 25 de Communeations and miscelalencous 25 de Communeations and miscelalencous and miscel |
| Personnel Compensation | 21.0 - Travel and transportation of persons | | 23.3 - Communications, utilities, and miscellaneous charges | 23.3. Communications, utilities and miscellaneous charges 24.0. Pining and reproduction | | | | | 23. Communations, Lallies and miscelaneous charges. 240. Ferning and exprediction. 25 2. Ching americal form non-ledered sources. 25 3. Ching approximation and services from federal sources. 26 3. Ching approximation and services from federal sources. 26 5. Supplies and materials. 21 0. Supplyment |

y of Requirements by Object Class

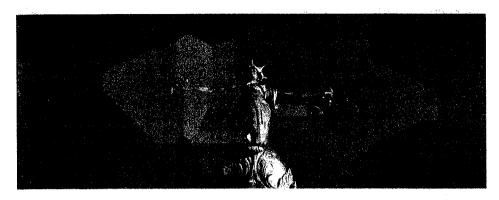
Α, (1)

Summary of Requirements by Object Class

Criminal Division Salaries and Expenses (Dollars in Thousands)

| Object Class | FY 20 | FY 2014 Actual | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Request | Increas | Increase/Decrease |
|---|----------|----------------|--------|-----------------|--------|-----------------|---------|-------------------|
| | Act. FTE | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | | | FTE | | FTE | | FTE | |
| 11.1 - Full-time permanent | 547 | 70,242 | 595 | 73,300 | 854 | 92,164 | 259 | 18.864 |
| 11.3 - Other than full-time permanent | 73 | 6,768 | 79 | 7,200 | 79 | 13,100 | 0 | 5,900 |
| 11.5 - Other personnel compensation | 0 | 1,211 | 0 | 1,400 | 0 | 1,800 | 0 | 400 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 - Special personal services payments | 0 | 2,535 | 0 | 3,500 | 0 | 3,500 | 0 | 0 |
| Total | 620 | 80,756 | 674 | 85,400 | 933 | 110,564 | 259 | 25,164 |
| Other Object Classes | | | | | | | | |
| 12.1 - Civilian personnel benefits | | 22,287 | | 23,500 | | 33,700 | 0 | 10.200 |
| 13.0 - Benefits for former personnel | | 20 | | 20 | | 20 | 0 | 0 |
| 21.0 - Travel and transportation of persons | | 3,730 | | 5,200 | | 6,800 | 0 | 1,600 |
| 22.0 - Transportation of things | | 846 | | 1,200 | | 1,800 | 0 | 909 |
| 23.1 - Rental payments to GSA | | 21,436 | | 25,000 | | 31,000 | Ö | 6,000 |
| 23.2 - Rental payments to others | | 1,491 | | 1,500 | | 3,000 | 0 | 1,500 |
| 23.3 - Communications, utilities, and miscellaneous charges | | 3,065 | | 3,300 | | 4,400 | 0 | 1,100 |
| 24.0 - Printing and reproduction | | 54 | | 200 | | 250 | 0 | 50 |
| 25.1 - Advisory and assistance services | | 5,190 | | 5,400 | | 7,700 | 0 | 2,300 |
| 25.2 - Other services from non-federal sources | | 15,636 | | 17,916 | | 29,242 | 0 | 11,326 |
| 25.3 - Other goods and services from federal sources | | 6,026 | | 7,900 | | 8,500 | 6 | 009 |
| 25.6 - Medical care | | 98 | | 100 | | 200 | 0 | 100 |
| 25.7 - Operation and maintenance of equipment | | 133 | | 200 | | 300 | 0 | 100 |
| 26.0 - Supplies and materials | | 808 | | 880 | | 2,000 | 0 | 1,120 |
| 31.0 - Equipment | | 12,415 | | 2,400 | | 3,000 | Ó | 900 |
| Total Obligations | | 173,988 | | 180,116 | | 242,476 | ٥ | 62,360 |
| Subtract - Unobligated Balance, Start-of-Year | | -1,351 | | -3,255 | | 0 | 0 | 3,255 |
| Subtract - Transfers/Reprogramming | | -2,330 | | 0 | | 0 | 0 | 0 |
| Subtract - Recoveries/Refunds | | -11 | | ō | | 0 | 0 | 0 |
| Add - Unobligated End-of-Year, Available | | 3,255 | | 0 | | 0 | 0 | 0 |
| Add - Rescission | | 0 | | 1,181 | | 0 | 0 | -1,181 |
| Add - Unobligated End-of-Year, Expiring | | 638 | | ٥ | | 0 | 0 | 0 |
| Total Direct Requirements | 0 | 174,189 | ٥ | 178,042 | 0 | 242,476 | 0 | 64,434 |
| Reimbursable FTE Full-Time Permanent | 276 | | 297 | | 261 | | -36 | o |
| | | | | | | | | |

U.S. Department of Justice



CIVIL DIVISION

FY 2016 Budget and Performance Plans

Submitted to the Congress of the United States February 2015

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OVERVIEW OF THE CIVIL DIVISION

The Civil Division is the largest litigating component of the United States Department of Justice and represents the legal interests of the United States, its departments and agencies, Members of Congress, Cabinet Officers, and other federal employees. Civil safeguards taxpayer dollars, preserves the intent of Congress, ensures the Federal Government speaks with one voice in its view of the law, advances the credibility of the Federal Government before the courts, and protects the health, safety, and economic security of the American people.

The Civil Division's litigation generally falls into the following categories:

- Cases involving national policies;
- Cases that are so massive and span so many years that they would overwhelm the resources and infrastructure of any individual field office;
- Cases filed in national or foreign courts;
- Cases crossing multiple jurisdictions; and
- A wide range of individual and class action immigration cases.

Each year, the Civil Division represents the Federal Government in tens of thousands of unique matters, litigating on behalf of some 200 federal agencies. This litigation encompasses the panoply of the Federal Government's legal interests ranging from contract disputes, efforts to combat fraud and the abuse of federal funds, benefits programs, multi-million dollar tort claims, alleged takings of property, intellectual property disputes, and defending national security decisions. Outside of the realm of litigation, Civil is involved in three separate compensation programs: the Vaccine Injury Compensation Program, the Radiation Exposure Compensation Program, and the September 11th Victim Compensation Fund.

The diversity of this subject matter is impressive, as are the results of the Civil Division's litigation.

Civil Recovers Billions of Dollars for the U.S. Treasury

Year after year, the Civil Division, often working with its U.S. Attorney partners, collects billions of dollars for the U.S. Treasury. Such revenue generating cases involve health care fraud, financial fraud, procurement fraud, bankruptcy, civil penalties, and oil spills. Since FY 2009, Civil, working with U.S. Attorneys, has secured over \$28 billion in settlements, judgments, fines and restitution.

This trend continued in FY 2014. This past year, global health care giant Johnson & Johnson paid more than \$2.2 billion to resolve allegations of illegally promoting prescription drugs for uses not approved by the FDA and paying kickbacks to physicians and the nation's largest long term care pharmacy provider. Also, in FY 2014, the efforts of the Financial Fraud Enforcement Task Force and its Residential Mortgage-Backed Securities Working Group, which is co-chaired

Civil Division 1 | Page

by Civil's Assistant Attorney General, obtained settlements with Bank of America for \$16.65 billion, Citigroup for \$7 billion, and JPMorgan for \$13 billion.

Civil Defeats Billions of Dollars in Unmeritorious Damages

The Civil Division's workload mostly involves defending the Federal Government in defensive lawsuits. A large percentage of these cases are monetary claims filed against the Federal Government – typically contract, tort, or takings claims. In total, in FY 2014, Civil defended cases where over \$100 billion, in the aggregate, was at issue. In cases closed in FY 2014, Civil defeated well over \$15 billion. Currently, Civil aggressively represents the U.S. Government in multi-billion dollar suits stemming from the Federal Government's actions following the 2008 economic crisis. Shareholders of American International Group, Inc., Fannie Mae, and Freddie Mac have filed claims against the U.S. Government, in which they collectively seek tens of billions of dollars.

Civil Defends the U.S. Government's Interests

Civil defends the integrity of federal laws, regulations, policies, and programs, ranging from border security to patent protection to laws that seek to prevent child pornography. A significant portion of Civil's workload involves national security matters, including protecting national security programs and information and defending habeas corpus challenges by Guantanamo Bay detainees. Additionally, Civil represents the Federal Government in thousands of immigration matters each year, including habeas corpus petitions brought by known or suspected terrorists and, currently, twenty-six class action cases challenging critical policies and programs relating to the Federal Government's interpretation, administration and enforcement of immigration law. Finally, Civil defends statutes being challenged, such as health care statutes, obscenity laws, and statutes imposing criminal penalties.

Civil Protects the Health, Safety, and Welfare of the American People

Civil's litigation also ends dangerous practices that harm America's most vulnerable populations. Health care fraud litigation deters health care providers from billing federal health care programs for unnecessary, invasive, and useless medical tests that endanger the health and safety of countless patients. Consumer fraud litigation pursues cases against those who market unsafe or fraudulent products and services.

Full Program Costs

To continue to fund critical core programming and achieve these accomplishments, the FY 2016 Civil Division Budget Request provides for 1,360 authorized positions, including 968 attorneys, and totals \$326,009,000. It includes:

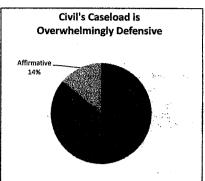
- Base adjustments of \$25,508,000; and
- Three critical program increases:
 - Health Care Fraud Enhancement (\$1,341,000);
 - Immigration Enforcement (\$1,356,000); and
 - Advanced Litigation Support Services (\$6,350,000).

INTERNAL AND EXTERNAL CHALLENGES

The major challenges facing the Civil Division in FY 2016 are outlined below.

Uncontrollable External Factors Drive Civil's Caseload

Civil's greatest challenge is the fact that 86% of its caseload is defensive. This means that opponents decide the time, nature, and location of a claim. Once a complaint is filed, the Federal Government has no choice but to respond to the suit, lest attorneys face default judgments or sanctions. Regardless of its budget or its ability to absorb additional work, Civil must represent the Federal Government in court when claims are filed against the United States.



Relatedly, the underlying events that give rise to
litigation are typically beyond Civil's control, unpredictable, or even unknowable. Disputes over
the terms of a contract between an agency and a government contractor, natural disasters such
as hurricanes, and catastrophic events such as oil spills, all give rise to litigation. In all such
cases, the Civil Division will represent the interests of the United States.



Civil's docket of immigration cases is a timely example of how Civil's caseload is driven by factors beyond its control. The FY 2015 appropriations bill (P.L. 113-235) provides the Department's Executive Office for Immigration Review with funding to hire 35 new Immigration Judge Teams. Increasing the number of Immigration Judge Teams will ultimately lead to an increased workload for the Civil Division's Office of Immigration Litigation. After an undocumented immigrant appears before an Immigration Judge of the Executive Office for Immigration Review, he or she may appeal to the Board of Immigration Appeals and then to a U.S. Circuit Court of Appeals. Civil's Office of Immigration Litigation represents the Federal Government in these immigration cases pending before a U.S. Circuit Court of Appeals.

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Similarly, the Office of immigration Litigation's District Court Section's docket includes twentysix class action cases, many of which are driven by factors beyond its control, like the recent surge of unaccompanied children applicants at the United States' southern border.

Other examples of Civil's limited ability to control its workload are whistleblower lawsuits filed under the False Claims Act. Whistleblowers may file lawsuits on behalf of the Federal Government alleging that false claims were submitted to the Federal Government, and resulted in payment of federal funds. They are then eligible to receive a portion of the amount recovered. Between FY 2009 and FY 2014, the total number of whistleblower lawsuits has increased by nearly 66%. Additionally, under the False Claims Act's qui tam statute (see 31 U.S.C. § 3730), when a party files a whistleblower case alleging fraud or abuse, the case must be investigated; the Department of Justice generally must make a decision whether or not to intervene under a timetable mandated by the supervising court. Therefore, as the number of whistleblower complaints has increased, Civil is forced to expend additional resources to meet its mandatory requirements under law and increasingly shorter court deadlines. Since many of these whistleblower suits are related to health care fraud, this FY 2016 Budget Request includes a program increase for health care fraud litigation.

Civil Must Keep Pace with Rapidly Advancing Litigation Support Services

Over the last decade, the use of Automated Litigation Support ("ALS") in civil litigation has become a key contributing factor to a litigator's success. Civil's use of ALS has been instrumental to the efforts to fight fraud and to prevent the awarding of unwarranted damages in defensive cases. However, Civil's opponents spare no resource to develop complex statistical models or to review advanced medical records using state-of-the-art software. Moving forward, Civil must have access to the rapidly advancing technological capabilities necessary to represent the Federal Government.

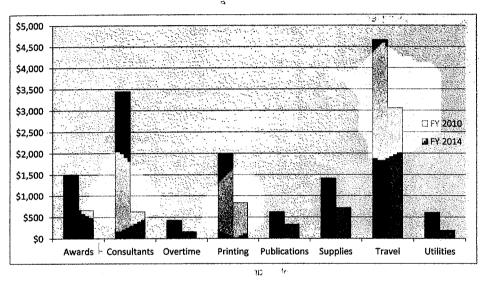
Not only is the ALS technology key, but the expertise and personnel necessary to maximize its potential are vital. The introduction of these tools and the volume of data the Civil Division receives in litigation has radically altered the required skillset of the ALS support staff, requiring a legal understanding of the cases and contract management skills, as well as a technological understanding of how best to structure the use of electronic discovery technology. ALS support staff work hand-in-hand with attorneys to craft the most effective, efficient, and cost-conscious solutions. Without these experts, ALS technology cannot be utilized to its optimum. For these reasons, this FY 2016 Budget Request proposes a program increase for ALS needs.

Aiding Efforts to Promote Long-term Cost Savings

In recent years, Congress and the Administration have prioritized reducing discretionary spending. Cognizant of this focus, the Civil Division has carefully examined its spending and undertaken significant efforts to reduce administrative expenses. The chart on the following page compares spending in certain areas and shows that these efforts have resulted in significant savings.

Civil Division: Cuts to Administrative Expenses

(All \$ in Thousands)



Looking to the future, the Federal Government has made a commitment to cut real estate costs by utilizing less office space (see OMB Memorandum 12-12). Civil is an active participant in this effort. Civil is working with the Office of Management and Budget and General Services Administration to carefully structure upcoming leases of office space to comply with this OMB policy. However, before long-term savings can be achieved, Civil has a short-term cost to acquiring new space, building out the space so that it complies with the new policy, and moving employees to the new space. These short-term costs must be funded to achieve long-term savings, and this FY 2016 Budget Request includes an adjustment-to-base for this purpose.

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ENVIRONMENTAL ACCOUNTABILITY

Civil is working toward meeting all Administration and Department of Justice guidelines for improving environmental and energy performance. Civil is moving toward full compliance with efforts to achieve reductions in greenhouse gas emissions, acquiring green products and services, and establishing cost-effective waste prevention and recycling programs. Examples of Civil's environmentally sound practices include: using teleconferencing options to reduce travel costs, expanding recycling programs, installing motion detector lighting systems, using 25 watt "green" lighting, and reducing overtime use of heating and air conditioning. At the same time, Civil continues to develop plans that will consolidate several buildings and result in the Civil Division occupying less office space.

SUMMARY OF PROGRAM CHANGES

| , item Name | Description | | | | Page |
|---|--|------|-----|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Health Care Fraud Enhancement | Expand Medicare and other health care fraud litigation | 15 | 8 | \$1,341 | 35 |
| Immigration Enforcement | Additional staffing for growing number of class action cases | 10 | 8 | \$1,356 | 40 |
| Advanced Litigation Support Services | Provide ALS and IT tools necessary for complex litigation | 10 | 5 | \$6,350 | 44 |

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APPROPRIATIONS LANGUAGE AND ANALYSIS

The FY 2016 Budget request includes a proposed change in the appropriations language listed and explained below. Civil is seeking an increase in its reimbursement from the Vaccine Injury Compensation Trust Fund for its work on vaccine claims. New language is <u>italicized and underlined</u>, and language proposed for deletion is bracketed.

Proposed Change

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed [\$7,833,000] \$9,358,000\$, to be appropriated from the Vaccine Injury Compensation Trust Fund.

Analysis

The Vaccine Injury Compensation Program ("VICP," or the "Program") has experienced a steady increase in claims in recent years. In total, claims have risen 60% over FY 2009 levels and are projected to steadily increase through FY 2016 and beyond. These claims are paid by the Vaccine Injury Compensation Trust Fund, which also funds the three governmental entities involved in the administration of the VICP, the Civil Division included.

At the same time, as claims have increased, funding for the administrative costs necessary for Civil to defend the Federal Government against claims filed under the Program has been flat. The appropriated reimbursement from the Vaccine Injury Compensation Trust Fund has remained the same since FY 2009. No adjustments have been included that are afforded to most other appropriations. In FY 2009, VICP funded 41 FTE. However, personnel costs and the workload have increased, resulting in the VICP now only being able to fund 36 FTE.

To fully fund the VICP in FY 2016 and to add staff to handle the increasing claims, an additional \$1,525,000 reimbursement from the VICP Trust Fund is required, bringing the total appropriated reimbursement to \$9,358,000.

Overview of VICP. Congress enacted the National Childhood Vaccine Injury Act of 1986 (the "Act") to avert a crisis affecting the vaccination of children. There were two primary concerns: (1) individuals injured by vaccines faced an inconsistent, expensive, and unpredictable tort system for compensating claims; and (2) the risk of litigation threatened to reduce the number of vaccine manufacturers to a level that could not meet market demands. The Act established the Vaccine Injury Compensation Program, a no-fault compensation system for persons suffering injury or death allegedly attributable to certain vaccines. An individual claiming a vaccine-related injury or death must file a petition for compensation with the Court of Federal Claims before pursuing any civil action against a manufacturer or physician. Once the claim is filed, Civil represents the interests of the U.S. Government. To ensure that compensation is

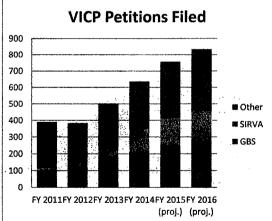
awarded to those whom Congress intended, claims are closely examined for legal and medical sufficiency, with the recognition that eligible claimants should be compensated fairly and expeditiously.

One of the unique features of the Act is its Vaccine Injury Table, which lists certain injuries that are presumed related to the administration of certain vaccines. Even if an injury is not listed, a claimant may still try to prove that the vaccine actually caused the injury. Civil Division attorneys review the submitted evidence and coordinate with the Department of Health & Human Services (HHS) to determine if the claimant's alleged injuries merit compensation. If so, the case will proceed to damages. However, if the claimant has insufficient evidence to merit compensation, Civil will argue against awarding damages, and a Special Master with the Court of Federal Claims will hold a hearing to decide the case. Even if the Special Master agrees with Civil's analysis, the claimant may appeal to the Court of Federal Claims and, subsequently, to the U.S. Court of Appeals for the Federal Circuit. Determination of the appropriate compensation is specifically tailored to each individual claimant, so the process is often time and resource-intensive and may require a trial to resolve.

The Act created a Vaccine Injury Compensation Trust Fund that is used to pay awards to injured individuals and claimants' attorneys' fees. This Trust Fund is funded by an excise tax imposed on each purchased dose of a covered vaccine. As of 2014, since the inception of the Program in 1988, nearly \$2.7 billion in compensation has been awarded to over 3,500 claimants who would have otherwise stood little chance of recovery in traditional tort litigation. This Trust Fund also pays the administrative costs of HHS, Civil's VICP staff, and the Office of the Special Masters of the Court of Federal Claims, all of which are funded through reimbursable authority provided by Congress.

Need for Additional Staff and Resources. The Program has experienced a steady and continuous increase in newly filed claims. This increase is mainly related to new injuries recently proposed by HHS for addition to the Vaccine Injury Table, including:

Shoulder Injury Related to
Vaccine Administration
("SIRVA"), an injury related to
the process of administering a
vaccine, which manifests as
shoulder pain and limited range
of motion occurring after the
administration of an injected vaccine; and



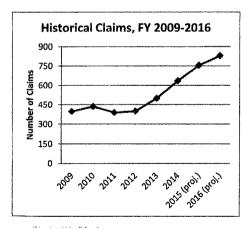
 Guillain-Barré syndrome ("GBS"), an acute paralysis caused by dysfunction in the peripheral nervous system (the nervous system outside the brain and spinal cord).

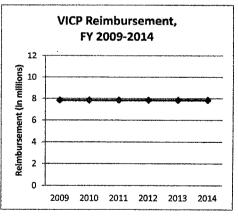
The recognition of an association between vaccination and these injuries spurs petitions being filed. Moreover, the increased pace of claim filings has been sustained for over a year, indicating this is a trend rather than an aberration. Further, the rate of filings is expected to jump when the Vaccine Injury Table changes become effective, which is expected in FY 2015. is likely there will be over 800 claims filed annually by FY 2016.

Another key reason for the expected increase relates to the statute of limitations for new injuries. The statute of limitations for injuries on the Vaccine Injury Table is three years. Typically, a petitioner has three years after symptoms of a vaccine injury manifest to file with the Program. However, when a new injury is added to the Vaccine Injury Table, the petitioner has an additional two years from the date of the Vaccine Injury Table revision to file a claim if the injury began in the previous six years. Additionally, if a revision to the Vaccine Injury Table makes a claimant eligible to seek compensation, or significantly increases the likelihood of a claimant obtaining compensation, the claimant has the ability to re-file a previously dismissed claim.

Finally, the increasing sophistication of the vaccine injury attorney field is likely a driving force behind the increase in filings. Previously, vaccine injury law firms primarily represented claimants in relatively small geographical regions. However, with a heavy, nationwide online presence, and the coordinated efforts of a Vaccine Practitioners' Bar Association, these firms are reaching far more potential claimants. Further, the possibility of payment of attorneys' fees and costs from the Trust Fund also may encourage the filing of claims.

Largely due to these new injuries, total claims have increased approximately 60% in FY 2014 over FY 2009 levels. Yet, the Program's appropriated reimbursement has not increased since FY 2009, when the reimbursement increased from \$6.833 million to \$7.833 million. The current funding amount of \$7.833 million is now woefully insufficient to staff the full 41 FTE authorized by Congress in FY 2009.





Civil is requesting an additional 4 attorneys, 2 paralegals, and \$300,000 for Automated Litigation Support. In total, the proposed annual reimbursement for FY 2016 would be \$9,358,000. In fact, even after this increased reimbursement, Civil's transactional costs will actually be lower than in FY 2009. While the average cost per petition in FY 2009 was approximately \$19,730, the average cost per petition in FY 2016 is projected to be approximately \$11,261.

| | FY 2009 | FY 2016 (proj.) |
|-------------------------------|-------------|-----------------|
| Petitions Filed | 397 | 831 |
| Reimbursement from Trust Fund | \$7,833,000 | \$9,358,000 |
| Cost per petition filed | \$19,730 | \$11,261 |

Further, the proposed FY 2016 annual reimbursement of \$9,358,000 would represent just a fraction of the Trust Fund from which it is drawn. The Trust Fund is projected to be over \$3.5 billion by FY 2016, such that the requested increase of \$1,525,000 for Civil's VICP activities would be less than one-twentieth of one percent of the Trust Fund.

Impact on Performance. Failure to approve this request will impede the Program's ability to keep pace with the growing workload. Inevitably, the time to resolve cases will increase and backlogs will grow, compromising the Program's ability to meet its Congressional mandate to provide a fair and expeditious means to resolve childhood vaccine claims and adversely affecting the interests of deserving claimants. Such claimants — who are most often sick children or adults with significant physical impairments — will unnecessarily have to wait to receive compensation. Adequate staffing is critical to prevent non-meritorious claims and ensure that the Trust Fund has sufficient resources to handle future claims. Finally, the Program has historically and admirably met all of its aggressive performance goals in recent years. Without sufficient resources, this success cannot continue.

PROGRAM ACTIVITY JUSTIFICATION: LEGAL REPRESENTATION

| Legal Representation | Direct | Estimate | Amount |
|---|--------|----------|-------------------|
| · · · · · · · · · · · · · · · · · · · | Pos. | FTE | (\$ in Thousands) |
| 2014 Enacted | 1,425 | 1,124 | 285,927 |
| 2015 Enacted | 1,325 | 1,189 | 291,454 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 25,508 |
| 2016 Current Services | 1,325 | 1,189 | 316,962 |
| 2016 Program Increases | 35 | 21 | 9,047 |
| 2016 Request | 1,360 | 1,210 | 326,009 |
| Total Change 2015-2016 | 35 | 21 | 34,555 |

Program Description: Legal Representation

Civil represents the United States in any civil or criminal matter within its scope of responsibility. Civil is composed of six litigating branches (several of which have multiple sections) as well as an administrative office, the Office of Management Programs. The six litigating branches and their sections are listed below.



Appellate Staff



Commercial Litigation Branch

- Corporate/Financial Litigation Section
- Fraud Section
- Intellectual Property Section • National Courts Section
- Office of Foreign Litigation



Consumer Protection Branch



Federal Programs Branch



Office of Immigration Litigation

- Appellate Section
- District Court Section



Torts Branch

- Aviation & Admiralty Section
- Constitutional & Specialized Tort Litigation Section
- Environmental Tort Litigation Section
- Federal Tort Claims Act Litigation Section

Appellate Staff

Civil's Appellate Staff represents the interests of the United States in federal circuit courts of appeals and, occasionally, in state appellate courts. Appellate's cases involve complex, sensitive, and novel legal questions that set far-reaching precedents. Appellate's monetary cases involve billions of dollars with outcomes that determine how the law or policy in question will affect millions of Americans. The Appellate Staff also defends against constitutional challenges to Executive Branch decisions when these matters are litigated in appellate courts. A notable amount of Appellate's caseload involves representing national security policies in federal appellate courts, such as Guantanamo Bay detainees challenging the lawfulness of their detentions, actions challenging counterterrorism surveillance and investigations, and challenges to terrorist financing and travel.

Commercial Litigation Branch

Civil's Commercial Litigation Branch has five sections: (1) Corporate/Financial Litigation Section,

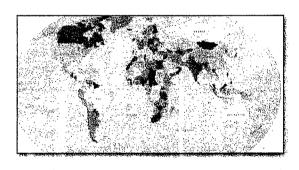
- (2) Office of Foreign Litigation, (3) Fraud Section, (4) Intellectual Property Section, and
- (5) National Courts Section.

Corporate and Financial Litigation Section

The Corporate and Financial Litigation Section handles unique nationwide matters involving money and property, as well as representing the Federal Government's interests in complex Chapter 11 bankruptcies and other contractual disputes litigated in the federal district courts. These cases involve a variety of diverse industries, including those involving health care providers, communications companies, energy suppliers, and commercial airlines.

Office of Foreign Litigation

The Office of Foreign Litigation ensures that U.S. policies, programs, and activities are protected when challenged in foreign courts. This Office handles all types of cases in courts of foreign countries – whether civil, criminal, affirmative, or defensive. At any given time, the Office handles approximately 1,000 civil



and criminal matters in over 100 different countries. While Office attorneys do not practice law in foreign countries, the Office works closely with local attorneys in foreign countries to represent the United States. The office also provides advice and counsel on issues relating to international law both within the Department and to agency partners, including the Department of State.

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Fraud Section

The Fraud Section, working with U.S. Attorneys across the country, recovers billions of dollars annually by investigating and litigating matters involving fraud against the Federal Government. This Section handles fraudulent activity regarding health care, financial institutions, loan programs, defense contracting, grants, construction of federal buildings and prisons, as well as foreign aid. Much of the Fraud Section's litigation takes place under the False Claims Act. In FY 2014, the Department secured nearly \$5.69 billion in settlements and judgments from False Claims Act cases.

Intellectual Property Section

The Intellectual Property Section represents the United States in all intellectual property matters where a patent, copyright, or trademark is at issue. Many of the cases this Section handles involve complex technologies, such as pharmaceutical compositions and highly sophisticated electronic devices. To meet the challenges presented by these cases, all attorneys assigned to the Section have a degree in one of the physical sciences or in an engineering field. Many of the Section's attorneys are U.S. Patent and Trademark bar members.

National Courts Section

The mission of the National Courts Section is to protect taxpayer dollars in lawsuits brought against the Federal Government. It is one of the of the largest and oldest litigating sections in the Department, and handles matters in three federal courts of nation-wide jurisdiction: the U.S. Court of Appeals for the Federal Circuit, the U.S. Court of Federal Claims, and the U.S. Court of International Trade. Some of the Section's areas of focus include government contract matters, constitutional and pay claims against the Federal Government, personnel benefits appeals, and international trade cases. National Courts cases often last for several years if not decades and involve large sums of money. These include, for example, the actions brought by the shareholders of AIG, Fannie Mae, and Freddie Mac, discussed further in a section below.

Consumer Protection Branch

Civil's Consumer Protection Branch protects the health, safety, and economic security of American consumers through criminal prosecutions and civil enforcement actions under national consumer protection statutes. Its workload involves pharmaceuticals and medical devices, deceptive trade practices and telemarketing fraud, adulterated food and dietary supplements, consumer product safety, odometer fraud, tobacco products, and civil defensive litigation. This particular Branch is unique within Civil because it has both criminal and civil jurisdiction.

The Consumer Protection Branch has seen great success over the past several years. Each fiscal year it recovers hundreds of millions of dollars in criminal fines, forfeitures and disgorgement under the Federal Food, Drug and Cosmetic Act. In addition to recoveries under the Federal

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Food, Drug and Cosmetic Act, the Consumer Protection Branch handles a significant portion of financial and mortgage fraud work. For example, the Consumer Protection Branch is handling the case against Standard & Poor's Rating Services ("S&P") for its actions and leadership in the 2008 financial crisis. Specifically, the lawsuit alleges that S&P engaged in a scheme to defraud investors in structured financial products known as residential mortgage-backed securities and collateralized debt obligations. The lawsuit alleges that investors, many of them federally insured financial institutions, lost billions of dollars on investments for which S&P issued inflated ratings that misrepresented the securities' true credit risks.

Federal Programs Branch

The Federal Programs Branch defends federal programs, policies, laws, and regulations on behalf of federal agencies, the President, and Cabinet officers, including challenges to the constitutionality of Executive Branch actions as well as statutory law enacted by Congress. Federal Programs is involved in matters representing approximately 100 federal agencies. Many of its cases involve complex questions of constitutional law, including the scope of the powers of Congress, the President, and the federal courts, as well as limitations imposed by the Constitution. The Branch defends against challenges to the lawfulness of key government decisions in suits seeking to overturn important federal policies and programs. In a significant number of matters, Federal Programs defends critical national security policies, decisions, and information.

Office of Immigration Litigation

The Office of Immigration Litigation is organized into two sections — the District Court Section and the Appellate Section. Office of Immigration Litigation attorneys vigorously defend Executive Branch decisions regarding border security and pursue consistent enforcement of the country's immigration laws.

District Court Section

The Office of Immigration Litigation's District Court Section is a highly active litigation section. It handles immigration cases at the district court level in any of the ninety-four federal district courts nationwide on behalf of several agencies. The District Court Section also has primary responsibility for handling appeals arising from immigration-related cases in district courts nationwide. These include the Department of Homeland Security and the Department of Health and Human Services in cases involving a wide range of complex immigration matters, the Department of State in cases involving passports and visas, the Department of Labor in employment-related visas, and the Federal Bureau of Investigation on background and other security checks. The District Court Section coordinates litigation strategy on these cases with the agencies and with the United States Attorneys throughout the United States.

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While the District Court Section does affirmatively file and prosecute an ever increasing number of denaturalization cases, the overwhelming majority of the Section's cases are defensive. The most complex and time-consuming cases this Section handles are class action cases, which have increased dramatically in recent years. The fifty-two attorneys in the Section currently handles twenty-six class action cases challenging critical policies and programs relating to the Federal Government's interpretation, administration and enforcement of immigration law. Also, this Section's litigation routinely involves national security cases. The District Court Section defended numerous cases brought by known or suspected terrorists and convicted criminals attempting to acquire immigration benefits, thwart removal, or avoid mandatory detention pending removal, including naturalization claims of members of Hamas, Al-Qaeda, and Al-Shabab.

Appellate Section

The Office of Immigration Litigation's Appellate Section defends the U.S. in immigration litigation before the federal appellate courts. Appellate attorneys handle removal cases in the Courts of Appeals and support the Office of the Solicitor General's immigration litigation efforts in the U.S. Supreme Court. These cases comprise challenges related to whether an individual is subject to removal from the U.S. or is eligible for some form of benefit, relief, or protection that would allow him or her to remain in the United States.

The caseload is almost entirely defensive and is directly tied to the enforcement efforts of the Department of Homeland Security and the resulting removal adjudications by the Department of Justice's Executive Office for Immigration Review ("EOIR"). As EOIR handles more cases and issues more decisions, the Office of Immigration Litigation's Appellate Section will handle more immigration appeals in federal appeals courts. Given the defensive nature of the Appellate Section's litigation, Civil attorneys must respond to each challenge or risk immigration enforcement actions being negated.

In addition, the Appellate Section also provides advice and counsel to U.S. Attorneys' offices prosecuting criminal immigration issues that overlap with the Office's civil litigation. This Section provides support and counsel to all federal agencies involved in the admission, regulation, and removal of aliens under U.S. immigration and nationality statutes, as well as related areas of border enforcement and national security.

Torts Branch

The Torts Branch is comprised of four litigating sections:

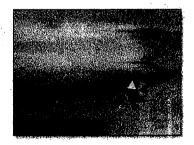
- Aviation & Admiralty Section,
- · Constitutional & Specialized Tort Litigation Section,
- Environmental Tort Litigation Section, and
- Federal Tort Claims Act Litigation Section

This Branch also is home to tort reform programs, including the National Childhood Vaccine Injury Program and the Radiation Exposure Compensation Program. Although the majority of the Torts Branch's workload involves defensive matters in which other parties have sued the Federal Government, the Torts Branch also litigates one of the Federal Government's largest affirmative cases – Deepwater Horizon.

Aviation & Admiralty Section

The Aviation & Admiralty Litigation Section handles matters surrounding aviation and maritime accidents. The **Aviation** caseload is comprised of litigation related to activities such as air commerce regulation, air traffic control, aviation security, provision of weather services, and aeronautical charting. When aircraft accidents occur, the Aviation and Admiralty Litigation Section handles litigation involving the Federal Aviation Administration's air traffic control, weather dissemination services, and its certification of airports, aircraft, and air personnel. The **Admiralty** caseload involves the Federal Government's role as ship-owner, regulator, and protector of the nation's waterways. Cases relate to collisions involving government vessels, disputes over navigational markings, and challenges to the boarding of vessels on the high seas during national security activities. Affirmative admiralty actions seek compensation for the loss of government cargo and the costs associated with maritime pollution cleanups.

The Aviation & Admiralty Section works in tandem with the Department's Environment and Natural Resources Division and Criminal Division in representing the Federal Government in litigation arising from the explosion on the drilling rig Deepwater Horizon and the resulting oil spill in the Gulf of Mexico in 2010. In the ongoing litigation, Civil is responsible for recovering the billions of dollars spent by numerous government agencies in response costs, as well as assessing and pursuing damages and civil penalties authorized under existing statutes.



Constitutional & Specialized Tort Litigation Section

The Constitutional & Specialized Tort Litigation Section consists of three groups: the Constitutional Torts Staff, the Office of Vaccine Litigation, and the Radiation Exposure Compensation Act Program. The Constitutional Torts Staff provides legal representation to federal employees in cases filed against them for actions performed as part of their official duties. The Staff focuses on cases with critical and sensitive Executive Branch functions, cutting-edge questions of law affecting the federal workforce, and difficult personal liability cases. Many cases encompass national security or law enforcement activity.

The Office of Vaccine Litigation was established pursuant to the National Childhood Vaccine Injury Act of 1986, which created a unique mechanism for adjudicating claims of injury resulting from immunizations. The Vaccine Injury Compensation Program is a streamlined system for compensation in rare instances where an injury results from vaccination. The Program administrative costs are funded out of an annual reimbursement from the Vaccine Injury Compensation Trust Fund and are designed to encourage the manufacture of vaccines by limiting the litigation risk to vaccine manufacturers.

As a "no-fault" system, claimants need only establish causation and not prove that a vaccine was defective, or that there was any degree of negligence in its administration. As a result of the Vaccine Injury Compensation Program, costly litigation has ceased against drug manufacturers and health care professionals. The Program has awarded more than \$2.7 billion to over 3,500 claimants who would not have received damages in traditional tort litigation. To support the Office of Vaccine Litigation in light of the growth in claims over the past several years, this FY 2016 Budget Request includes a proposed change in appropriations language, which would increase the reimbursement from the Vaccine Injury Compensation Trust Fund for the Office's work on vaccine claims.

The Radiation Exposure Compensation Act Program administers a compensation program created by the Radiation Exposure Compensation Act. The Act provides limited financial compensation for individuals who have developed certain serious illnesses after radiation exposure arising from the mining, milling, and transporting of uranium, as well as atmospheric testing of nuclear weapons during the Cold War era. Since its inception, the Act has awarded more than \$1.97 billion to over 29,846 individuals affected.

Environmental Tort Litigation Section

The Environmental Tort Litigation Section defends the U.S. in high-stakes and complex environmental tort litigation involving alleged exposure to toxic substances in the environment, the workplace, and government-owned housing. These cases often cover complex scientific and medical issues requiring the presentation of expert testimony. Past litigation efforts include cases involving hundreds of property damage and personal injury claims allegedly due to contamination from a U.S. Army chemical warfare research facility during World War I, thousands of personal injury and property damage claims allegedly caused by the military

exercises occurring over a thirty-year period on the island of Vieques, Puerto Rico, hundreds of property damage claims allegedly caused by the Department of Interior's use of herbicides to prevent wildfires on federal land, thousands of alleged personal injury claims due to contaminated drinking water from Camp Lejeune, and consolidated lawsuits involving nearly 100,000 individual administrative claims seeking well in excess of \$100 billion for alleged personal injuries from exposure to formaldehyde in emergency housing units provided by FEMA in response to Hurricanes Katrina and Rita in 2005. In total, the Environmental Tort Litigation Section has saved the Federal Government billions of dollars.

Federal Tort Claims Act Litigation Section

The Federal Tort Claims Act ("FTCA") Section litigates complex and controversial cases under the Federal Tort Claims Act, a statute Congress first passed in 1946 to provide damages for certain injuries and property damage federal employees caused. Today, FTCA litigation typically arises from medical care, regulatory activities, law enforcement, and maintenance of federal lands. Recently, a U.S. District Judge dismissed hundreds of pending cases seeking to hold the Federal Government liable for damages caused by Hurricane Katrina. The dismissal of these cases, which the FTCA Section handled, saved the Government more than \$100 billion. The FTCA Section has also defended the United States in suits brought by individuals who were detained on immigration charges following the September 11, 2001 terrorist attacks. In addition, the FTCA Section makes appeal recommendations on all adverse judgments entered in FTCA cases. It also provides comments on FTCA-related congressional legislation that may have an impact on taxpayer liability. Further, the FTCA Section is responsible for the administrative adjustment of tort claims arising out of DOJ activities.

Office of Management Programs

The Office of Management Programs supports Civil's attorneys in all aspects of their work. Whether helping an employee prepare a presentation for trial, maintaining and updating discovery software, selecting a life insurance plan, or developing Civil's annual budget, Management Programs staff of analysts, accountants, and information technology specialists provides the technological, analytical, and litigation tools necessary for Civil's attorneys to compete against the best law firms in the world.



September 11" Victim Compensation Fund Program

The September 11th Victim Compensation Fund of 2001 ("the VCF") was reopened by the James Zadroga 9/11 Health and Compensation Act of 2010 ("the Act"). The Act provides compensation to an individual, or a personal representative of a deceased individual, who suffered physical harm as a result of the terrorist-related aircraft crashes of September 11, 2001, or the debris removal that occurred in the immediate aftermath. Congress appropriated a total of \$2.775 billion for award payments and administrative expenses; the VCF is not funded through the Civil Division's appropriations.

The VCF re-opened when the VCF's Special Master issued final regulations on October 3, 2011. Civil provides administrative support to the Special Master and her staff. Civil assists with a variety of support services, such as database development and maintenance, claims intake, statistical analysis, and inter-agency coordination.

Regarding the VCF's handling of claims, the VCF is updating statistics on a quarterly basis. The last update, which was current through January 2, 2015, is available at http://www.vcf.gov/pdf/VCFProgramStatistics01152015.pdf. The deadline for claimants to submit Eligibility and Compensation Forms is October 3, 2016. Therefore, the VCF will be busy processing, reviewing, and adjudicating claims in FY 2016 as claimants will work to submit materials before the October 2016 deadline.

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| | | | - | Performance and Resources | ce and R | esources | | | | | | |
|---|--|---|-------------------------|------------------------------|------------|----------------------|-------|----------------------|--------------------------------|--|-------|----------------------|
| Decision U | nit: Civil Divi | Decision Unit: Civil Division - Legal Representation | | - | • | : | | | | | | |
| DOJ Strategi | ic Goal II: Prev | UOJ Strategic Goal II: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. | merican F | eople, and E | inforce Fe | derai Law. | | | | | | |
| Objective 2. | .4: Combat co .6: Protect the | Objective 2.4: Combat corruption, economic crimes, and international organized crime. Objective 2.6: Protect the Federal fisc and defend the interests of the United States. | stional or of the Un | ganized crim ited States. | <u>oi</u> | | | | | | | |
| WORKLOAD | WORKLOAD/RESOURCES | | 1 | Target | ¥ | Actual | Pro | Projected | 5 | Changes | Reque | Requested (Total) |
| | | | <u>.</u> | FY 2014 | FY | FY 2014 | FΥ | FY 2015 | Currer Adjustm 2016 Prog | Current Services Adjustments and FY 2016 Program Changes | FY 20 | FY 2016 Request |
| Workload | 1. Number of | 1. Number of cases pending beginning of year | 7. | 27,029 | 56 | 26,545 | 24 | 24,461 | | N/A | | 23,541 |
| | 2. Number of | 2. Number of cases received during the year | 1, | 16,495 | 15 | 15,212 | 16 | 16,008 | | N/A | | 17,051 |
| | 3. Total Workload | load | 4 | 43,524 | 41 | 41,757 | 40 | 40,469 | | N/A | , | 40,592 |
| Total Costs and FTE (Reimbursable FTE are | Total Costs and FTE Reimbursable FTE are includ | Total Costs and FTE (Reimbursable FTE are included, but reimbursable costs are bracketed and not included in the nasil | FTE | \$000 | FTE | \$000 | Ħ | \$000 | FTE | \$000 | 319 | \$000 |
| | | | 1,344 | 285,927 (153,387) | 1,261 | 284,614 (153,387) | 1,350 | 291,454 (191,578) | 27 | 34,555 (0) | 1,377 | 326,009 (191,578) |
| Туре | Strategic Objective | Performance | М | FY 2014 | FY | FY 2014 | ٤ | FY 2015 | Currer Adjustm 2016 Prog | Current Services Adjustments and FY 2016 Program Changes | FY 20 | FY 2016 Request |
| Output | 2.6 | Number of cases terminated during the year | .1 | 17,915 | 71 | 17,296 | 16 | 16,928 | | N/A | , | 16,807 |
| | Civil Divisio | Civil Division Performance (Excludes VICP and RECA) | 3 | | | | | | | | | |
| | 2.6 | 2. Percent of civil cases favorably resolved | ~ | 80% | 6 | 92% | 80 | 80% | | N/A | | 80% |
| | 2.6 | Percent of defensive cases in which at least 85 percent of the claim is defeated | ~ | 80% | ,6 :. | %06 . | 8 | 80% | | N/A | | 80% |
| Outcome | 2.4 | 4. Percent of affirmative cases in which at least 85 percent of the claim is recovered |) | %09 | 9 | 61% | 9 | %09 | _ | N/A | | %09 |
| | 2.6 | 5. Percent of favorable resolutions in non-monetary trial cases | ~ | 80% | 6 | 91% | 80 | 80% | | N/A | | %08 |
| | 5.6 | 6. Percent of favorable resolutions in non-monetary appellate cases | ~ | 85% | 6 | 93% | | 85% | | N/A | | 85% |

| PERFORMANCE | ij | | Target | Actual | Projected | Changes | Requested (Total) |
|-------------|------------------------|--|----------|---------|-----------|--|-------------------|
| Type | Strategic Objective | Performance | FY 2014 | FY 2014 | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | FY 2016 Request |
| | Vaccine Injur | Vaccine Injury Compensation Program Performance | ance | | | | |
| Outcome | 2.6 | 7. Percentage of cases where the deadline for filing the Government's response to Petitioner's complaint (the Rule (4b) report) is met once the case has been deemed complete. | %98 | 92% | %98 | N/A | 86% |
| | 2.6 | 8. Percentage of cases in which judgment awarding compensation is rejected and an election to pursue a civil action is filed | %0 | %0 | %0 | N/A | %0 |
| Efficiency | 2.6 | 9. Percentage of cases in which settlements are completed within the court-ordered 15 weeks | 92% | 100% | 92% | N/A | 92% |
| | Radiation Ex | Radiation Exposure Compensation Program Performance | formance | | | | |
| | 2.6 | 10. Reduce average claim processing time to 200 days by FY 2016 | 200 | 272 | 200 | N/A | 200 |
| | 2.6 | 11. Percentage of claims paid within six weeks of Program receipt of acceptance form | %06 | %98 | %06 | N/A | %06 |
| | 2.6 | 12. Percentage of claim appeals adjudicated within 90 days of filing administrative appeal | %36 | %26 | 95% | N/A | %56 |
| Efficiency | 2.6 | 13. Percentage of claims adjudkcated within 12 months or less | 80% | 76% | 80% | N/A | 80% |

| | | Ξ | History of Performance | erforma | nce | | | | | | |
|----------------|---------------------|--|------------------------|---------|---------|---------|---------|--------|---------|---------|---------|
| Decision Ur | nit: Civil Divisior | Decision Unit: Civil Division - Legal Representation | | | | | | | | | |
| T | Strategic | Contract of the Contract of th | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2 | FY 2014 | FY 2015 | FY 2016 |
| adk | Objective | | Actual | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| Output | 2.6 | 1. Number of cases terminated during the year | 17,088 | 17,538 | 17,618 | 22,586 | 16,129 | 17,915 | 17,296 | 16,928 | 16,807 |
| Civil Division | n Performance (E. | Civil Division Performance (Excludes VICP and RECA) | | | | | | | | | |
| | 2.6 | 2. Percent of civil cases favorably resolved | 93% | 93% | %96 | %96 | %86 | 80% | %/6 | 80% | %08 |
| | 2.6 | 3. Percent of defensive cases in which at least 85 percent of the claim is defeated | 88% | 85% | %98 | %06 | 87% | 80% | %06 | %08 | 80% |
| Outcome | 2.4 | 4. Percent of affirmative cases in which at least 85 percent of the claim is recovered | %E9 | 74% | %99 | 73% | 64% | %09 | 61% | %09 | %09 |
| | 2.6 | 5. Percent of favorable resolutions in non-monetary trial cases | %06 | 93% | 95% | %06 | %06 | 80% | 91% | 80% | 80% |
| | 2.6 | 6. Percent of favorable resolutions in non- monetary appellate cases | %26 | 95% | 95% | 94% | 94% | 85% | 93% | 85% | 85% |
| Vaccine Inju | ry Compensation | Vaccine Injury Compensation Program Performance | | | | | | - | | | |
| Outcome | 2.6 | 7. Percentage of cases where the deadline for filing the Government's response to Petitioner's complaint (the Rule (4b) report) is met once the case has been deemed complete. | 94% | %96 | 97% | 85% | 95% | 86% | 92% | 86% | 86% |
| | 2.6 | 8. Percentage of cases in which judgment awarding compensation is rejected and an election to pursue a civil action is filed | %0 | %0 | %0 | % | %0 | %0 | %0 | %0 | %0 |
| ų. | 2.6 | Median time to process an award for damages (in days)* | 445 | 637 | 637 | N/A | N/A | A/A | N/A | N/A | N/A |
| | 2.6 | Average claim processing time (in days)* | 1337 | 1,280 | 1,269 | 1,269 | N/A | N/A | N/A | N/A | N/A |
| Efficiency | 2.6 | 9. Percentage of cases in which settlements are completed within the court-ordered 15 weeks | 100% | 100% | 100% | 100% | 100% | 92% | 100% | 92% | 92% |
| | | | | | | | | | | | |

*Discontinued Measure

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| | Derform | Derformance Bonont | FY 2009 | FY 2010 | FY 2010 FY 2011 | FY 2012 | FY 2013 | FY 2014 | 014 | FY 2015 | FY 2016 |
|----------------|---------------|--|---------|---------|-----------------|---------|---------|---------|--------|---------|---------|
| | | | Actual | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| Radiation Expr | osure Compens | Radiation Exposure Compensation Program Performance | | | | | | | | | |
| | 2.6 | 10. Reduce average claim processing time to 200 days by FY 2016 | 127 | 100 | 100 | 116 | 247 | 200 | 272 | 200 | 200 |
| Outcome | 2.6 | 11. Percentage of claims paid within six weeks of Program receipt of acceptance form | 94% | %06 | 91% | 95% | 86% | %06 | %98 | %06 | %06 |
| | 2.6 | 12. Percentage of claim appeals adjudicated within 90 days of filing administrative appeal | 100% | 100% | 100% | 100% | %96 | 95% | 97% | 95% | 95% |
| | 2.6 | Reduce backlog of pending claims by 60 percent by FY 2011* | 618 | 618 | 558 | N/A | N/A | N/A | N/A | N/A | N/A |
| Efficiency | 2.6 | 13. Percentage of claims adjudicated within 12 months or less | %96 | %96 | 94% | %16 | 75% | %08 | %9/ | 80% | 80% |

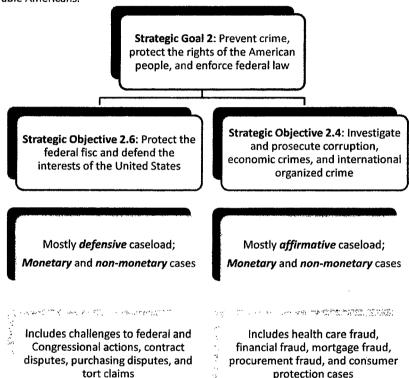
*Discontinued Measure

DATA DEFINITION, VALIDATION, VERIFICATION, AND LIMITATIONS

- assurance efforts include regular interviews with attorneys to review data listings; program input screens designed to preclude incorrect data; exception reports listing questionable or inconsistent data; attorney manager review of monthly reports for data completeness and accuracy; and verification of representative All Workload and Performance Indicators: The data source for all indicators is CASES, the Civil Division's automated case management system. Quality data samples by an independent contractor.
- Limitations: Incomplete data may cause the system to under-report case terminations and attorney time. These numbers will be updated prior to the end of the fiscal year. Some performance successes can be attributed to litigation where U.S. Attorneys' offices were involved.
 - Performance Indicators 2, 5, and 6: Favorable resolutions include court judgments in favor of the Government, as well as settlements.
- All Workload and Performance Indicators: All workload actuals and workload estimates exclude nearly 500,000 Hurricane Katrina administrative claims and approximately 100,000 FEMA Hurricane Katrina/Rita trailer-related administrative claims. These claims have been removed to avoid skewing the data.

PERFORMANCE, RESOURCES, AND STRATEGIES

The Civil Division's work contributes to the Department of Justice's efforts to achieve Strategic Goal 2. Within that goal, Civil's workload is directly tied to two of the Department's Strategic Objectives – 2.4 and 2.6, outlined below. Also, Civil is also one of three components responsible for ensuring the Department is successful in its efforts to reduce financial and health care fraud, consistent with the Department's priority goals. Finally, Civil's diverse caseload also touches on intergovernmental efforts regarding national security and protecting vulnerable Americans.



Civil has continued its successful efforts in recent years in affirmative and defensive, monetary and non-monetary litigation because of its highly skilled attorneys who efficiently use technological resources. Their successes, discussed below, are only possible with sufficient funding.

PERFORMANCE PLAN AND REPORT FOR OUTCOMES

Strategic Objective 2.6 – Protect the Federal Fisc and Defend the Interests of the United States

A substantial portion of Civil's workload falls within Strategic Objective 2.6, as approximately 86% of Civil's caseload relates to defending the United States. Civil's work in this area encompasses monetary and non-monetary cases. In these cases, Civil (1) protects the federal fisc and (2) defends the interests of the United States.

(1) Civil Protects the Federal Fisc

The Federal Government engages in countless transactions annually, such as purchasing and leasing goods or services, offering loan guarantees, signing contracts, and issuing payroll. Inevitably, disagreements arise over the terms of these agreements, and parties will sue the Government seeking damages. Likewise, the Federal Government's activities can give rise to numerous allegations of negligence and tort claims. Suits arise from medical care or treatment, regulatory activities, law enforcement, and maintenance of federal lands. The Civil Division defends the Federal Government in these matters so as to avoid paying unwarranted damages. These cases can last for several years, or even decades. The amounts sought in any one of these cases are substantial. Just as importantly, a negative precedent will only encourage similar future suits - thus, increasing the potential exposure of the U.S. Treasury. Historically, in litigation handled by Civil, the U.S. Treasury has paid a very small percentage of the total dollars claimed - often only pennies for each dollar claimed.

In the aggregate, in FY 2014, over \$100 billion was at issue in cases handled by Civil. In cases resolved in FY 2014, Civil defeated over \$15 billion in amounts sought by opposing parties. For example, Civil represented the Federal Government in litigation surrounding the Navy's 1991 termination of a contract. In 2014, after 23 years of litigation, the case was finally resolved. While the

Civil's Success in Complex, Long-term Litigation

Several families of related cases demonstrate Civil's success in litigation. Over the past few decades, Civil has taken the lead in defending the Federal Government in a number of large and complex matters with opponents claiming billions of dollars. Some of these matters include:

- over \$40 billion in asbestos claims,
- over \$50 billion in claims associated with the failure of the Federal Government to accept the storage of spent nuclear fuel from nuclear utilities,
- \$32 billion sought as a result
 of the Federal Government's
 actions in the 1980s savings
 and loan crisis, and
 over \$100 billion in claims
 associated with the
 Government's actions before
 and after Hurricanes
 Katrina and Rita:

contractor initially sought \$4.8 billion in damages from the Federal Government, the settlemen mandates that the contractors actually provide aircraft and services to the military valued at \$400 million and the Federal Government pay nothing.

Today, after tackling asbestos, spent nuclear fuel, the aftermaths of natural disasters, and the fallout from the 1980s savings and loan crisis, Civil attorneys are aggressively representing the United States in a series of suits stemming from the Federal Government's actions following the 2008 economic crisis. During the 2008 economic crisis, the Federal Government provided assistance to several companies so that they would not fail and so America's economy would not decline any further. Today, shareholders and others associated with these companies are suing the Federal Government for billions of dollars.

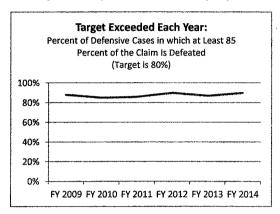
- AIG (Plaintiffs seek at least \$23 billion plus prejudgment interest from the Treasury). In 2008, at the height of the economic crisis and when American International Group, Inc. ("AIG") was facing a liquidity crisis and potential collapse, AIG and the Federal Reserve Bank of New York agreed to a deal in which AIG provided 79.9% of its stock while receiving an \$85 billion loan. The Treasury later invested billions of additional dollars in AIG. In November 2011, after these transactions saved AIG from failure, plaintiffs brought a class action upon behalf of AIG's shareholders, alleging that the Government's actions were an unconstitutional taking or illegal exaction. Based upon the plaintiffs' expert reports, plaintiffs claim \$40 billion in damages. The trial concluded in November 2014, and post-trial briefs are currently scheduled to be submitted to the court in early 2015.
- Fannie Mae and Freddie Mac (Plaintiffs seek \$63.8 billion from the Treasury). During the 2008 economic crisis, two Government-sponsored enterprises, Fannie Mae and Freddie Mac ("the Enterprises") faced failure as the value of real estate plummeted. In September 2008, the Enterprises consented to placement into conservatorships under the supervision of the Federal Housing Finance Agency. Shortly thereafter, the Treasury agreed to invest hundreds of billions of dollars in the Enterprises in exchange for preferred stock with a fixed dividend and other considerations, including a liquidation preference equal to the amount invested. In 2012, after the Enterprises were required to fund the quarterly dividends owed to the Treasury by obtaining additional funding from the agency, the preferred stock agreements were amended. The amended agreements eliminated the fixed dividend and instead required the Enterprises to pay dividends based upon quarterly net profits.

In 2013, shareholders of the Enterprises filed suit alleging that (1) placement of the Enterprises into conservatorship affected an unconstitutional taking or illegal exaction, (2) the amended agreements tying Government dividends to the Enterprises' net profits effected an unconstitutional taking or illegal exaction, and (3) the amended agreement lacked statutory authorization or constituted arbitrary and capricious Government action. The shareholders are seeking in excess of \$63.8 billion in damages.

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These cases are just two examples of the major monetary, defensive cases in which Civil currently defends the Federal Government. During the past few years, Civil has met its performance target by consistently defeating the overwhelming majority of amounts sought in claims brought against the Federal Government in cases such as these, as summarized in the chart below.





(2) Civil Defends the Interest of the United States

In addition to monetary cases, Civil defends challenges to statutes passed by Congress as well as Executive Branch actions.

One of the most important subsets of litigation in this area involves national security. When national security decisions are challenged in court, Civil's litigators must defend the challenged action and, in so doing, protect the American people. For example, Civil represents the Federal Government in civil litigation related to detentions at Guantanamo Bay. Recently, Civil successfully opposed separate efforts by Guantanamo detainees to undermine necessary

security procedures at Guantanamo and to disrupt a military commission proceeding brought against a detainee for his alleged participation in numerous terrorist plots, including the 2000 bombing of the U.S.S. Cole.

In the immigration context, Civil attorneys represent the Federal Government in litigation to remove known or suspected terrorists (as well as other criminals, such as sex offenders) from the United States. In many of these cases, Civil also seeks to ensure that such individuals remain in



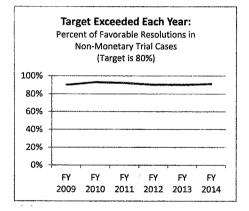
detention pending the resolution of their appeals. In other instances, Civil seeks to denaturalize known or suspected terrorists.

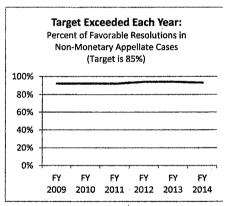
In addition, Civil has defended challenges to efforts that are crucial to America's homeland security. For example, Civil has defended challenges to the Federal Government's border patrol procedures, the use of advanced imaging technology during TSA screening procedures, the No Fly List, and the Terrorist Screening Database. Civil also plays an important role in protecting national assets against foreign ownership by defending Committee on Foreign Investment in the United States' determinations that prevent foreign persons from controlling American assets when such control harms national security. Civil also defends the Department of the Treasury for its actions related to economic sanctions issues such as the freezing of assets due to sanctions.

Outside of national security, Civil also defends congressionally enacted laws such as cigarette trafficking laws, child pornography and obscenity laws, and patent laws.

Civil's recent performance for its non-monetary cases is summarized in the charts below. As these charts reveal, Civil consistently has met its performance targets.

Indicators of Civil's Performance in Non-Monetary Cases





Strategic Objective 2.4 – Investigate and Prosecute Corruption, Economic Crimes, and International Organized Crime

The Civil Division's litigation involving economic crimes returns billions of dollars to the U.S. Treasury each year. In FY 2014, Civil, working with U.S. Attorneys, secured \$5.69 billion in settlements and judgments. Since FY 2009, Civil, again working with U.S. Attorneys, has recovered in excess of \$28 billion. Importantly, these accomplishments do not include billions in additional recoveries from Civil's work in the Residential Mortgage-Backed Securities Working Group's multi-billion dollar settlements with Bank of America, Citigroup and JPMorgan.

Civil's work in combatting economic crimes typically arises in (1) health care fraud and

- (2) financial fraud cases. Equally important, Civil's work in regards to Strategic Objective 2.4
- (3) protects and improves the health, safety, and economic security of America's consumers.

(1) Civil Investigates and Litigates Health Care Fraud Matters

In FY 2014, Civil and U.S. Attorneys obtained \$2.3 billion in federal health care fraud recoveries, including settlements with large pharmaceutical companies, hospitals, and health care companies. These cases involve claims against federal health care programs such as Médicare, Medicaid and TRICARE, the health care program for the military. The largest settlement was with Johnson & Johnson and is detailed below. Other notable settlements included Omnicare, Community Health Systems Inc., Amedisys, Inc., and Boston Scientific Corp.

The Johnson & Johnson Settlement

The \$2.2 billion global settlement with Johnson & Johnson is one of the largest health care fraud settlements in U.S. history, including civil settlements with the Federal Government and states totaling \$1.72 billion and criminal fines and forfeiture totaling \$485 million. Civil's Consumer Protection Branch and the Fraud Section of the Commercial Litigation Branch both played vital roles in the case.

Consumer Protection Branch: A Johnson & Johnson subsidiary paid a criminal fine in connection with a criminal plea agreement for misbranding the antipsychotic drug Risperdal, in violation of the Federal Food, Drug and Cosmetic Act. The company admitted to promoting Risperdal to health care providers for treatment of psychotic symptoms in elderly dementia patients, when the drug had only been approved to treat schizophrenia.

Commercial Liteation Branch: Johnson & Johnson and a subsidiary settled allegations that the companies targeted vulnerable patients with the drugs, Risperdal and Invega, for unapproved uses. The Government alleged that the company made false and misleading statements about the safety and intended use of the drugs and paid kickbacks to physicians and to the country's largest long term care pharmacy. Johnson & Johnson and a separate subsidiary paid the Government to resolve allegations that the companies caused false and fraudulent claims to be submitted to federal health care programs by promoting off-label uses of the heart failure drug, Natrecor.

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(2) Civil Investigates and Prosecutes Financial Fraud, Mortgage Fraud, and Other Economic Crimes

The Civil Division plays a leadership role in the Administration's efforts to combat financial and mortgage fraud. Following the 2008 financial crisis, the Financial Fraud Enforcement Task Force was formed. This Task Force is comprised of several working groups, including the Residential Mortgage-Backed Securities ("RMBS") Working Group, which is cochaired by the Civil Division's Assistant Attorney General.



The RMBS Working Group secured several historic settlements in FY 2014:

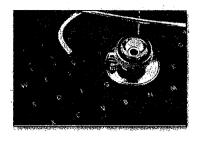
- In the largest civil settlement with a single entity in American history, in August 2014, the Department announced a \$16.65 billion settlement with Bank of America, of which \$5 billion is a Financial Institutions Reform, Recovery, and Enforcement Act ("FIRREA") penalty and \$1.805 billion represents recoveries under the False Claims Act.
- In July 2014, a \$7 billion global settlement was reached with Citigroup, including a \$4 billion civil penalty under FIRREA.
- In November 2013, the Department, working with federal and state partners (including the U.S. Attorneys), secured a \$13 billion global settlement with JPMorgan. \$9 billion was paid to settle federal and state civil claims by various entities related to RMBS.

Additionally in FY 2014, the Civil Division led or contributed to other major financial fraud investigations of the underwriting and origination of mortgage loans that were at the core of the 2008 financial crisis. The following two investigations reflect Civil's work in this priority area, which is ongoing and expected to result in additional litigation and/or significant recoveries under the False Claims Act:

- The Federal Government, along with 49 states and D.C., reached a \$968 million
 agreement, including \$418 million under the False Claims Act, with SunTrust Mortgage
 to address mortgage origination, servicing, and foreclosure abuses and is pending court
 approval. The agreement requires new servicing standards which will prevent past
 foreclosure abuses, such as robo-signing, and creates new consumer protections.
- U.S. Bank agreed to pay \$200 million to resolve allegations that it violated the False
 Claims Act by knowingly originating and underwriting mortgage loans insured by the
 Federal Housing Administration ("FHA") that did not meet underwriting requirements,
 causing FHA substantial losses when it later paid the insurance claims.

(3) Civil Protects the Health, Safety, and Economic Security of America's Consumers

Civil's litigation protects the health, safety, and economic security of American consumers. Its litigation ends dangerous practices that harm some of America's most vulnerable populations, including the elderly, infirm citizens, and struggling middle class families. As a result of these cases, penalties are paid to the Federal Government, wrongdoers face jail time, victims are given justice, and similar future conduct is deterred. Recent highlights of Civil's work include:



- In December 2014, two defendants entered guilty pleas for introducing a misbranded drug into interstate commerce. Specifically, the defendants were accused of defrauding regulators and suppliers in a scheme whereby they would manufacture and sell industrial bleach as a cure for malaria, cancer, the common cold, and other illnesses.
 Sentencing of these two individuals is scheduled for March 2015.
- In another recent case, also in December 2014, Civil helped to secure a 131-count criminal indictment against 14 individuals in connection with the 2012 nationwide fungal meningitis outbreak, caused by contaminated vials of preservative-free methylprednisolone acetate ("MPA") manufactured at a facility in New England. The U.S. Centers for Disease Control and Prevention ("CDC") reported that 751 patients in 20 states were diagnosed with a fungal infection after receiving injections of this chemical. Of those 751 patients, the CDC reported that 64 patients in nine states died.
- In April 2014, a Florida resident was sentenced to serve 57 months in prison and 5 years
 of supervised release following a conviction by a jury on charges related to an
 international lottery fraud scheme. Specifically, the defendant is accused of lying to
 victims and causing victims to send fees to collect purported lottery winnings. Yet, after
 the victims, some of whom were elderly Americans, paid the fees, they never received
 any lottery winnings.

Civil's work in this area highlights the Consumer Protection Branch's unique role as a branch that has both civil and criminal authority.

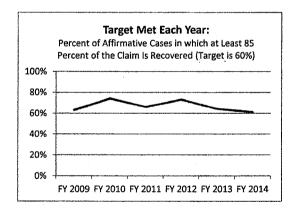
The Civil Division's work entails more than just investigations and litigation. For example, the Commercial Litigation Branch's Fraud Section houses the Department's Elder Justice and Nursing Home Initiative (the "Initiative"), which coordinates and supports law enforcement efforts to combat elder abuse, neglect, and financial exploitation. The Initiative supports law enforcement efforts by, for example, maintaining an information bank of Elder Justice related materials; funding medical reviewers, auditors, and other consultants to assist DOJ attorneys and Assistant United States Attorneys ("AUSAs") in their nursing home and/or long term care facility cases; hosting quarterly teleconferences with DOJ attorneys and AUSAs across the

country to discuss issues or developments in connection with Civil's nursing home and failure care cases; and coordinating nationwide investigations of skilled nursing facilities. In October 2014, for example, the Initiative played a significant role coordinating and supporting the Government's investigation into Extendicare, one of the nation's largest nursing home chains. As a result of the Initiative's efforts, Extendicare paid the United States \$38 million to resolve allegations that the company billed for medically unnecessary rehabilitation therapy services a well as for grossly substandard nursing care services.

In addition to supporting law enforcement efforts, the Initiative has supported and funded efforts to combat and address elder abuse and financial exploitation. These efforts include funding elder abuse research, training for state and local prosecutors, and online elder abuse training modules for civil legal services workers. Moreover, in September 2014, the Initiative launched the Elder Justice Website (www.justice.gov/elderjustice), a valuable resource for eld abuse victims and their families, state and local prosecutors, and elder abuse researchers and practitioners. The website will also serve as a forum for law enforcement and elder justice policy communities to share information and enhance public awareness about elder abuse.

As with other performance measures, Civil consistently has met its performance targets for affirmative, monetary cases over the past several years. The following chart illustrates that Civand its partners recover at least 85% of the amount sought in these affirmative cases.

Indicator of Civil's Performance in Monetary Affirmative Cases



STRATEGIES TO ACCOMPLISH OUTCOMES

Recover money lost to fraud, waste, and abuse.

Protect the federal fisc from unmeritorious claims.

Promote America's national and homeland security interests.

Uphold immigration

In FY 2016, Civil will continue to aggressively represent the Federal Government when its agencies are sued and pursue affirmative cases in areas such as financial and health care fraud. In addition, Civil plans to continue to use the best technology available to improve efficiency, notably including its litigation support program to review and analyze documents and electronic evidence.

Civil Hires Top-Notch Attorneys and Support Staff

A key factor in Civil's success in FY 2016 will be its ability to hire additional attorneys and support. Civil is able to hire the best and brightest attorneys and non-attorneys with a passion for public service. The new staff will require advanced training programs and

professional development resources to fulfill their true potential. Senior attorneys and managers will mentor and coach the new staff on the complexity of the Department's caseload to fully prepare them for landmark cases. Civil's ability to hire high-caliber attorneys and support staff is crucial for its continued strong performance in the future. Additionally, pending approval of the proposed health care fraud program increase, Civil will be able to best utilize its attorney staff on the legal tasks necessary throughout the case. By hiring investigators to handle fact development in cases, attorneys will be better able to use their legal expertise to draft complaints, prepare for depositions, draft motions, and conduct other pre-trial and trial activities, as opposed to investigative activities that can be handled by skilled investigators.

Civil Utilizes Crucial Advanced Technological Resources

Another significant strategy for success in Civil's complex investigations and litigation is the use of state-of-the art technology. One of the most important technology strategies that Civil utilizes is its exemplary Automated Litigation Support ("ALS"). With this program, Civil can use technology to conduct discovery, conduct pre-trial activities, aid attorneys in their motions practices, and assist with trial preparation — saving time, money, and resources. One of the most important uses for ALS is analyzing documents and electronic data. In a large-scale investigation or case, massive amounts of information will be collected, analyzed, and produced, necessitating storage, processing, and expertise. The requested Program Increase for Advanced Litigation Support Services, described in detail below, will ensure that Civil attorneys continue to have access to this ever-evolving state-of-the-art technology.

Civil Coordinates with Other Government Actors to Leverage Resources and Achieve Successful Outcomes

The Civil Division works closely with partners within the Department of Justice, the Federal Government, and state governments to achieve successful outcomes. On a regular basis, Civil Division attorneys work with U.S. Attorneys across the country. In the fight against health care fraud, Civil Division attorneys and support staff regularly consult the U.S. Department of Health & Human Services' Office of Inspector General and the Centers for Medicare & Medicaid Services. The Civil Division's Assistant Attorney General serves as a co-chair of the Financial Fraud Enforcement's Residential Mortgage-Backed Securities Working Group (along with the Criminal Division's Assistant Attorney General, the U.S. Securities and Exchange Commission Co-Director of Enforcement, the United States Attorney for the District of Colorado, and New York's Attorney General). On a regular basis, Civil Division attorneys are consulted for their expertise by client agencies. The advice that Civil is able to provide can avoid future litigation or put the U.S. Government in the best possible situation in any future litigation.

PRIORITY GOAL THREE – REDUCE FINANCIAL AND HEALTHCARE FRAUD

The Civil Division contributes data to the Department's Priority Goal of reducing the number of financial and health care fraud investigations pending longer than two years by three percent over FY 2013 levels, leveraging resources to efficiently and effectively drive cases to resolution. When deciding how to complete an investigation, Civil's attorneys carefully consider a number of factors, including: litigation resources needed, amount of federal funds at issue, and potential public impact or harm.

Many investigations are time-consuming because attorneys must interview potential witnesses master complex regulatory or statutory schemes; and analyze technical financial documents, detailed health utilization records, and other complex evidence to determine the likelihood of the Government's success. Managers review lists of ongoing investigations to decide how to best complete (*i.e.*, make a decision pertaining to charging or filing suit) the investigation based on interests of the Government and the public. Civil compiles priority goal data on a quarterly basis and the Justice Management Division combines Civil's data with data from other components to report progress for the entire Department.

PROGRAM INCREASE: HEALTH CARE FRAUD

Item Name: Health Care Fraud Enhancement

Strategic Goal: Strategic Goal II: Prevent Crime, Protect the Rights of the

American People, and Enforce Federal Law

Strategic Objective: Objective 2.4: Combat corruption, economic crimes, and

international organized crime

Budget Decision Unit(s): Legal Representation

Program Increase: Positions 15 Agt/Atty 7 FTE 8 Dollars \$1,341,000

Introduction

The Civil Division is a leading player in the Federal Government's efforts to combat health care fraud. The Civil Division's Fraud Section and its Consumer Protection Branch investigate and litigate health care fraud cases under the False Claims Act and the Federal Food, Drug and Cosmetic Act. In many of these matters, the Civil Division works collaboratively with other Department of Justice components, such as U.S. Attorneys, and client agencies, such as the U.S. Department of Health & Human Service's Office of Inspector General, the Food and Drug Administration, and the Centers for Medicare & Medicaid Services. These cases have resulted in billions of dollars being returned to the Federal Government's health care programs such as Medicare, Medicaid, and Tricare. To continue expanding on this success, Civil needs additional staff to handle the increasing number of whistleblower cases and cases derived from innovative fraud detection tools. Accordingly, Civil requests this modest program increase for FY 2016.

Justification

Civil's longstanding track record of success in enforcing anti-fraud laws has returned billions of dollars to the Federal Government in recent years. From January 2009 through the end of FY 2014, the Department recovered over \$14 billion in health care fraud cases utilizing the False Claims Act. At the same time, the Department secured over \$6 billion in criminal fines, forfeitures, restitution, and disgorgement in connection with Federal Food, Drug and Cosmetic Act violations.

Health Care Fraud Enhancement:

- 7 attorneys
- 5 paralegals
- 3 investigators/analysts
- \$200,000 in ALS

In FY 2014, Civil successfully recovered \$2.3 billion in health care fraud cases filed under the False Claims Act. This marked the fifth straight year that recoveries involving health care fraud exceeded \$2 billion. Among the notable FY 2014 recoveries was the historic \$2.2 billion Johnson & Johnson settlement, one of the largest health care fraud settlements in American history. Other significant FY 2014 health care fraud cases included:

- A pharmaceutical company, Endo Health Solutions, paid \$192.7 million for conduct
 arising from its marketing of a drug for uses not approved as safe and effective by the
 FDA. In the settlement, the company admitted that it intended for the drug, which was
 approved to treat a shingles condition, to be used for other unapproved purposes such
 as back pain, diabetic neuropathy and carpal tunnel syndrome.
- The nation's largest operator of acute care hospitals, Community Health Systems Inc., paid \$98 million to resolve allegations that the company knowingly billed government health care programs for inpatient services that should have been billed as less expensive outpatient care.
- A worldwide manufacturer and marketer of medical devices, Boston Scientific, paid \$31 million to settle allegations that a subsidiary knowingly sold defective heart devices that were eventually implanted into Medicare patients. The devices contained a defect where instead of a current traveling to the heart, the current "arcs" back to the device itself, rendering the device ineffective. Instead of disclosing the problem, the subsidiar issued a misleading communication to doctors regarding the defect.

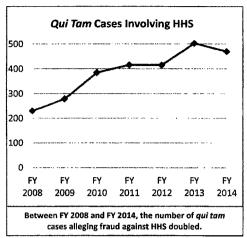
The aforementioned cases demonstrate Civil's success in health care fraud litigation. A typical Civil health care fraud case requires multiple attorneys, professional staff, and costly medical and financial analysts with expertise to engage in extensive discovery. The opposing parties in these matters are invariably very well-funded and present significant hurdles to the Federal Government's efforts to obtain successful resolutions. These cases regularly require the use of advanced litigation support technologies to search huge volumes of medical data. Civil needs additional resources to ensure that efforts to combat health care fraud do not wane. There are three principal reasons why Civil now requests additional resources.

(1) Whistleblower Caseload is Rapidly Increasing

Complaints filed by whistleblowers, or relators, under the False Claims Act are a major source of health care fraud recoveries. These complaints also are known as *qui tam* cases. Whistleblowers who file False Claims Act lawsuits on behalf of the Federal Government are eligible to receive a portion – up to 30% – of the amount that is recovered.

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As the chart reveals, the number of qui tam filings involving health care fraud have increased dramatically in recent years. There are several possible reasons for this increase. With the publicity and media attention surrounding each successful health care fraud case, more whistleblowers come forward with allegations that may result in other multi-million dollar recoveries. Similarly, as representing whistleblowers has become a more lucrative practice for attorneys, the number of specialized attorneys in this area has increased, thus increasing the number of qui tam filings. Also, these attorneys are filing more sophisticated complaints that raise more complex issues.



As noted earlier, the Department is required by law to investigate each *qui tam* case and make a decision to intervene and take over the suit or to decline to pursue it. (See 31 U.S.C. § 3730). Therefore, as the number of whistleblower complaints increases, Civil must expend additional resources to meet the provisions of the False Claims Act that mandate a diligent investigation of each claim.

(2) New Health Care Fraud Detection Tools

Historically, whistleblower complaints have been the primary source of leads for False Claims Act litigation. In FY 2014, 94% of new health care fraud cases received by Civil's Fraud Section were *qui tam* cases. While pursuing *qui tam* matters has returned billions of dollars to the Federal Government, in recent years Civil pioneered a new approach to also proactively and systematically fight fraud by using health care claims data to identify billing anomalies indicative of fraud. This approach should result in numerous additional investigations and cases to complement the whistleblower complaints received each year.

More specifically, working with a Medicare contractor, Civil analyzes the billing patterns of medical providers to identify providers who appear to be "outliers" when compared to their peers. To date, Civil's efforts have focused on physicians. However, consistent with the Department's commitment to aggressively fight health care fraud in all of its forms, Civil has expanded its focus to identify institutional outliers, such as hospitals, skilled nursing facilities, and diagnostic imaging facilities. Focusing on outlier institutional providers should lead to additional recoveries since the overwhelming majority of historical recoveries under the False Claims Act were obtained from institutional providers.

(3) Maximizing Attorney Productivity

Large-scale litigation involving health care fraud is incredibly complex. Detailed medical records as well as financial records must be reviewed and analyzed. Due to current staffing configurations, attorneys often perform such analysis on their own. To maximize efficiency, Civil is proposing to hire several investigators and analysts with the expertise to appropriately analyze these matters. Attorney time would be re-directed to litigating cases while financial and medical analysts would be responsible for data analysis. This efficient staffing model will effectively increase the amount of more costly attorney time spent actually litigating health care fraud cases.

Strategic Goals and Performance

Civil's most recent accomplishments in health care fraud are reflected in the Department's multi-billion dollar recoveries. Civil's health care fraud cases are part of the performance measure tracking the percentage of cases in which at least 85% of the original amount sought in monetary cases was recovered. Civil regularly meets this target. To continue Civil's successful performance outcomes in priority health care fraud matters, Civil needs the necessary staff and litigation support resources to keep pace with its growing caseload. Approving this Program Increase will enable Civil to continue reporting successful outcomes, even as its health care fraud caseload is expected to increase.

This increase will allow Civil to advance Strategic Goal 2 (prevent crime, protect the rights of the American people, and enforce federal law) and Strategic Objective 2.4 (combatting economic crimes) by investigating institutional "outliers" and enhancing the scope of enforcement efforts. Moreover, this Program Increase will provide necessary resources to help the Department more efficiently process its cases under investigation, consistent with the Department's third priority goal related to health care.

Funding Information

Base Funding

| FY | FY 2014 Enacted | | | | | FY 2015 Enacted | | | | | FY 2016 Current Services | | | |
|----|-----------------|------|-----|---------|-----|-----------------|-----|---------|-----|------|--------------------------|---------|--|--|
| Po | s | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | | |
| | | atty | | | | atty | | | | atty | | | | |
| | 7 | - 5 | 7 | \$1,117 | 7 | 5 | 7 | \$1,128 | 7 | 5 | 7 | \$1,170 | | |

Note: As this only includes base funding, it does not capture the very significant reimbursable resources that Civil uses for health care fraud activities.

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) | |
|---------------------------------------|--|-------------------------------------|-------------------------------|--|--|--|
| Attorneys (0905) | \$98 | 7 | \$686 | \$647 | \$14 | |
| Paralegals / Other Law (0900-0999) | \$46 | 5 | \$230 | \$204 | \$64 | |
| General Investigative (1800-1899) | \$75 | 3 | \$225 | \$240 | \$14 | |
| Total Personnel | | 15 | \$1,141 | \$1,091 | \$92 | |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------|-----------|----------|-------------------------------|---|---|
| ALS | | | \$200 | | |
| Total Non- Personnel | | | \$200 | | |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 7 | 5 | 7 | \$1,170 | \$0 | \$1,170 | | |
| Increases | 15 | 7 | 8 | \$1,141 | \$200 | \$1,341 | \$1,091 | \$92 |
| Grand Total | 25 | 14 | 18 | \$2,311 | \$200 | \$2,511 | \$1,091 | \$92 |

PROGRAM INCREASE: IMMIGRATION ENFORCEMENT

Item Name: Immigration Enforcement

Strategic Goal: Strategic Goal II: Prevent Crime, Protect the Rights of the

American People, and Enforce Federal Law

Strategic Objective: Objective 2.6: Protect the federal fisc and defend the

interests of the United States

Budget Decision Unit(s): Legal Representation

Program Increase: Positions 10 Agt/Atty 8 FTE 8 Dollars \$1,356,000

Introduction

Civil's Office of Immigration Litigation – District Court Section ("DCS") represents the United States in federal district court in matters involving the Immigration and Nationality Act ("INA" Over the years, some of the longest running and most time intensive cases that this group has handled have been class action cases. Lately, this section has experienced a flood of such cases; currently, the fifty-two attorney DCS is handling 26 class actions – as opposed to the

normal level of approximately 15. Given the size, scope, and length of each class action case, DCS is in dire need of additional attorney and support staff. To provide the necessary staffing to DCS, this FY 2016 Budget Request seeks 10 positions (8 attorneys and 2 paralegals).

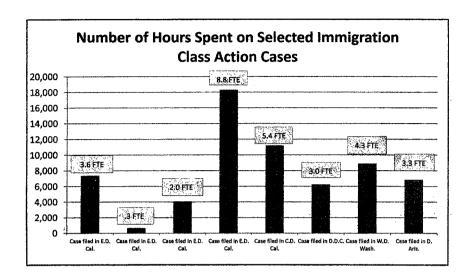
Immigration Enforcement:

- 8 attorneys
- 2 paralegals

Justification

In an immigration class action matter, attorneys purporting to represent a broad class of peop will challenge some aspect of America's immigration laws or regulations. Successful challenge can forever change America's immigration policy. Therefore, immigration class action cases a incredibly complex with significant long-term repercussions. Each class action case requires a team of at least two to three dedicated attorneys to adequately handle the matter. In the passuch cases routinely have lasted over ten years. In fact, two class action cases stemming from the 1986 comprehensive immigration reform law are still pending today — over 25 years after the reform legislation became law. In total, eight different class action cases were filed after the 1986 comprehensive immigration reform law. The chart on the following page details the number of attorney hours spent on each of these eights cases; the data shows that each case typically took thousands of attorney hours to resolve. Since an attorney working full-time for one year equates to 2,080 hours, in many of the cases detailed in the chart below either sever attorneys would have worked full-time on a case in one year or one attorney would have worked full-time on the case for several years. In addition, class action cases are becoming increasingly more complex and time-consuming than they were several years ago.

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Recently, an unexpected surge of such class actions has been filed against the Federal Government. These cases have included a variety of issues, such as:

- U.S. Immigration and Customs Enforcement ("ICE") Detention These cases typically
 involve class challenges to detention programs that affect either (1) aliens who are in
 mandatory detention pending resolution of removal proceedings (usually criminals) who
 want bond hearings or (2) convicted criminals in state criminal custody who are likely to
 be turned over to ICE at the end of their state sentences.
- U.S. Citizenship and Immigration Services ("USCIS") Benefits These cases involve
 classes of individuals, who have been denied certain immigration visas because USCIS's
 interpretation of a particular statute renders the applicants ineligible.
- Ongoing Removal Hearings These cases are related to aliens in ongoing removal
 hearings, such as a class of mentally incompetent aliens who seek a right to counsel or a
 class of unaccompanied minors who seek a right to counsel. Absent extraordinary
 circumstances, aliens are not provided legal counsel at government expense.
- Challenges to ICE Detainers These cases relate to the ability of ICE to issue detainers,
 which are formal written requests to a local law enforcement agency that informs ICE of
 the release of a particular alien. Once ICE issues detainers to local law enforcement, ICE
 can take criminal aliens into immigration custody and can hold them at the end of their
 sentences for an extra two days so that ICE may assume physical custody of the criminal
 aliens in order to effectuate removal.

While an exact reason for the increase in class actions is uncertain and not tied to a specific statutory, regulatory, or policy change, immigration firms nationwide and prominent non-profit immigrant rights groups have gained extensive experience in filing immigration class action challenges in recent years. It is widely believed that these firms are leveraging their experience and sharing litigation strategies to file additional class action cases. The Department has no choice but to aggressively represent the U.S. when it is sued, and thus, must respond to each suit filed in a class action.

To adequately staff the rapidly growing number of class action cases, DCS managers have had to pull attorneys off of other cases and, in light of DCS's staffing shortage due to high attrition, utilize attorneys from other sections, with limited immigration-related trial experience. While some immigration matters can be delegated to U.S. Attorneys' Offices ("USAOs"), class actions are national in scope, among the highest priority matters for DCS, and, thus, cannot be delegated. For instance, the complexity of the class actions handled by DCS includes the need to respond to large demands for attorneys' fees and costs, whether in the course of litigation or settlement. Attorneys' fees demands in complex class action cases have ranged up to roughly fourteen million dollars, and significant staff and attorney time and resources are necessary to review the documentation supporting such demands.

To handle this recent influx of class action cases, Civil's immigration attorneys are triaging the other critical parts of their work as best as they can. Whenever possible, DCS asks USAOs to accept more delegated cases, but USAOs have expressed concerns about the volume of the immigration cases they can absorb. Indeed, several USAOs, including an extremely busy district on the West Coast, have requested DCS to assume a larger portion of immigration cases. Similarly, the Department of State has asked DCS to handle an important, national security-related group of Yemeni passport fraud denaturalization cases. The consequence of not being able to hire the requested personnel is an inability to prosecute this critical, State Department-requested litigation. Consequently, additional attorneys and support staff are critical to allowing DCS to staff these cases as well as the increasing number of class actions at acceptable levels, provide the USAOs and the Department of State with the requested assistance, and fulfill its mission of protecting the federal fisc and defending the interests of the United States.

Strategic Goals and Performance

Immigration enforcement is an example of Civil's work in helping the Department advance Strategic Objective 2.6 (protect the federal fisc and defend the interests of the United States). Regarding performance measures, Civil's immigration cases are reflected in two performance measures: (1) the percent of favorable resolutions in non-monetary trial cases, and (2) the percent of favorable resolutions in non-monetary appellate cases.

Due to a growing immigration class action caseload, DCS needs more attorneys and staff. This Program Increase would allow DCS to achieve its goals, thereby helping the Civil Division reach its performance targets and the Department achieve its Strategic Objectives. Historically, Civil has performed well in these two performance measures; in fact, Civil has met these targets

Civil Division

every year since FY 2009. To continue this success, DCS will need adequate staff to handle its caseload, and this Program Increase ensures that DCS has the tools that it needs.

Funding Information

Base Funding

| FY 20 | 14 Enac | ted | | FY 2015 Enacted | | | | | FY 2016 Current Services | | | |
|-------|---------|-----|----------|-----------------|------|-----|----------|-----|--------------------------|-----|----------|--|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | |
| | atty | | | | atty | | | | atty | | | |
| 414 | 315 | 410 | \$64,298 | 414 | 315 | 410 | \$64,941 | 414 | 315 | 410 | \$68,700 | |

Personnel Increase Cost Summary

| Type of Position/Series | Average* Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) | |
|---------------------------------------|------------------------------------|-------------------------------------|-------------------------------|--|--|--|
| Attorneys (0905) | \$153 | 8 | \$1,224 | \$299 | \$16 | |
| Paralegals / Other Law (0900-0999) | \$66 | 2 | \$132 | \$41 | \$25 | |
| Total Personnel | | 10 | \$1,356 | \$340 | \$41 | |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------|-----------|----------|-------------------------------|--|---|
| Total Non- Personnel | | | \$0 | | |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|--|---|
| Current Services | 414 | 315 | 410 | \$68,700 | 0 | \$68,700 | | |
| Increases | 10 | 8 | 8 | \$1,356 | 0 | \$1,356 | \$340 | \$41 |
| Grand Total | 424 | 323 | 418 | \$70,056 | 0 | \$70,056 | \$340 | \$41 |

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PROGRAM INCREASE: ADVANCED LITIGATION SUPPORT SERVICES

Item Name: Advanced Litigation Support Services

Strategic Goal: Strategic Goal II: Prevent Crime, Protect the Rights of the

American People, and Enforce Federal Law

Strategic Objective: Objective 2.4: Combat corruption, economic crimes, and

international organized crime.

Objective 2.6: Protect the federal fisc and defend the

interests of the United States.

Budget Decision Unit(s): Legal Representation

Program Increase: Positions 10 Agt/Atty 0 FTE 5 Dollars \$6.35 million

Introduction

Over the past several years the Civil Division has been instrumental to this Department's record-breaking, multi-billion dollar efforts to fight financial, health care, and mortgage fraud, especially. The fraud schemes that Civil investigates are incredibly complex and require a wide range of advanced investigative and technological resources. Civil has represented the United States Government in countless defensive cases where, collectively, its opponents sought tens of billions of dollars. Our opponents will spare no resource. Civil is proposing this Program Increase to secure the Automated Litigation Support ("ALS") services and information technology tools that are crucial for both affirmative and defensive litigation.

The Program Increase goal is to ensure that all of Civil's attorneys and staff have access to the technological resources required to successfully represent the United States. In recent years,

Advanced Litigation Support Services:

- 10 investigators/analysts (\$750,000)
- ALS/Litigation Technology (\$5,600,000)

the need for ALS has increased and Civil has had to increase its use of outside contractors, financial consultants, and industry experts. This Program Increase will enable Civil to hire several full-time government employees to not only manage the contractor and consultant relationships but will also reduce overhead costs associated with hiring contractors by bringing the necessary resources and additional expertise in-

house. Allowing Civil to hire more in-house ALS staff is the optimal option. This Program Increase is critical to continuing to transition the Civil Division – the Federal Government's law firm – into a law firm of the 21st Century and accomplishing President Obama's objective of delivering "a smarter, more innovative, and more accountable government for its citizens."

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Justification

The Civil Division has been instrumental to the Department's multi-billion dollar efforts to fight fraud. Cases brought under the False Claims Act; the Financial Institutions Reform, Recovery, and Enforcement Act; and the Federal Food, Drug and Cosmetic Act have resulted in many billions of dollars being returned to the Federal Government. In conjunction with U.S. Attorneys, Civil's work includes the \$25 billion mortgage servicing agreement; the billion dollar JPMorgan, Citigroup, and Bank of America settlements; and billion dollar health care recoveries from drug companies such as Johnson & Johnson, GlaxoSmithKline, and Abbott. Civil's work in defensive cases has saved billions of dollars in government contract, tort, and other claims. For example, Civil's attorneys saved the Government billions of dollars in the A-12 litigation and over \$30 billion in the Winstar litigation.

These past successes were only possible because of the technological and data analysis tools that Civil deployed in the litigation. Now, Civil is proposing to expand upon its past successes. Through this additional funding, Civil would provide the additional technological resources needed for its complex caseload and would develop new tools to aid in litigation. As part of this plan, Civil plans to hire investigators, analysts, and data specialists to deploy and manage Civil's data analysis tools. Opponents use similar staffing models and technology resources in litigation against the Federal Government. The Government's ability to prevail in litigation depends on our ability to match these resources.

This proposed Program Increase will benefit Civil in several ways since it will: (1) save Civil and the Department money; (2) increase the speed and thoroughness of investigations; and (3) protect investigations from being derailed by external factors.

- (1) Saving Civil and Department Money. This Program Increase will save millions of dollars in consulting fees. This proposal will allow Civil to build a unit of specialized industry analysts, statisticians, and data specialists. Accordingly, Civil will better leverage its expertise and resources by having this specialized pool of talent readily available. Civil will avoid high contracting expenses because key personnel will already be retained as government employees. These newly hired specialists will have the necessary industry knowledge to ensure that Civil is getting the best value for the services provided when Civil must contract with outside consultants and experts. The specialized consultants will also be hired at lower costs because Civil will own the technology and data they use. All specialists will be able to use the same advanced analytic technology, regardless if they are federal employees or contractors.
- (2) Increasing Speed and Thoroughness of Investigations. Through this initiative, Civil will identify fraud more quickly by using analysts and resources brought in-house. The current process is costly and time-consuming via reliance on resources or evidence borrowed from agency partners. This proposal would reduce delays by keeping on-hand the staff and technology to retrieve, process, and assess relevant information quickly.

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(3) Protecting Investigations from Being Derailed by External Factors. When Civil directly controls these resources and skills, attorneys will avoid having their investigations derailed by external factors. Recently, a key consultant performing analysis central to several high priority financial fraud matters developed conflicts of interest and unexpectedly stopped working on several of Civil's high-priority investigations. This conflict, created by the consultant's decision to do business with industry instead of the Government, gravely impacted and delayed these investigations. This proposed Program Increase would allow Civil to take matters into its own hands and ultimately compete with the industry. Funding this initiative would satisfy the needs Civil requires to succeed as an effective and sustainable agency.

Strategic Goals and Performance

This increase will advance Civil's contribution to Strategic Goal 2 and Strategic Objectives 2.4 (combat corruption, economic crimes, and international organized crime) and 2.6 (protect the federal fisc and defend the interests of the United States). Civil is one component contributing data for the Department's Priority Goal 3 (focusing on the reduction of healthcare and financial fraud). Litigation support services are crucial to achieve successful outcomes in both affirmative and defensive cases. Thus, ALS is used in virtually every case in Civil's diverse caseload.

Civil must keep pace with the changing nature of litigation. For example, an industry trade publication recently stated that 70% of law firms reported an increase in their litigation support workload. The resources requested in this Program Increase will affect all of Civil's performance targets because ALS is a crucial component for all of Civil's litigation. Whether reviewing documents, preparing for depositions, or assembling exhibits for trial, the resources that ALS provides to Civil's attorneys are invaluable. Continued victory in the courtroom and at the settlement table requires the ALS services that Civil is seeking in this Program Increase. These resources are needed in order for Civil to continue its successful work on behalf of the American people.

Funding Information

Base Funding

| FY 20 |)14 Enact | ed | | FY 201 | 15 Enact | ed | | FY 2016 Current Services | | | |
|-------|-----------|-----|----------|--------|----------|-----|----------|--------------------------|------|-----|----------|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| L | atty | | | | atty | | | | atty | | |
| 12 | 0 | 12 | \$12,915 | 12 | 0 | 12 | \$12,934 | 12 | 0 | 12 | \$12,954 |

Civil Division

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------------------------------|--|-------------------------------------|-------------------------------|--|--|
| General Investigative (1800-1899) | \$75 | 10 | \$750 | \$799 | \$45 |
| Total Personnel | \$75 | 10 | \$750 | \$799 | \$45 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------|-----------|----------|-------------------------------|---|---|
| ALS | | | \$2,000 | \$0 | \$0 |
| IT | | | \$3,600 | \$0 | \$0 |
| Total Non- Personnel | | | \$5,600 | \$0 | \$0 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|--|
| Current Services | 12 | 0 | 12 | \$1,954 | \$11,000 | \$12,954 | и | |
| Increases | 10 | 0 | 5 | \$750 | \$5,600 | \$6,350 | \$799 | \$45 |
| Grand Total | 22 | 0 | 17 | \$2,704 | \$16,600 | \$19,304 | \$799 | \$45 |

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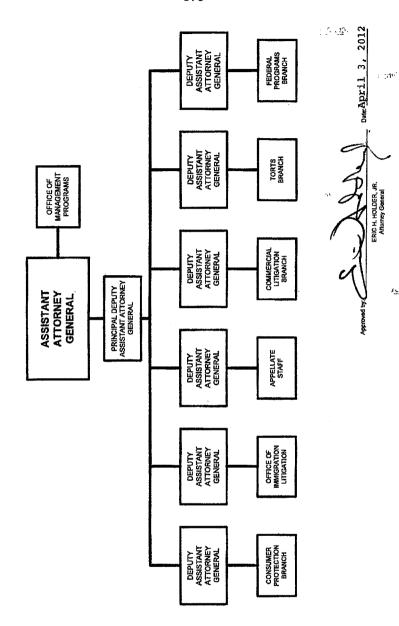


Exhibit A - Civil Division Organizational Chart

Summary of Requirements Civil Division Salaries and Expenses (Dollar in Thousends)

| | 22 | 2016 Request | |
|---|------------------|--------------|---------|
| | Direct Positions | Œ | Amount |
| 2014 Enacted | 1,426 | 1,124 | 285,927 |
| 2016 Enacted | 1,325 | 1,189 | 291,454 |
| Base Adjustments Pay and Benefits | • | | 4.243 |
| Domestic Rent and Facilities Foreign Expenses | • 0 | 0 0 | 21,189 |
| Total Base Adjustments | 0 | 0 | 25,508 |
| 2016 Current Services | 1,325 | 1,189 | 316,962 |
| Program Change | | | |
| Health Care Fraud Enhancement | 15 | 80 | 1,341 |
| innigration Enforcement Advanced Historica Symont Services | 5 ¢ | ဆေးက | 1,356 |
| Subtotal, Increases | 35 | 21 | 9,047 |
| Total Program Changes | 38 | 23 | 9,047 |
| 2016 Total Request 2016 Total Chance | 1,360 | 1,210 | 326,009 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

Summary of Requirements Civil Division Salaries and Expenses (Dollars in Thousands)

| Program Activity | | 2014 Enacted | cted | ., | 2015 Enacted | ted | 2016 1 | Technical and Adjustments | 2016 Technical and Base Adjustments | 2016 | 2016 Current Services | Services |
|---|----------------|---------------------------|---------|----------------|--------------|---------|----------------|------------------------------|--|--------|-----------------------|----------|
| | Direct Pos. | Direct Actual Pos. FTE | Amount | Direct Pos. | Est. FTE | Amount | Direct Pos. | Est | Amount | Direct | Est | Amount |
| Logal Representation | 1,425 | 1,124 | 285,927 | 1,325 | 1,189 | 291,454 | ó | 0 | 25,508 | 1,325 | 1,189 | 316,962 |
| Total Direct | 1,425 | 1,124 | 285,927 | 1,325 | 1,189 | 291,454 | 0 | 0 | 25,508 | 1,325 | 1,189 | 316,962 |
| Reimbursable FTE Total Direct and Reimb. FTE | | 137 | - | | 161 1,350 | | - | 00 | | | 1,350 | |
| Other FTE: Overtime | | r | | | ო | | | 0 | | | m | |
| Grand Total, FTE | | 1,264 | | | 1,353 | | | 0 | | | 1,353 | |

| | ~ | 2016 Increases | ases | | 2016 Request | uest |
|--|----------------|----------------|--------|--------|--------------|---------|
| Program Activity | Direct Pos. | Est. FTE | Amount | Direct | Est | Amount |
| Legal Representation | 35 | 21 | 9,047 | 1,360 | 1,210 | 326,009 |
| Total Direct | 35 | 23 | 9,047 | 1,360 | 1,210 | 326,009 |
| Reimbursable FTE Total Direct and Reimb FTE | | 27 | | | 167 | |
| Other FTE: Overtine | | | | | m | |
| Grand Total, FTE | | 27 | | | 1,380 | |

FY 2016 Program Increases/Offsets by Decision Unit
Civil Division
Salanes and Expenses
(Dollars in Thousands)

| | t ocation of Description | e, | gal Rep | Legal Representation | 5 | | Total | Total Increases | |
|--------------------------------------|--------------------------|--------|---------|----------------------|--|----------------|----------------|----------------------------------|--------|
| Program Increases | in Narrative | Direct | Agt/ | st. FTE | Direct Agt/ Est. FTE Amount | Direct Pos. | Agt./ Atty. | Direct Agt./ Est. FTE Pos. Atty. | Amount |
| | | Ļ | , | 6 | 1 244 | 1,5 | 7 | ۵ | 132 |
| I see the Com Errord Enhancement | Page 35 | CL. | _ | 0 | <u> </u> | 2 | - | 5 | |
| שביווו כפום בומתם בווימווסמוומויי | | 7 | • | 0 | 1356 | ç | α | œ | 1356 |
| Immigration Enforcement | Page 40 | 2 | ō | 0 | יייייייייייייייייייייייייייייייייייייי | ? | , | • | |
| | A 0000 | 10 | c | ŭ | 6.350 | 0 | 0 | n | 6.350 |
| Advanced Litigation Support Services | 1 980 11 | | 1 | 1 | 2000 | 36 | 72 | 24 | 0 047 |
| Total Program increases | | 32 | 5 | 7 | 3,047 | | 13 | 1 | |
| | | | | | | | | | |

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective Civi Division
States and Expenses
(Obline in Thousands)

| Stratonic Good and Sterbacic Oblicative | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2018 Curr | 2018 Current Services | | 2016 Increases | 2016 To | 2016 Total Request |
|---|------------------|------------------|------------------|--------------|------------------|-----------------------|------------------|----------------|------------------|--------------------|
| Annual Containe and annual Containe | Durect/ Reimb | Direct Amount | Direct/ Reimb | Direct | Orrect/ Relmb | Direct | Direct/ Reimb | Direct | Direct/ Reimb | Direct |
| ioal 2 Prevent Crime, Protect the Rights of the American Peopie, and enforce Federal Law | | | 1 | | | | | | 2 | |
| Investigate and prosecute corruption, economic comes, and transnational organized crime | 6 | 20,541 | - 08 | 17,846 | 88 | 19,826 | 60 | 1,341 | 96 | 21,167 |
| 2.6 Protect the federal fisc and defend the interests of the United States | 1,168 | 265,386 | 1,270 | 273,608 | 1,262 | 297,136 | -61 | 7,706 | 1,281 | 304.842 |
| Total, Goal 2 1,261 | 1,261 | 285,927 | 1,360 | 291,454 | 1,350 | 316,962 | 27 | 9,047 | 1,377 | 326,009 |

Justifications for Technical and Base Adjustments

Civil Division Salaries and Expenses (Dollars in Thousands)

| 21,189 | ٥ | ٥ | Subtotal, Domestic Rent and Facilities |
|-------------|-----------------|-------------|--|
| 18,559 | 0 | 0 | 3 Mouses (Lease Excludioss): GSA requires all agencies to pay relocation coats associated with lease expirations. This request provides for the coats associated with new office relocations caused by the expiration of leases in FY 2016. |
| 143 | 0 | 0 | 2 Quant Services: A tometand Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security. This includes Department of Hometand increase of \$143,000 is required to meet these commitments. |
| 2,487 | 0 | C | Domestic Rent and Facilities 1 General Services Administration (GSA) Rent: CSA will confine to charge entail rates that approximate those charged to commercial tenants for equivalent space and related services. The cQSA will confinue to charge entail rates that approximate those charged to consider with GSA rent were derived though the use requested increase of \$2.487 000 is required to ment our commitment to GSA. The costs associated with GSA rent were derived though the use of an adomated system, which uses the latest inventory data incutaing rate increases to be effective FY 2016 for each building currently occupied by Oepartment of Justice components, as well as the costs of new space to be occupied. |
| 4,243 | ٥ | 0 | Subtotal, Pay and Benefits |
| 66 | 0 | o | 7 Religement: Agency religement contributions increase as employees under CSRS relige and are replaced by FERS employees. Based on U.S. Department of Agency religement contributions increase as employees under CSRS relige Agency religement contributes, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 1.3 percent per year. The requested increase of \$99,000 is necessary to meet our increased retirement obligations as a result of this conversion. |
| 759 | 0 | 0 | 6 Change in Compensable Days: The cost of one additional compensable day in FY 2016 compared to FY 2015 is calculated by dividing the FY 2016 estimated personnel compensation and applicable benefits by 261 compensable days. The cost of one additional compensable day in FY 2016 is \$759,000. |
| 283 | 0 | 0 | 5. Health Insurance 2016, the component's contribution to Federal employees' health insurance increases by 3.1 percent. The additional amount required is \$253,000. |
| | 0 | 0 | Embloree Compensation Fund: The S. (Not request reflects anticpated changes in payments to the Department of Labor for injury benefits under the Federal Employed Compensation Act. |
| 692 | 6 | 0 | 3 FERS Regular <u>it aw Enforcement Religement Contribution</u> Effective October 1, 2016 (FV 2016), agency contribution rates will increase to 13.7% (up from the current 13.2%, or an increase of 0.5%) and 30.1% for law enforcement personnel (up from the current 28.8%, or an increase of 1.3%). The amount requested, \$692,000, represents the funds needed to cover this increase. |
| 445 | 0 | 0 | 2 Annualization of 2015 Pav Raise. This pay annualization represents first quarter amounts (October through Docember) of the 2015 pay increase off to percent included in the 2015 Prestdent's Budget. The amount requested \$445,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$347,000 for pay and \$89,000 for benefits). |
| 1,966 | 0 | 0 | Pay and Benefits 1 2016 Pay Rayse; This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount requested, \$1,366,000, represents the pay amounts for 314 of the fiscal year plus appropriate benefits (\$1,533,000 for pay and \$433,000 for benefits) |
| Amount | Estimate FTE | Direct Pos. | |

Exhibit E - Justification for Technical and Base Adjustments

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Civil Division Salaries and Expenses (Dollars in Thousands)

| | Direct Pos. | Estimate FTE | Amount |
|--|-------------|-----------------|--------|
| Foreign Expenses I International Cooperative Administrative Support Services (ICASS): The Department of State charges agencies for administrative support provided to staff based overseas. Charges are determined by a cost distribution system. The Pt-Y 2016 request is based on the projected PY 2015 in life post invoices and other ICASS costs. | | | |
| 2 Foreign Affairs CounterTricest (FACT) Training The FACT Training costs are developed using the number of personnel requiring the training, multiplied by estimated training costs and travel costs. This ATB may be adjusted once the Stale Department certifies that existing for DOJ personnel satisfies the FACT requirement. | | 5 | |
| 9 Quergeas Ceantal Security Cost Shanng (CSCS): Per Pr. L 108-447 and subsequent acts. "all agences with personnel overseas subject to chell of mission authority. shall participate and provide funding in advence or their share of costs of providing new, safe, secure U.S. opidinimatic facilities. without offsets, on the basis of the total overseas presence of each agency as determined by the Secretary of State. "Original may authorized for PY 2000-2004, the program has been expended annually by OMA and Congress and has also been expanded beyond new embasey construction for include maniferance and renovation costs of the new facilities. For the purpose of this program State Spersonnel totals for Do. Include current and projected shafing. The estimated costs of the new deatilities. For the purpose of this program State Spersonnel totals for Do. Include current and projected shafing. The estimated costs in the Department as provided by State, for FY 2016 is \$148.1 million. The Chair Division currently has one position overseas, and funding of sext not be reparamed to this." Accounted by State, for FY 2016 is \$148.1 million. The Chair Division currently has one position overseas. | | 0 | w |
| מליקים בין בין הלתכשום וחוד וווים מהתכחווי | | 0 | 63 |
| Subtotal, Foreign Expenses | 0 | 0 | 76 |
| TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS | 0 | 0 | 25,508 |

Crosswalk of 2014 Availability
Civil Division
Salanes and Expenses
(Dollan in Thousands)

| | | 74 | 74 | | | Г |
|-------------------------|--|----------------------|--------------|---|--------------------------------|------------------|
| tual | Amount | 296,774 | 296,774 | | | |
| 2014 Actual | Actual FTE | 1,124 | ٦ | 137 | 0 8 | 1,264 |
| | Direct Pos. | 1,425 | 1,425 | | | Γ |
| Recoveries/ Refunds | Amount | 828,1 | 1,878 | | | |
| Carryover | Amount | 696'8 | 8,969 | | | |
| Reprogramming/Transfers | Amount | 0 | P | | | |
| grammin | Direct Actual Pos FTE | | 0 | 00 | | 0 |
| Repro | Direct Pos | 0 | 0 | | | |
| cted | Amount | 285,927 | 285,927 | | | |
| 2014 Enacted | Actual FTE | 1,124 | 1,124 | 137 | 0.6 | 1,264 |
| | Direct Pos | 1,425 | 1,425 | | | |
| Process Activity | in the same of the | Legal Representation | Total Direct | Reimbursable FTE Total Direct and Relmb. FTE | Other FTE: LEAP Overtine | Grand Total, FTE |

Carryover: Funds were carried over into FY 2014 from GLA's 2013 no-year account.

Recoveries/Refunds; Direct recovenes from GLA's no-year accounts total \$1,879,000.

Grosswalk of 2015 Availability Ctvil Division Salaries and Expenses (Dollars in Thousands)

| | | 2015 Enacted | cted | Repro | gramming | Transfers | Reprogramming/Transfers Carryover Rescission | Rescission | ľ | 2015 Availability | ability |
|----------------------------|--------|--------------|---------|--------|--------------|-----------|--|------------|--------|-------------------|---------|
| Program Activity | Direct | Estim | Amount | Direct | Direct Estim | Amount | Amount | | Direct | Direct Estim. | Amount |
| | | | | 3 | 1 | | | | F08 | 11 | |
| | | | | | | | | | | | |
| Legal Representation | 1,325 | 1,189 | 291,454 | 0 | 0 | 0 | 10,579 | -3,847 | 1,325 | 1,189 | 298,186 |
| | 1 | 1 | | | | | | | | _ | |
| total Direct | 1,325 | 1,189 | 291,454 | 0 | 0 | 0 | 10,579 | -3.847 | 1.325 | 1 189 | 298 186 |
| Reimbursable FTE | | 161 | | | 0 | | | | 1 | | 1 |
| Total Direct and Reimb FTE | | 1,350 | | | 0 | | | | | 1 350 | |
| | | | | | | | | | | 2 | |
| Other FTE: | | | | | | | | | | | |
| Overtime | | 63 | | | c | | | | | , | |
| Grand Total, FTE | | 1.353 | | | 1 | | | | | 3 5 | |
| | | 222 | | _ | 5 | _ | | | | 7 | |

Carryover:

Funds were carried over into FY 2015 from GLA's 2014 no-year account.

Rescission: A S10 million unobligated balance rescission was spread among the GLA components' carryover funding.

H. Summ. f Reimbursable Resources

Summary of Reimpursable Resources Civil Division Salaries and Expenses (Dollars in Thousands)

| | | 2014 Actua | lan | 7 | 2015 Planned | pac | 2 | 2016 Request | lest | - Pic | Increase/Decrease | esse |
|---|--------|------------|---------|-------|--------------|---------|--------|---------------|---------|------------|-------------------|--------------|
| Collections by Source | Reimb. | - | Amount | Reimb | Reimb. | Amount | Reimb. | Reimb. | Amount | Remb | Reimb. | Amount |
| | Pos | ᆵ | | Pos. | FTE | | Pos. | FTE | | Pos. | 빒 | |
| Bureau of Alcohol. Tobacco. Firearms and Explosives | _ | 0 | 136 | 0 | 0 | 71 | 0 | ō | 7 | 0 | 0 | 0 |
| Centers for Medicare & Medicaid Services (CMS) | | 0 | 305 | 0 | 0 | 305 | 0 | 0 | 305 | 0 | 0 | 5 |
| Commodity Futures Trading Commission | | 0 | 548 | 0 | 0 | 113 | 0 | 0 | -13 | 5 | ö | 5 |
| Consumer Financial Protection Bureau | _ | 0 | 2,453 | 0 | 0 | 6,105 | 0 | 0 | 6,105 | 0 | 0 | 0 |
| Consumer Product Safety Commission | | 0 | 30 | 0 | 0 | 15 | 0 | 0 | 15 | 0 | 0 | 0 |
| Corp of Engineers | _ | 0 | 4.017 | 0 | 0 | 4,017 | 0 | 0 | 4,017 | 0 | 0 | 0 |
| Department of Agriculture | | 0 | 2 | 0 | 0 | 5 | 0 | Ó | Ω. | 0 | 0 | 0 |
| Department of the Air Force | | ¢ | 291 | 0 | 0 | 2,352 | 0 | 0 | 2,352 | 5 | 0 | 0 |
| Department of the Army | | 0 | 561 | 0 | 0 | 150 | 0 | 0 | 150 | 5 | 0 | 0 |
| Department of Energy | | 0 | 813 | 0 | 0 | 3,000 | 0 | 0 | 3,000 | 5 | - | a |
| Department of Health and Human Services | | - | 901 | 0 | 0 | 100 | 0 | 0 | 100 | c | 0 | 0 |
| Department of the Interior | _ | 0 | 100 | 0 | 0 | 107 | 0 | 0 | 107 | 0 | 0 | 0 |
| Department of Justice | _ | 0 | 8,221 | 0 | 0 | 8,221 | 0 | 0 | 8,221 | 0 | 0 | 0 |
| Department of the Navy | _ | 0 | 843 | 0 | 0 | 247 | 0 | 0 | 247 | 0 | 0 | - |
| Department of Transportation | _ | 0 | 15 | O | 0 | 1,200 | 0 | o | 1,200 | 0 | 0 | 0 |
| Department of the Treasury | _ | 0 | 2,868 | 0 | 0 | 2,868 | 0 | 0 | 2,868 | 0 | 0 | ö |
| Department of the Treasury, Vaccine Injury Compensation | 8 | 32 | 7,833 | 3 | 34 | 7,833 | 40 | 9 | 9,358 | 9 | φ. | 1,525 |
| Denartment of Veteran Affairs | - | 0 | 1,466 | 0 | 0 | 1,466 | 0 | 0 | 1,466 | 0 | 0 | 5 |
| District of Columbia | _ | 0 | 502 | 0 | 0 | 712 | 0 | 0 | 712 | 0 | 6 | ō. |
| Federal Bureau of Investigation | | 0 | 1,703 | 0 | 0 | 2,000 | 0 | 0 | 2,000 | 6 | 0 | 0 |
| Federal Communications Commission | - | 0 | 32 | 0 | 0 | 30 | 0 | 0 | 9 | 0 | 0 | 0 (|
| Federal Deposit Insurance Corporation | _ | 0 | 0 | 0 | 0 | 111 | 0 | 0 | 11 | 0 | - | 0 (|
| Federal Housing Finance Agency | _ | 0 | 2,625 | 0 | 0 | 400 | 0 | 0 | 400 | 0 (| 5 6 | 5 (|
| Federal Reserve Board | _ | - | 3,460 | | - | 3,460 | 0 | 0 | 3,460 | 5 6 | 5 0 | 5 |
| Health Care Fraud and Abuse Account | 8 | 75 | 25,349 | 8 | 8 | 28,578 | 8 | 8 | 28,578 | 5 | 0 | 5 |
| Justice Management Division | | 0 | 0 | 0 | 0 | 29,395 | 0 | Ö | 27,870 | 0 | ö i | -1,525 |
| National Aeronautics and Space Administration | _ | 0 | 19 | 0 | 0 | 19 | 0 | 0 | 19 | 5 | 6 . | 5 (|
| National Labor Relations Board | | 0 | 100 | 0 | 0 | 100 | 0 | ٥ | 100 | 0 | 0 | 5 (|
| Office of Debt Collection | -4 | 93 | 87,557 | 53 | 47 | 88,112 | 83 | 47 | 88,112 | 0 | 0 | Ó |
| Office of Legislative Affairs | _ | 0 | 0 | 0 | 0 | 111 | o · | 0 | 111 | 0 0 | 5 6 | 5 6 |
| US Attorneys | _ | 0 | 634 | 0 | o | 375 | ٦ | 5 | 3/5 | 5 | 7 | 0 |
| Budgetary Resources | s 155 | 137 | 153,387 | 167 | 161 | 191,578 | 173 | 167 | 191,578 | 9 | 9 | 0 |

| | | 2014 Actual | lai | 7 | 2015 Planned | pac | 2 | 2016 Request | lest | Inc | Increase/Decrease | rease |
|--|-------|-------------|---------|--------|--------------|-------------------------|--------|---------------|----------------------|---------------|-------------------|--------|
| Obligations by Program Activity | Reimb | Reimb. | mount | Reimb. | Reimb. | Reimb. Reimb. Amount Re | Reimb. | Reimb. Reimb. | Amount Reimb. Reimb. | Reimb. Pos | Reimb. FTE | Amount |
| | LOS. | 1 | | 3 | - | | 3 | - | 3,1 | , | • | |
| Dakt Collection | 41 | 30 | 87,557 | 53 | 47 | 88,112 | 53 | 47 | 88,112 | 5 | > | 5 |
| Carrier Company Action Action Actions | CB | 7.5 | 25 349 | 80 | 80 | 28.578 | 80 | 80 | 28,578 | 0 | ō | 5 |
| Health Care Frage and Abuse Account | 3 7 | 2 6 | 100 | | | 1 000 | | 5 | 0 358 | ď | ď | 1 525 |
| Vaccine Injury Compensation Program | 34 | 35 | 559' | 24 | 40 | 200' | ÷ , | 2 | 0000 | 5 0 | 0 0 | 303 |
| Miscellaneous | 0 | 0 | 32,648 | 0 | ō | 67,055 | | ٥ | D5.53U | 5 | 5 | 020.1- |
| Rindnetary Resources | 155 | 137 | 153,387 | 167 | 161 | 191,578 | 173 | 167 | 191,578 | 9 | 9 | 5 |
| T mind and a mind and a mind a | | | | | | | | | | | | |

I. Detail of Permanent Positions by Gategory

Detail of Permanent Positions by Category
Civil Division
Solaines and Expenses
(Dollare in Mousands)

| Category | 2014 Enacted | nacted | 2015 Er | 2015 Enacted | | | 2016 Request | | |
|---------------------------------|--------------|-------------|-----------------------|--------------|------|---------|--|--------------|-------------|
| - | Direct Pos | Reimb. Pos. | Direct Pos. Remb Pos. | Reimb Pos. | ATBs | Program | Program | Total Direct | Total Reimb |
| Attorneys | 1,025 | 115 | 953 | 127 | 0 | 15 | 0 | 968 | |
| Paralegals | 150 | 16 | 140 | 16 | 0 | ^ | C | 147 | |
| Clerical and Office Services | 250 | 24 | 232 | 24 | ō | | ¢ | 245 | |
| Total | 1,425 | 155 | 1,325 | 167 | 0 | 35 | 0 | 1 360 | 173 |
| Headquarters (Washington, D.C.) | 1,403 | 155 | 1,303 | 167 | 0 | 35 | 0 | 1.338 | 173 |
| U.S. Field | 21 | 0 | 21 | 0 | ō | 0 | 0 | 21 | 0 |
| Foreign Field | · | 0 | 1 | 0 | 0 | 0 | 0 | - | ō |
| Total | 1,425 | 155 | 1,325 | 167 | 0 | 35 | 0 | 1,360 | 173 |
| | | | | | | | The same of the sa | | - |

Financial Analysis of Program Changes Civil Division Salaries and Expenses (Dollars in Thousands)

| | | | egal Repi | Legal Representation | | | | |
|---|-------------------|----------------------------------|-----------------|----------------------------|-------------------|---|-------------|-----------------------|
| | | | | | | | | į |
| Grades | Health C Enfor | Health Care Fraud Enforcement | Immig Enforc | Immigration Enforcement | Advance Suppor | Advanced Litigation Support Services | | Total Program Changes |
| | Direct | Amount | Direct | Amount | Direct | Amount | Direct Pos. | Amount |
| | Pos. | | Pos. | | Pos. | | | |
| 000 | 0 | ٥ | 0 | 0 | 0 | 0 | 0 | 0 |
| 55.15 55.15 | a | O | 0 | 0 | 0 | 0 | 0 | 0 |
| 55.14 | | 860 | 80 | 983 | 0 | ٥ | 15 | 1,843 |
| 00-14 | m | 275 | 0 | 0 | 1 | 917 | 5 | 1,192 |
| GS-12 GS-17 | - | 0 | 0 | 0 | 0 | o | 0 | 0 |
| 58.11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58-10 | 0 | 0 | 6 | 0 | 0 | D | 0 | 0 |
| 6.89 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.70 | 'n | 232 | 7 | 93 | 0 | 0 | 7 | 325 |
| 400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9.50 | 0 | 0 | 0 | 0 | 0 | 0 | o | 0 |
| Total Docitions and Applied Amount | 15 | 1.367 | 9 | 1,076 | 10 | 917 | 35 | 3,360 |
| | -7 | -683 | | -208 | ιç | -458 | 4- | -1,349 |
| 14 & Other Derended Companyation | | 0 | | 0 | | Φ | 0 | 0 |
| This Otties Trespond Compensation | - | 684 | æ | 868 | 2 | 459 | 21 | 2,011 |
| 12.0 Personnel Benefits | | 203 | | 257 | | 136 | | 969 |
| 21 0 Travel and Transportation of Persons | | 34 | | 37 | | 23 | | 8 |
| 22 0 Transportation of Things | | 9 | | 7 | | 4 | | 17 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 32 | | × | | 27 | | 87 |
| 24.0 Printing and Reproduction | | 5 | | <u>σ</u> | | 4 | | ח מ |
| 25.1 Advisory and Assistance Services | | 0 | | 0 | | 0 | | 0.00 |
| 25.2 Other Services from Non-Federal Sources | | 227 | | 8 | | 5,610 | | 0/8'6 |
| 25.3 Other Goods and Services from Federal Sources | | 9 | | EG. | | 5, | | 100 |
| 25.6 Medical Care | | _ | | -1 | | - • | | ָּיָל ני |
| 26.0 Supplies and Materials | | ဖ | | ~ ? | | 4 6 | | (77) |
| 31.0 Equipment | | 9/ | 1 | 200 | 1 | 070 | 7. | 0 0 0 |
| Total Program Change Requests | 8 | 1,341 | 9 | 1,550 | 2 | 0000 | | 140'6 |

Exhibit J - Financial Analysis of Program Changes

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class Old Division Salanes and Expenses (Dollars in Thousants)

| Ohiart Pises | 2014 | 2014 Actual | 2015/ | 2015 Availability | 2016 | 2016 Request | fncreas | increase/Decrease |
|--|---------------|-------------|----------|-------------------|--------|--------------|---------|-------------------|
| | Direct FTE | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| 11,1 Full-Time Permanent | 1.078 | 136.328 | 101 | 140.873 | 1 122 | 145 312 | 7 | 4 430 |
| 11 3 Other than Full-Time Permanent | 46 | 4.714 | 88 | 8 724 | 8 | 8 7 98 | , - | 47. |
| 11.5 Other Personnel Compensation | 2 | 1,038 | | 1.947 | 2 2 | 1947 | | |
| Overtime | 6 | 158 | <u> </u> | 175 | 2 | 175 | 9 6 | 0.0 |
| Other Compensation | 0 | 880 | 0 | 1772 | - | 1772 | | 5 6 |
| 11.8 Special Personal Services Payments | 0 | 205 | 0 | 80 | 0 | 80 | , 0 | 5 6 |
| Total | 1,124 | 142,285 | 1,189 | 151,624 | 1,210 | 156,137 | 23 | 4.513 |
| Other Object Classes | | | | | | | i | 2 |
| 12.0 Personnel Benefits | | 40.443 | | 43.641 | | 45 978 | | 7566 |
| 13.0 Benefits for former personnel | | 6 | | 0 | | 100 | | 200 |
| 21.0 Travel and Transportation of Persons | | 3,057 | | 3.390 | | 3 484 | | 8 |
| 22.0 Transportation of Things" | | 720 | | 712 | | 729 | | , <u>,</u> |
| 23.1 Rental Payments to GSA | | 31,709 | | 32.075 | | 34 562 | | 2 487 |
| 23.2 Rental Payments to Others | | 582 | | 579 | | 579 | | , |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 5,299 | | 4,637 | | 4.724 | | 87 |
| 24.0 Printing and Reproduction | | 834 | | 890 | | 908 | | <u> </u> |
| 25.1 Advisory and Assistance Services | | 628 | | 1.000 | | 1.000 | | - |
| 25.2 Other Services from Non-Federal Sources | | 33,843 | | 47,588 | | 47,014 | | -574 |
| 25.3 Other Goods and Services from Federal Sources | | 12,976 | | 8,751 | | 8,987 | | 236 |
| 25.4 Operation and Maintenance of Facilities | | 5,521 | | 0 | | 18,559 | | 18,559 |
| 25 6 Medical Care | | 131 | | 117 | | 120 | | |
| 25.7 Operation and Maintenance of Equipment | | 237 | _ | 267 | | 267 | | 6 |
| 26.0 Supplies and Materials | | 972 | | 980 | | 266 | | 17 |
| 31.0 Equipment | | 4,246 | | 1,780 | | 1.957 | | 177 |
| 42.0 Insurance Claims and Indemnities | | 1,122 | | 145 | | 0 | | 145 |
| Total Obligations | | 284,614 | | 298,186 | _ | 326,009 | | 27.823 |
| Subtract - Unobilgated Balance, Start-of-Year | | -8,969 | | -10,579 | | | | 10.579 |
| Subtract - Transfers/Reprogramming | | 0 | | 0 | | O | | |
| Subtract - Recoveries/Refunds | | -1,878 | | ٥ | | C | | 5 6 |
| Add - Rescission | | 0 | | 3 847 | | | | 2 847 |
| Add - Unobligated End-of-Year, Available | | 10,579 | | 0 | | - | | , |
| Add - Unobligated End-of-Year, Expiring | | 1,581 | | 0 | | 0 | | 0 |
| Total Direct Requirements | | 285,927 | | 291,454 | | 326,009 | | 34.555 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 137 | | 161 | | 167 | | Φ | |
| 23.1 Rental Payments to GSA (Reimbursable) | | 3,672 | | 3,964 | | 3,964 | | o |
| 25.3 Other Goods and Services from Federal Sources - DHS Security (Reimbursable) | | 126 | | 128 | | 128 | | - c |
| | | | - | | | 200 | | 5 |

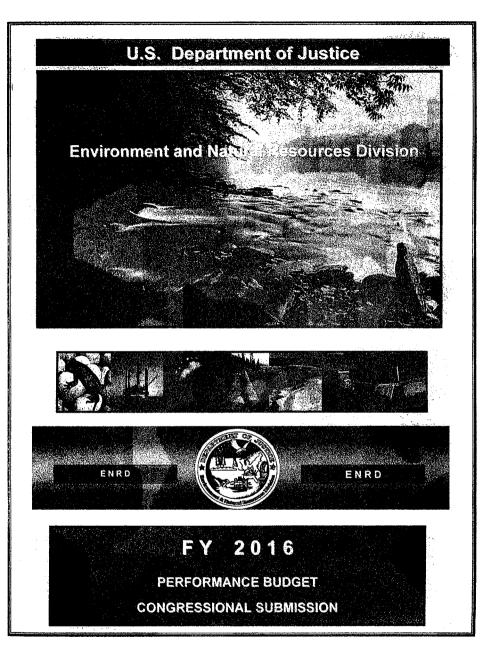


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- L. Status of Congressionally Requested Studies, Reports, and Evaluations (Not Applicable)

Cover photo of Shavers Fork of the Cheat River, West Virginia, from the Fish and Wildlife Service website http://digitalmedia.fws.gov

Text boxes and photos are from various websites of the National Wildlife Refuge System http://www.fws.gov/refuges

I. Overview of the Environment and Natural Resources Division

A. Introduction:

Environment and Natural Resources Division (ENRD) Mission: The Environment and Natural Resources Division is a core litigating component of the U.S. Department of Justice. Founded more than a century ago, it has built a distinguished record of legal excellence. The Division functions as the Nation's environmental and natural resources lawyer, representing virtually every federal agency in the United States, and its territories and possessions, in civil and criminal cases that arise under more than 150 federal statutes. Key client agencies of the Division include the U.S. Environmental Protection Agency (EPA), the U.S. Department of the Interior, the U.S. Army Corps of Engineers, the U.S. Department of Commerce, the U.S. Department of Agriculture, the U.S. Department of Homeland Security, the U.S. Department of Energy and the U.S. Department of Defense, among others. The Division's litigation docket is comprised of nearly 7,000 active cases and matters.

The Division is currently organized into nine litigating sections (Appellate; Environmental Crimes; Environmental Defense; Environmental Enforcement; Indian Resources; Land Acquisition; Law and Policy; Natural Resources; and Wildlife and Marine Resources), and an Executive Office that provides administrative support. ENRD has a staff of approximately 600, more than 400 of whom are attorneys.

The Division is guided by its core mission, which has four key elements:

- Strong enforcement of civil and criminal environmental laws to ensure clean air, clean water, and clean land for all Americans;
- Vigorous defense of environmental, wildlife and natural resources laws and agency actions;
- Effective representation of the United States in matters concerning the stewardship of our public lands and natural resources; and
- Vigilant protection of tribal sovereignty, tribal lands and resources, and tribal treaty rights.

To accomplish this mission in FY 2016, the Division is requesting a total of \$127,497,000 including 543 positions (376 attorneys), and 529 Full-Time Equivalents (FTE). ENRD also has 115 reimbursable FTE.

All communities deserve clean air, water and land in the places where they live, work, play and learn. The Division strives to ensure that all communities are protected from environmental harms, including those low-income, minority and tribal communities that too frequently live in areas overburdened by pollution. ENRD pursues the goals of Environmental Justice by ensuring that everyone enjoys the benefit of a fair and even-handed application of the nation's environmental laws, and affected communities have a meaningful opportunity for input in the consideration of appropriate remedies for violations of the law.

ENRD also litigates to protect the Nation's public lands and resources, ensuring that that these lands are protected and the Treasury collects the royalties and payments owed to the United

States. The Division also litigates to protect almost 60 million acres of land, and accompanying natural resources, that the United States holds in trust for tribes and their members.

ENRD's work furthers the Department's strategic goals to prevent crime and enforce federal laws, defend the interests of the United States, promote national security, and ensure the fair administration of justice at the federal, state, local, and tribal levels. Most importantly, the Division's efforts result in significant public health and other direct benefits to the American people through the reduction of pollution across the Nation and the protection of important natural resources.

Every day, the Division works with client agencies, U.S. Attorneys' Offices, and state, local and tribal governments, to enforce federal environmental, natural resources, and wildlife laws. It also defends federal agency actions and rules when they are challenged in the courts, working to keep the Nation's air, water and land free of pollution, advancing military preparedness and national security, promoting the nation's energy independence, and supporting other important missions of our agency clients. The Division acquires land for purposes ranging from national parks to national security, protects tribal lands and natural resources, and works to fulfill the United States' trust obligations to Indian tribes and their members.

ENRD performs its work with the constant understanding that our operations are funded by limited taxpayer dollars. Over the past few years, as described below, we have taken deliberate steps to reduce costs and limit resource expenditures. We take our role as responsible custodians of the public fisc very seriously; and we are proud of the short and long-term cost saving measures and efficiencies we have implemented to date.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm.



Clean water. Clean air. Unusual and abundant wildlife, and world-class recreation. The Refuge System provides and protects it all on 150 million acres of land and water from the Caribbean to the Pacific, Maine to Alaska. There is at least one national wildlife refuge in every state. The System includes 180 refuges that protect ocean, coastal or Great Lakes habitats. Spanning from above the Arctic Circle to south of the Equator, the Refuge System protects an incredible diversity of marine and coastal ecosystems including salt marshes, rocky shorelines, tide pools, sandy beaches, kelp forests, mangroves, seagrass meadows, barrier islands, estuaries, lagoons, tidal creeks, tropical coral atolis, as well as open ocean. Great blue heron, Blackwater National Wildlife Refuge, Maryland. Photo by Matt Poole USFWS.

B. Issues, Outcomes, and Strategies:

As the Nation's chief environmental and public lands litigator, ENRD primarily supports the Justice Department's Strategic Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law.

The Division initiates and pursues legal action to enforce federal pollution abatement laws and obtain compliance with environmental protection and conservation statutes. ENRD also represents the United States in all matters concerning protection, use, and development of the nation's natural resources and public lands. The Division defends suits challenging all of the foregoing laws, and fulfills the federal government's responsibility to litigate on behalf of Indian tribes and individual Indians. ENRD's legal efforts protect the federal fisc, reduce harmful discharges into the air, water, and land, enable clean-up of contaminated waste sites, and ensure proper disposal of solid and hazardous waste.

In affirmative litigation, ENRD obtains redress for past violations harming the environment, ensures that violators of criminal statutes are appropriately punished, establishes credible deterrents against future violations of these laws, recoups federal funds spent to abate environmental contamination, and obtains money to restore or replace natural resources damaged by oil spills or the release of other hazardous substances into the environment. ENRD also ensures that the federal government receives appropriate royalties and income from activities on public lands and waters.

By prosecuting environmental criminals, ENRD spurs improvements in industry practice and greater environmental compliance. Additionally, the Division obtains penalties and fines against violators, thereby removing the economic benefits of non-compliance and leveling the playing field so that companies complying with environmental laws do not suffer competitive disadvantages.

In defensive litigation, ENRD represents the United States in challenges to federal environmental and conservation programs and all matters concerning the protection, use, and development of the nation's public lands and natural resources. ENRD faces a growing workload in a wide variety of natural resource areas, including litigation over water quality and watersheds, the management of public lands and natural resources, endangered species and sensitive habitats, and land acquisition and exchanges. The Division is increasingly called upon to defend Department of Defense training and operations necessary to military readiness and national defense.



A hundred years in the making, the National Wildlife Refuge system is a network of habitats that benefits wildlife, provides unparalleled outdoor experiences for all Americans, and protects a healthy environment. Today, there are more than 560 national wildlife refuges and 38 wetland management districts, including one within an hour's drive of most major metropolitan areas. Established in 1936 by executive order of President Franklin D. Roosevelt, the Patuxent Research Refuge, in Maryland near Washington, D.C., is the nation's only national wildlife refuge established to support wildlife research. The scarlet tanager (*Pirango olivacea*) is a medium sized song bird native to the northeast upland forest. They frequent the highest reaches of the tree canopy, and seek out insects during the summer months and fruits during migration back to their wintering grounds in the tropics.

C. Performance Challenges:

External Challenges

The Division has limited control over the filing of defensive cases, which make up nearly half of our workload. Court schedules and deadlines drive the pace of work and attorney time devoted to these cases. ENRD's defensive caseload is expected to continue to increase in FY 2015 and FY 2016 as a result of numerous external factors.

- The Division faces a huge influx of litigation under a 19th Century federal statute, commonly known as "R.S. 2477," which "recognized" the "right of way for the construction of highways over public lands, not reserved for public uses." The largest component of this docket is defensive litigation under the Quiet Title Act, 28 U.S.C. § 2409a, in which ENRD defends against claims, mostly by western states and counties, to R.S. 2477 rights-of-way on lands owned by the United States and managed by federal agencies. Since 2011, our R.S. 2477 case load has grown from 12 cases covering 114 roads, to more than 40 cases most of which are in Utah, but also involving Alaska, California, Idaho, Nevada and North Dakota covering over 12,000 roads. Our local federal partners have indicated that they do not have resources available to help us litigate these important and time-consuming cases. This caseload involves extensive discovery, 'ancient' historical facts, significant motion practice, and *de novo* trials.
- Flooding Takings Litigation: The Division is currently defending a large number of suits brought by property owners who contend that actions by the United States have caused flooding of their properties for which they are entitled to just compensation under the Fifth Amendment including a 75,000 member putative class action seeking \$50 billion due to flooding in the aftermath of Hurricane Katrina, and four putative class actions involving thousands of landowners along the Mississippi and Missouri whose properties were flooded in 2011 and seek billions of dollars in compensation. The cases are tremendously complex, requiring extensive use of expert witnesses to determine the cause, extent and damages resulting from such flooding. As a result of recent adverse Supreme Court precedent and changes in climactic conditions, we can anticipate a significant increase in such cases over the next several years.
- The Division currently represents the United States or the Departments of the Interior and the Treasury in 19 pending **Tribal Trust cases** in various federal district courts and the United States Court of Federal Claims, in which cases 39 tribes demand "full and complete" historical trust accountings and damages for financial injury resulting from alleged management of the tribes' trust funds and non-monetary assets. The tribes' damage claims exceed \$4 billion. In FY 2015, for example, the Division expects to face trial in at least two cases. These cases will require substantial resources in order to conduct extensive discovery related to claims for alleged mismanagement of not only innumerable tribal trust accounts but also extensive non-monetary tribal trust resources between 1946 and the present, or in the case of two tribes between 1910 and the present. The damages sought by the tribes in the cases on the trial track exceed \$4 billion.

- ENRD supports the defense and security missions of the Department of Defense and the Department of Homeland Security. From defending environmental challenges to critical training programs that ensure military preparedness, to acquiring strategic lands needed to fulfill the government's military and homeland security missions, ENRD makes a unique and important contribution to defense and national security while ensuring compliance with the country's environmental laws. The Division expects its Military Readiness Docket to include litigation to defend training missions and strategic initiatives, expand military infrastructure, and defend chemical weapons demilitarization to continue into FY 2016.
- The Division continues to deal with a dramatic expansion of its Rails-to-Trails litigation, in which property owners along railroad corridors allege a taking of their property interests in violation of the Fifth Amendment as a result of the operation of the National Trails System Act ("Trails Act"). The courts have held that the Trails Act precludes abandonment of the corridors under state law, and results in the conversion of the railroad line into thousands of miles of recreational trails throughout the United States, which are also "railbanked" for possible future railroad reactivation. The Division presently defends approximately 90 such suits, involving many thousands of properties, with estimated aggregate claims in the hundreds of millions of dollars. These cases present considerable legal challenges, as recent court precedent has been generally unfavorable to the United States. These cases also present considerable resource challenges, since each property conveyance and each property valuation must be individually analyzed. The number of hours the Division devotes to these cases has more than tripled in the past few years and the portion of the Division's expert witness funds being applied to these cases has increased several-fold. Given the complexity of the cases and the ongoing conversions of railroad corridors into recreational trails, we expect to see a continued increase of this litigation for many years to come.
- The Division also handles several types of litigation over water allocation, including water rights litigation on behalf of every federal agency with water-dependent facilities, programs, or land management responsibilities. In the coming year, ENRD anticipates increasing demands on resources from a growing load of water rights cases. As the drought that has been afflicting most of the western United States for the past 13 years continues, we anticipate increased litigation over scarce water resources. In particular, we anticipate significant growth in the litigation of voluminous proceedings known as "general stream adjudications," in which courts - mostly state courts in the western United States - adjudicate the rights of all the water users in a river basin. The Division's staff within the Natural Resources Section dedicated to general stream adjudications across the West is generally smaller than the staff employed by each of the western states alone, and these cases - which often involve thousands of parties, tens of thousands of claims and objections, and take decades for discovery, pretrial litigation and trial - already place significant demands on our section resources. In the coming year, we anticipate significant growth in our workload in several states including Montana, where we currently have five section attorneys working primarily in six basins with an additional six basins scheduled to

activate this year, and Nevada, where we currently have three section attorneys working in three basins and an additional three basins scheduled to activate this year.



National Wildlife Refuges are also ideal destinations for birders. Many of the almost 40 million annual visits to refuges are from casual or avid birders. Refuges often host birding festivals, special events and educational programs for beginning and advanced birders. In 2008, the U.S. Fish and Wildlife Service signed a memorandum of understanding with the Cornell Laboratory of Ornithology to promote birding, habitat conservation and citizen science. Numerous refuges have also been designated important Birding Areas by the Audubon Society. Kentucky Warbler photo by Michael Allen MacDowell.

The Division is also deeply engaged in a number of continuing and prospective affirmative cases and matters. While the Division's resources are already stretched, ENRD's affirmative enforcement caseload will likely continue to increase in FY 2015 and FY 2016 as a result of numerous external factors.

- The Deepwater Horizon litigation has reached a critical juncture and the stakes in the case are high. Even with two phases of trial (liability and discharge quantification) already complete, the tempo of our work continues to increase. The third phase and final phase of our penalty claim under the Clean Water Act began in January 2015. In that phase, the district court will take evidence on all remaining issues necessary to assess civil penalties, one against defendant BP and a separate one against defendant Anadarko. Penalties awarded here will be subject to the RESTORE Act, which is designed to spend about 80% of these penalty proceeds on ecological and economic restoration in the Gulf State region. At the same time, the increasing demands placed on our client agencies for document and data identification, collection and production in the natural resource damages (NRD) phase have accelerated NRD case development efforts in ENRD. We have already achieved notable success in parts of the litigation, most recently the district court's finding that the massive spill of oil into the Gulf of Mexico was the result BP's gross negligence and willful misconduct. Other success include the following: liability determinations against our main defendant (BP) for penalties and natural resource damages; a settlement with the owner and operator of the oil rig (Transocean) requiring it to pay \$1 billion in civil penalties and undertake measures to make its operations in U.S. waters safer. However, many additional successes have yet to be realized. Discovery and trial in the final NRD phase of the litigation, likely to occur in FY 2016, will impose an enormous burden on ENRD and its client agencies. The volume of information held by the U.S. government arising from the permitting of oil drilling in the Gulf, the overseeing of the response to the spill, and the assessment of NRD means that even tailored discovery will severely challenge the federal government.
- ENRD also expects to receive a number of new, unusually cumbersome and increasingly complex civil and criminal environmental enforcement referrals from EPA under the Clean Water Act and Clean Air Act in FY 2015 and FY 2016. For the past decade, the Division has invested significant resources in litigating civil enforcement actions under the Clean Air Act's New Source Review provisions against operators of coal fired power plants. These facilities are the largest stationary sources of air pollution in the

country, emitting millions of tons of sulfur dioxide, nitrogen oxides, and particulate matter each year — much of which is illegal. Bringing these plants into compliance with the Act continues to be one of EPA's highest enforcement priorities. Work on these and other power plant cases will continue in earnest in FY 2015 and into 2016. In addition to the reduction of harmful emissions, these cases will continue to result in the imposition of sizeable civil penalties as well as requirements to install important corrective pollution controls.

Internal Challenges

With the introduction of new technologies and new requirements in the legal industry – such as e-filing, on-line document repositories, electronic trials, extranet docketing systems, etc. – we are in constant need of ensuring our workforce has the expertise and access to software, hardware and systems to keep pace.

ENRD expects to refresh aging hardware, develop and implement required tracking systems, and comply with Department security mandates in FY 2015. For example, in FY 2015, ENRD expects to replace its aging case management system (CMS) and our records management system (RMS). In addition, ENRD will begin using a number of new cloud-based network, office automation and application system by FY 2016.

D. Environmental Accountability

The Division maintains a "Greening the Government" initiative in response to Executive Order 13423 (January 24, 2007), which requires all federal agencies to meet benchmarks for reductions in energy usage, water consumption, paper usage, solid waste generation, and other areas. Among other things, through the Executive Order, government agencies have been directed to reduce energy consumption by 30 percent by 2015. Congress mandated compliance with this Executive Order in recent appropriations legislation (Omnibus Appropriations Act, P. L. 111-8, §748 [2009]).

Energy Use at ENRD

Through ENRD's Greening the Government Committee, and through other management and staff efforts, ENRD continued to push *Best Practices* which help the Division to minimize energy use, encouraging employees to turn off lights, computer monitors, and other electronic devices when not needed.

In addition, ENRD's Executive Office recently installed approximately 1,200 motion-activated lighting sensors in its primary government-leased office building. This improvement has helped reduce energy levels within the building to FY 2006 levels of less than 8,000 kWh in keeping with Executive Order 13514, which focuses on Federal Leadership in Environmental, Energy, and Economic Performance.

The Environment Division's Information Technology (IT) staff is keenly aware of its environmental responsibilities, buying energy efficient hardware before Energy Star became a

Federal government mandate. To maximize energy efficiency, our virtual server infrastructure was recently expanded to our COOP site and field offices (reducing the count of physical servers by 37 percent). In addition, the Division purchased servers with an energy-saving technology that exceeds EPA's Energy Star requirements. Together, these purchases have reduced the Division's power requirements and heat output by 50 percent.

E. Achieving Cost Savings and Efficiencies

The Division has demonstrated a commitment to achieve cost savings and has attained impressive measurable results. In the area of ligation support, ENRD has been innovative and forward-thinking with its cost-effective, in-house litigation support computer lab, which provides a wide range of services, such as scanning, OCR-processing, e-Discovery/data processing, email threading, and database creation and Web hosting. In FY 2014, the Division recognized savings of over \$11 million, compared to what the in-house services provided would have cost, if outsourced to a contractor/vendor. We have also implemented a number of IT and telecom cost reductions as well as reductions in subscriptions and publications.

As a leader in employing technological solutions, ENRD continues to employ cost-effective alternatives such as videoconferencing and web-based applications for meetings. We continue to push the use of on-line travel reservations, as opposed to using agent assisted booking services, leading to additional cost savings.



National wildlife refuges provide habitat for more than 700 species of birds, (including the rufous hummingbird) 220 species of mammals. 256 reptile and amphibian species and more than 1,000 species of fish. More than 380 threatened or endangered plants or animals are protected on wildlife refuges. Each year, millions of migrating birds use refuges as stepping stones while they fly thousands of miles between their summer and winter homes. Photo by Roy W. Lowe

II. Summary of Program Changes

| | Description | | | e in the second of the second | Page |
|------------------------------------|--|------|-----|---|---|
| | | Pos. | FTE | Dollars (\$000) | : :::::::::::::::::::::::::::::::::::: |
| Indian Country Initiative | Improving environmental enforcement in Indian Country | 4 | 2 | 3,000 | 32 |
| Wildlife Trafficking Initiative | Strengthening wildlife trafficking enforcement and capacity building efforts | 2 | 1 | 2,000 | 36 |

III. Appropriations Language and Analysis of Appropriations Language

Please refer to the General Legal Activities Consolidated Justifications.

IV. Decision Unit Justification

| Environment and Natural Resources Division - | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|---------|
| 2014 Enacted | 537 | 510 | 107,643 |
| 2015 Enacted | 537 | 526 | 110,077 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 12,420 |
| 2016 Current Services | 537 | 526 | 122,497 |
| 2016 Program Increases | 6 | 3 | 5,000 |
| 2016 Request | 543 | 529 | 127,497 |
| Total Change 2015-2016 | 6 | 3 | 17,420 |



With the addition of the Mariana Trench and the Arc of Fire National Wildlife Refuges in 2009, the Refuge System includes deep-sea hydrothermal vent communities to this list of protected habitats. The Refuge System also includes 107 sites that are members of the National System of Marine Protected Areas. These marine resources are facing a number of mounting threats including a warming ocean, ocean additication, increased pollution, coastal development, diseases, overfishing and illegal fishing, and marine debris. Midway Atoll is one such area.

1. Program Description

As stated in the Department of Justice Strategic Plan, ENRD works to:

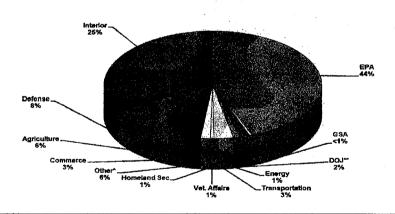
- Pursue cases against those who violate laws that protect public health, the environment, and natural resources;
- Investigate and prosecute environmental crimes, including both pollution and wildlife violations:
- Defend against suits challenging federal statutes, regulations, and agency actions;
- Develop constructive partnerships with other federal agencies, state and local governments, and interested parties to maximize environmental compliance and stewardship of natural resources;

Act in accordance with United States trust responsibilities to Indian tribes and individual
Indians in litigation involving the interests of Indians. The United States holds close to 60
million acres of land and associated natural resources in trust for tribes and has a duty to
litigate to protect this land and resources.

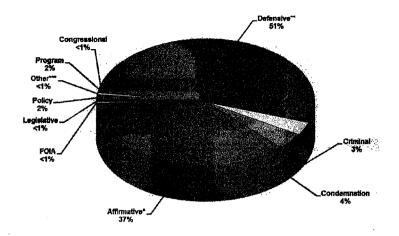
The Division focuses on both civil and criminal litigation regarding the defense and enforcement of environmental and natural resources laws and regulations, and represents many federal agencies in litigation (e.g., the Environmental Protection Agency, Department of Agriculture, Department of the Interior, Department of Defense, and Department of Homeland Security).

As the nation's chief environmental litigator, ENRD strives to obtain compliance with environmental and conservation statutes. To this end, we seek to obtain redress of past violations that have harmed the environment, establish credible deterrence against future violations of these laws, recoup federal funds spent to abate environmental contamination, and obtain money to restore or replace natural resources damaged through oil spills or the release of other hazardous substances. The Division ensures illegal emissions are eliminated, leaks and hazardous wastes are cleaned up, and drinking water is safe. Our actions, in conjunction with the work of our client agencies, enhance the quality of the environment in the United States and the health and safety of its citizens.

ENRD's Cases/Matters Pending by Client Agency (FY 2014)



ENRD's Cases/Matters Pending by Case Type (FY 2014)



Civil litigating activities include cases where ENRD defends the United States in a broad range of litigation and enforces the nation's environmental and natural resources laws. Nearly one-half of the Division's cases are defensive or non-discretionary in nature. They include claims alleging noncompliance with federal, state and local pollution control and natural resources laws. Civil litigating activities also involve the defense and enforcement of environmental statutes such as the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Clean Air Act (CAA), the Clean Water Act (CWA), the National Environmental Policy Act (NEPA), and the Endangered Species Act (ESA).

The Division defends Fifth Amendment taking claims brought against the United States alleging that federal actions have resulted in the taking of private property without payment of just compensation, thereby requiring the United States to strike a balance between the interests of property owners, the needs of society, and the public fisc. ENRD also brings eminent domain cases to acquire land for congressionally authorized purposes ranging from national defense to conservation and preservation. Furthermore, the Division assists in fulfillment of the United States trust responsibilities to Indian Tribes. ENRD is heavily involved in defending lawsuits alleging the United States has breached trust responsibilities to Tribes by mismanaging Tribal resources and failing to properly administer accounts that receive revenues from economic activity on Tribal lands. The effectiveness of our defensive litigation is measured by the percentage of cases successfully resolved and savings to the federal fisc.

Criminal litigating activities focus on identifying and prosecuting violators of laws protecting wildlife, the environment, and public health. These cases involve issues such as fraud in the environmental testing industry, smuggling of protected species, exploitation and abuse of marine resources through illegal commercial fishing, and related criminal activity. ENRD enforces criminal statutes designed to punish those who pollute the nation's air and water; illegally store, transport and dispose of hazardous wastes; illegally transport hazardous materials; unlawfully

deal in ozone-depleting substances; and lie to officials to cover up illegal conduct. The effectiveness of criminal litigation is measured by the percentage of cases successfully resolved. ENRD's case outcome performance results are included in the Performance and Resources Table contained in this submission.



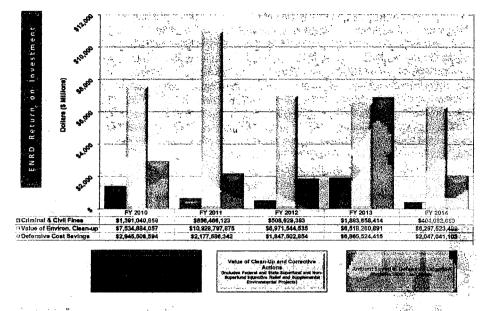
Located on the far northern end of the Hawalian archipelago, Midway Atoli is located within the country's largest conservation area, the Papahānaumokuākea Marine National Monument. It is one the oldest atoli formations in the world and thanks to U.S. Fish and Wildlife Service recovery efforts, it provides nesting habitat for 21 seabird species - nearly 3 million individual birds (including the Laysan albatrosa), nest on nearly every square foot of available habitat and a place where humans can remember one of the most significant international naval battles in history. The Laysan albatrosa can live for 60 * years. The oldest bird called Wisdom is approximately 61 years old and visas the history, one percent of this bird's world population nests on Midway. An adult may grow to be two feet tall with a six foot wingspan.

ACCOMPLISHMENTS

In FY 2014, the Division successfully litigated 926 cases while working on a total of 6,588 cases, matters, and appeals. We recorded more than \$404 million in civil and criminal fines, penalties, and costs recovered. The estimated value of federal injunctive relief (i.e., clean-up work and pollution prevention actions by private parties) obtained in FY 2014 exceeded \$6.2 billion. ENRD's defensive litigation efforts avoided costs (claims) of over \$2.0 billion in FY 2014. The Division achieved a favorable outcome in 93 percent of cases resolved in FY 2014. In sum, ENRD continues to be a valuable investment of taxpayer dollars as the number of dollars returned to the Treasury exceeds ENRD's annual appropriation many times over.



Nowhere in the Refuge System are the lives of wildlife and human residents so intertwined. It is, in many respects, a little city, with all the structures, utilities; and types of equipment that are needed to function in support of the resident human community. At one time, the facilities at Mildway supported more than 5,000 people. While the current resident population is approximately 60, much of the original infrastructure remains in place. Other residents include Hawalian monk seals that pup and rear their young on Midway's beaches and nearshore waters. The seals can live 25-30 years, and adults can reach seven feet in length, and weigh over 400 pounds.



Below are some notable successes from the Division's civil and criminal litigation dockets during FY 2014.

Civil Cases (Both Affirmative and Defensive)

• Deepwater Horizon Oil Spill -

The Department has tried the first two phases of our claim for civil penalties, covering who was at fault and what amount of oil was actually discharged. In November 2014, the district court ruled on issues addressed in the first trial, holding BP grossly negligent and having acted with willful misconduct – all resulting in the spill of oil into the Gulf of Mexico. The court has not yet ruled on the second phase. The third phase and final phase of our penalty claim is set for trial beginning on January 20, 2015. In that phase, the district court will take evidence on all remaining issues necessary to assess civil penalties, against BP and against Anadarko. Penalties awarded will be subject to the RESTORE Act, which is designed to spend about 80% of these penalty proceeds on ecological and economic restoration in the Gulf State region.

In February 2013, the U.S. District Court for the Eastern District of Louisiana approved settlements fashioned by the Department and federal agency partners to punish various Transocean companies involved in the Deepwater Horizon oil spill. The total civil penalty, criminal fine, and related criminal payments total \$1.4 billion, comprised of a civil penalty of \$1.0 billion, the largest civil penalty ever secured under any federal environmental law, and another \$400 million to be paid under a cooperation-and-guilty-plea agreement with the Transocean company known as Transocean Deepwater, Inc.

Under the civil settlement, the \$1 billion civil penalty will be paid under the Clean Water Act and the Resources and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act). The RESTORE Act provides that 80 percent of the civil penalty collected will be used to fund projects in the five Gulf States, to benefit environmental and economic benefit in that Region. Also under the civil enforcement settlement, which is embodied in a court order, the Transocean Defendants must implement measures to improve the operational safety and emergency response capability of all their drilling rigs working in the waters of the United States. The Transocean Defendants will be required to conduct these operational measures under court order for at least five years and possibly longer, depending on quality of performance.

The \$400 million, criminal-side payment includes: (1) a criminal fine; (2) funds to improve environmental resources in the five Gulf States (Alabama, Florida, Louisiana, Mississippi, and Texas); and (3) a fund that will be used by the National Academy of Sciences to select and support research, development, education, and training calculated to reduce the chance of oil spills and to improve capacities for responding to such spills.

On June 18, 2012, the court entered a consent decree between the United States and MOEX Offshore 2007 LLC, BP's former partner and former 10 percent owner of the Macondo well, resolving MOEX's liability under the Clean Water Act associated with the BP Deepwater Horizon oil spill. As part of the settlement, MOEX agreed to pay \$70 million in civil penalties and up to \$20 million for land acquisition projects in several Gulf States that will preserve and protect in perpetuity habitat and resources important to water quality and other environmental features of the Gulf of Mexico region. MOEX continues to carry out its obligations under this agreement

• Tribal Trust Cases

The extraordinarily complex and multifaceted Tribal Trust cases command a large portion of ENRD's time and resources. The Division represents the United States in 19 pending cases in which 39 tribes demand "full and complete" historical trust accountings, monetary compensation for various breaches and mismanagement of trust, and trust reform measures relating to the United States' management of the tribes' trust funds and trust lands, as well as the non-monetary resources (such as timber, oil, gas, coal, agricultural, range, easements, and rights of way) on those lands. Many of the currently pending cases are in settlement negotiations, while others are in varying stages of trial preparation. The Division has enjoyed success in the past two fiscal years by negotiating and reaching settlements with 78 tribes in 53 cases, while also conducting active litigation, including a full-blown trial, in several other cases. It has done so by balancing its duties to defend client programs with a commitment to make whole any tribe that has suffered financial injury as a result of any trust fund or trust resource management practices.

• Advancing Environmental Justice

ENRD and EPA reached an agreement with Flint Hills Resources for the company to implement innovative technologies to control harmful air pollution from industrial flares and leaking equipment at its chemical plant in Port Arthur, Texas. The plant manufactures chemicals that are used in a variety of products, including medical devices, automotive parts and appliance components. The settlement is part of EPA's national effort to advance environmental justice by protecting communities such as Port Arthur that have been disproportionately impacted by pollution. Flint Hills is required to operate state-of-the-art equipment to recover and recycle waste gases and to ensure that gases sent to flares are burned with 98 percent efficiency. The company has spent approximately \$16 million to implement these required controls on industrial flares. When the agreement is fully implemented, the company estimates it will spend \$28 million to reduce "fugitive" pollutant emissions that may leak from valves, pumps, and other equipment. The company must monitor leaks more frequently, implement more aggressive repair practices, adopt innovative new practices designed to prevent leaks and replace valves with new "low emissions" valves or use packing material to reduce leaks. The company will spend \$2 million on a diesel retrofit or replacement project that is estimated to reduce nitrogen oxides and particulate matter by a combined 85 tons, in addition to 39 tons of carbon monoxide, over the next 15 years. The company will also spend \$350,000 to purchase and install technologies to reduce energy demand in low income homes. The measures will cut emissions of pollutants that can cause significant harm to public health, including smog or ground-level ozone, a pollutant that irritates the lungs, exacerbates diseases such as asthma, and can increase susceptibility to respiratory illnesses, such as pneumonia and bronchitis.

• Clean Air Act Litigation

LSB Industries Inc. (LSB), the largest merchant manufacturer of concentrated nitric acid in North America, and four of its subsidiaries agreed to reduce harmful emissions of nitrogen oxides (NOx) by meeting emission limits that are among the lowest for the industry in the nation at plants in Alabama, Arkansas, Oklahoma and Texas, Headquartered in Oklahoma City, Okla., LSB is a major producer of nitrogen-based fertilizers, including anhydrous ammonia, urea and ammonium nitrate. The company owns and operates the largest fleet of concentrated nitric acid rail cars in the United States. LSB and its subsidiaries produce nitric acid for use in products that include herbicides, metal treatment, explosives and pharmaceuticals. EPA estimates that the settlement measures will reduce NOx emissions by more than 800 tons per year, directly benefitting surrounding communities, which include low-income and minority populations living near the Arkansas and Texas plants. The companies estimate that it will cost between \$6.3 and \$11.7 million to implement the measures required by the settlement. LSB and its four nitric acid producing subsidiaries will also pay a total penalty of \$725,000 to resolve alleged violations of the Clean Air Act and applicable Oklahoma state law. In addition to paying the penalty, the companies must continuously monitor emissions and make any necessary operational improvements such as installing new pollution controls or upgrading current controls to meet the new NOx limits.

The companies have also agreed to spend \$150,000 to remediate and reforest ten acres of land with acidified soils located near El Dorado, Ark. NOx emissions, such as those from nitric acid

plants, can contribute to soil acidification. The project will help to minimize erosion, reduce stormwater runoff, improve habitat for wildlife and capture carbon dioxide, a greenhouse gas.

Clean Water Act Litigation

Alpha Natural Resources, Inc. (Alpha), one of the nation's largest coal companies, Alpha Appalachian Holdings (formerly Massey Energy), and 66 subsidiaries agreed to spend an estimated \$200 million to install and operate wastewater treatment systems and to implement comprehensive, system-wide upgrades to reduce discharges of pollution into hundreds of rivers and streams from coal mines in Kentucky, Pennsylvania, Tennessee, Virginia and West Virginia. Overall, the settlement covers approximately 79 active mines and 25 processing plants in these five states. EPA estimates that the upgrades and advanced treatment required by the settlement will reduce discharges of total dissolved solids by over 36 million pounds each year, and will cut metals and other pollutants by approximately nine million pounds per year. The companies will also pay a civil penalty of \$27.5 million for thousands of permit violations, which is the largest penalty in history under Section 402 of the Clean Water Act (CWA). The settlement also requires the companies to build and operate treatment systems and to implement comprehensive. system-wide improvements to ensure future compliance with the CWA. These improvements, which apply to all of Alpha's operations in Appalachia, include developing and implementing an environmental management system and periodic internal and third-party environmental compliance audits. In the event of future violations, the companies will be required to pay stipulated penalties, which may be increased and, in some cases, doubled for continuing violations.

• ENRD's Bankruptcy Docket

W.R. Grace & Co, based in Columbia, Maryland agreed to pay over \$63 million to the U.S. government under its bankruptcy plan of reorganization to resolve claims for environmental cleanups at approximately 39 sites in 21 states. The company, a global supplier of specialty chemicals, and 61 affiliated companies filed for bankruptcy in April 2001. In 2003, EPA filed claims against the company to recover past and future cleanup costs at sites contaminated by asbestos and other hazardous substances. Numerous agreements to resolve the agency's environmental liability claims against the company and its affiliates were negotiated as part of the company's bankruptcy proceedings between April 2008 and February 2013. The payment includes approximately \$54 million to reimburse EPA for cleanup costs at multiple Superfund sites. The company agreed to pay another \$9 million to other federal agencies, including the U.S. Department of the Interior and the U.S. Army. The company continues to be responsible for all of the sites it owns or operates and for any additional sites that were not known or resolved under the earlier settlements. W.R. Grace's liability for asbestos contamination in the town of Libby, Montana was addressed in a separate June 2008 settlement that resulted in a payment of \$250 million to EPA. W.R. Grace continues to be responsible for addressing cleanup at the Libby Mine.

• Wetlands Protection

ENRD and EPA reached an agreement with Chesapeake Appalachia LLC, a subsidiary of Chesapeake Energy, the nation's second largest natural gas producer, for the company to spend an EPA-estimated \$6.5 million to restore 27 sites damaged by unauthorized discharges of fill material into streams and wetlands. The company agreed to implement a comprehensive plan to comply with federal and state water protection laws at the company's natural gas extraction sites in West Virginia, many of which involve hydraulic fracturing operations. The company will also pay a civil penalty of \$3.2 million, one of the largest ever levied by the federal government for violations of Section 404 of the Clean Water Act (CWA), which prohibits the filling or damming of wetlands, rivers, streams, and other waters of the United States without a federal permit. The settlement also resolves alleged violations of state law brought by the West Virginia Department of Environmental Protection. The state of West Virginia is a co-plaintiff in the settlement and will receive half of the civil penalty.

Streams, rivers, and wetlands benefit the environment by reducing flood risks, filtering pollutants, recharging groundwater and drinking water supplies, and providing food and habitat for aquatic species. Chesapeake Appalachia LLC is required to fully restore the damaged wetlands and streams wherever feasible, monitor the restored sites for up to 10 years to assure the success of the restoration, and implement a comprehensive compliance program to ensure future compliance with the CWA and applicable state law. To offset the impacts to sites that cannot be restored, the company will perform compensatory mitigation, which will likely involve purchasing credits from a wetland mitigation bank located in a local watershed.

Safe Construction Practices

Lowe's Home Centers, one of the nation's largest home improvement retailers, agreed to implement a comprehensive, corporate-wide compliance program at its more than 1,700 stores nationwide to ensure its contractors minimize lead dust from home renovation activities, as required by the federal Lead Renovation, Repair and Painting (RRP) Rule. The company will also pay a \$500,000 civil penalty, which is the largest ever for violations of the RRP Rule. The settlement stems from violations, discovered by EPA inspectors, of the RRP Rule's recordkeeping and work practice standards at private homes that had been renovated by Lowe's contractors. Lowe's is alleged to have failed to provide documentation showing that its contractors had been certified by EPA, had been properly trained, had used lead-safe work practices, or had correctly used EPA-approved lead test kits at renovation sites. Lead-based paint was banned in 1978 but still remains in many homes and apartments across the country. Lead dust hazards can occur when lead paint deteriorates or is disrupted during home renovation and remodeling activities. Lead exposure can cause a range of health problems, from behavioral disorders and learning disabilities to seizures and death, putting young children at the greatest risk because their nervous systems are still developing. In February 2014, EPA announced enforcement actions that require 35 home renovation contractors and training providers to take additional steps to protect communities by minimizing harmful lead dust from home renovation activities, as required by the RRP Rule. Those settlements generated a total of \$274,000 in civil penalties.

• Enforcement of the Clean Water Act Through Publicly Owned Sewer Cases

The Division continues to reach agreements with municipalities to upgrade their sewage treatment plants. EPA's Clean Water Act initiative focuses on reducing discharges from sewer overflows by obtaining cities' commitments to implement timely, affordable solutions, including the increased use of green infrastructure and other innovative approaches. Raw sewage contains pathogens that threaten public health, leading to beach closures and public advisories against fishing and swimming. This problem particularly affects older urban areas, where minority and low-income communities are often located. The United States has reached similar agreements in the past with numerous municipal entities across the country including Mobile and Jefferson County, Alabama (Birmingham); Atlanta and Dekalb County, Georgia; Knoxville and Nashville, Tennessee; Miami-Dade County, Florida; New Orleans, Louisiana; Hamilton County (Cincinnati), Ohio; Northern Kentucky Sanitation District #1; and Louisville, Kentucky.

In an agreement reached with ENRD and EPA, the city of Shreveport, La., agreed to make significant upgrades to reduce overflows from its sanitary sewer system and pay a \$650,000 civil penalty to resolve Clean Water Act (CWA) violations stemming from illegal discharges of raw sewage. The state of Louisiana, a co-plaintiff in this case, will receive half of the civil penalty. When wastewater systems overflow, they can release raw sewage and other pollutants, threatening water quality and potentially contributing to disease outbreaks. To come into compliance with the CWA, the city estimates it will spend approximately \$342 million over the next 12 years in order to improve the sewer system's condition, and it will also implement a program for capacity management, operation, and maintenance to help reduce sanitary sewer overflows.



The Fish and Wildlife Service is the lead federal agency for managing and conserving migratory birds in the United States. Conservation of migratory birds is often considered the central connecting theme of the National Wildlife Refuge System. More than 200 National Wildlife Refuges have been established specifically to provide breeding or wintering habitat for migratory birds. More than one million acres of wetlands on 356 refuges and more than 3,000 waterfowl production areas are actively managed for the benefit of waterfowl and other birds. Bald Eagle photo by Dave Menke.

Criminal Cases

Enforcing the Laws Against Wildlife Trafficking

Michael Slattery Jr., an Irish national, was sentenced to serve 14 months in prison to be followed by three years of supervised release, for conspiracy to violate the Lacey Act in relation to illegal rhinoceros horn trafficking. Slattery was also sentenced to pay a \$10,000 fine and forfeit \$50,000 of proceeds from his illegal trade in rhino horns. Slattery was arrested in September 2013 as part of "Operation Crash," a continuing investigation being conducted by the Department of the Interior's Fish and Wildlife Service (FWS) in coordination with other federal and local law enforcement agencies. A "crash" is the term for a herd of rhinoceros. Operation Crash is an ongoing effort to detect, deter and prosecute those engaged in the illegal killing of

rbinoceros and the unlawful trafficking of rhinoceros horns. In China and Vietnam, rhinoceros horns are highly prized because they are believed to have medicinal value. The escalating value of the horns has resulted in an increased demand that has helped fuel a thriving black market. In pleading guilty, the defendant admitted to participating in a conspiracy to travel to and within the United States to purchase rhinoceros horns, which he, along with others, then resold to private individuals or consigned to auction houses in the United States, knowing that the interstate purchase and sale of the horns was illegal.

• Enforcing the Laws Against Over Fishing

The operator of the F/V Norseman and an associated fish dealer, C&C Ocean Fishery Ltd., were sentenced for criminal violations stemming from their role in systematically underreporting fluke (summer flounder) harvested as part of the federal Research Set-Aside Program. On multiple occasions the vessel exceeded its relevant federal and New York State quotas for fluke, and the operators of the vessel and the fish dealer knowingly submitted falsified reports to NOAA. The defendants were aware that the reports were utilized by NOAA as part of the administration of its statutory-mandated fisheries management program. The defendants pleaded guilty to wire fraud and falsification of federal records. Charles Wertz, Jr., a commercial fisherman from East Meadow, N.Y., was sentenced to serve one year and a day in prison to be followed by three years of supervised release, 100 hours of community service, a \$5,000 fine, \$99,800 in restitution and a \$300 special assessment. The fish dealer, C&C Ocean Fishery Ltd., was sentenced to pay a \$275,000 fine, \$99,800 in restitution, and a \$1,600 special assessment. The court also sentenced the defendants to comply with multiple sentence conditions, including relinquishment of federal fishing permits, a ban on participation in the Research Seat-Aside Program, divestiture of any interest in the F/V Norseman, and winding down and dissolving the company, C&C Ocean Fishery Ltd.

Vessel pollution cases

Singapore-based ODFJELL ASIA II PTE LTD (ODFJELL) and one of its senior crew members pleaded guilty to violating the Act to Prevent Pollution from Ships (APPS). An inspection and subsequent criminal investigation revealed that three times between October 2011 and October 2012, while in international waters, the M/T Bow Lind, a petroleum/ chemical tanker ship, discharged machinery space bilge water directly into the sea. At the direction of senior engineer Ramil Leuterio, crew members bypassed pollution prevention equipment that was in place to ensure that any discharged bilge water contain less than 15 parts per million of oil. The crew then concealed the illegal discharges by making misleading entries and omissions in the vessel's oil record book. Under the terms of a binding plea agreement, if accepted by the court, ODFJELL will be placed on probation for a period of three years and pay a criminal penalty totaling \$1.2 million, including \$300,000 that will be directed to The National Fish and Wildlife Foundation to fund projects aimed at the preservation and restoration of the marine environment of Long Island Sound. As a condition of probation, ODFJELL will implement an environmental management plan which will ensure that any ship operated by ODFJELL calling on a port of the United States complies with all maritime environmental requirements established under applicable international, flag state, and port state laws. Leuterio, a citizen of the Philippines, faces a maximum term of imprisonment of six years and a fine of up to \$250,000 for his role in

directing lower ranking crewmembers to make the illegal discharges and for failing to accurately maintain the vessel's oil record book.

Ensuring Industry Focuses on the Safety of the Public and Protection of the Environment

The former president of Port Arthur Chemical and Environmental Services LLC (PACES) was sentenced for occupational safety crimes which resulted in the death of an employee. Matthew Lawrence Bowman, 41, of Houston, pleaded guilty on May 9, 2013, to violating the Occupational Safety and Health Act (OSH Act) and making a false statement and was sentenced to pay fines and to serve 12 months in federal prison. The defendant admitted to not properly protecting PACES employees from exposure to hydrogen sulfide, a poisonous gas resulting in two employee deaths in 2008 and 2009. In addition, Bowman admitted to directing employees to falsify transportation documents to conceal that the wastewater was coming from PACES after a disposal facility put a moratorium on all shipments from PACES after it received loads containing hydrogen sulfide. According to the National Institute for Occupational Safety and Health, hydrogen sulfide is an acute toxic substance that is the leading cause of sudden death in the workplace. Employers are required by OSHA to implement engineering and safety controls to prevent employees from exposure above harmful limits of hydrogen sulfide.



Federal Migratory Bird Hunting and Conservation Stamps, commonly known as "Duck Stamps," are pictorial stamps produced by the U.S. Fish and Wildlife Service. They are not valid for postage. Originally created in 1934 as federal licenses required for hunting migratory waterfowl, today Duck Stamps are vital tools for wetland conservation. Ninety-eight cents out of every dollar generated by the sale of Federal Duck Stamps goes directly to purchase or lease wetland habitat for protection in the Refuge System. The first Federal Duck Stamp design by J.N. "Ding" Darling.

2. Performance and Resources Table

Performance and Resources Table

Decision Unit/Program: Environment & Natural Resources Division
Strategic Goal 2. Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law - Objectives 2.4 threstigate and prosecule complicy, economic cornes, and transnational organized crime, and Objective 2.6 Protect the federal fisc and defend the interests of the United States

Strategic Goal 3. Ensure and Support the Fair, Impartiel, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and hiernational Levels - Objective 3 8 Strengthen the government to government relationship between tubes and the United States, improve public safety in Indian Country, and thoncr treaty and trust responsibilities through consistent, coordinated policies, and tagation, and the United States, improve public safety in Indian Country, and thoncr treaty and trust responsibilities through consistent, coordinated policies, activities, and tagation.

| | WORKLOAD/RESOURCES 1/ | Тягде | Target FY 2014 | Actual | Actual FY 2014 | FY | FY 2015 | Current Services Adjustments and FY 16 Program Changes | Current Services Adjustments and FY 16 Program Changes | Requested (fcta); FY 2015 | d (fcta?) |
|-------------------|--|--------------|-----------------|-----------------|--|------------------------|--------------|--|--|------------------------------|----------------|
| DIVISION | # of Cases & Matters (Active & Closed) | | 6,399 | '9 | 6,740 | 9 | 6,400 | | | 6,400 | |
| TOTAL WORKLOAD | | | 83% | 926 | 94% | | 83% | | | | 83% |
| CIVIL | 1. Number of cases (active & closed) | | 4,864 | تو | 6,138 | ** | 4,866 | | | 4,865 | |
| | 2. Number of matters (active & closed) | | 220 | 2 | 290 | 24 | 220 | | | 220 | - |
| OBMANA | 3. Number of cases (active & closed) | | 280 | 2 | 265 | Ä | 280 | | | 280 | |
| | 4 Number of matters (active & closed) | | 36 | ľ | 47 | | 36 | | | 36 | |
| IVISION R | DIVISION RESOURCES - Total Year Costs & FTE's (Appropriated | FTE | 000\$ | FTE | \$000 | FTE | \$000 | FTE | \$000 | 31.1 | SCUL. |
| only) | | 628 [116] \$ | 1 \$ 107,643 | 610 [84] \$ | \$ 107,410 | 526 [116] \$ | \$ 110,077 | 3 (0) \$ | \$ 17,420 | 629 [116] \$ 127,497 | \$ 127,497 |
| Program | PERFORMANGERESCURCES | FY 20. | FY 2014 Enacted | Actual | Actual FY 2014 | FY | FY 2016 | Current Services Adjustments and FY 1 Program Changes | Current Services Adjustments and FY 16 Program Changes | Requested (fotal) iv | (four) +1 |
| CIVIL | | 115 | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | 0.03 |
| | TOTAL COSTS & FTE | 473 | 3 \$ 86,879 | | 40 | 459 | 60 | 2 | 14.178 | 461 | 461 \$ 113.247 |
| | OUTPUT 11 | Active | Closed | Active | Cfosed | Active | Closed | | | Active | Closed |
| | 1 Number of cases active/closed | 3,234 | 1,630 | L | 1,436 | 3,235 | 1,630 | | | 3,235 | 0.830 |
| | 2 Number of matters active/closed | 140 | 90 | 205 | 85 | 140 | 80 | | | 140 | 8 |
| | OUTCOME | # Resolved | Successe Rate | # Resolved | Success Rate | # Resolved | Success Rate | | | # Resolved | Sincontes |
| | 1 Affirmative cases successfully resolved | no estimate | | | %66 | 99% no estimate | 85% | | | no estimate | 28 |
| | 2 Defonsive cases successfully resolved | no estimate | 75% | 495 | | 91% no estimate | 75% | | | no estimate | 75.6 |
| | Description of the state of the | 3 | Non- | | | | Non- | | | Nosi- | Non- |
| | - Federal | no estimate | ۲ | \$ 3.805.978 \$ | \$ 99 040 914 | 99 040 914 no estimate | no estimate | | | no estimate no estimate | pletion and |
| | - State | no estimate | no estimate | s | 1 | 14,287,841 no estimate | no estimate | | | no estimate no estimats | no estimate |
| | 4 Clean-up Costs Awarded 4/ | | | | | | | | | | - |
| | · CERCLA Federal Cost Recovery 3/ 5/ | no estimate | no estimate | \$ 158,818,644 | us | 8,917,376 no estimate | no estimate | | | no estimate no ustimate | no astunate |
| | - Federal Injurictive Rollet | no estimate | no estimate | \$ 48,970,000 | \$ 6,18 | no estimate | no estimate | | | no estmate no esamete | no esamate |
| | · CERCLA State Cost Recovery | no estimate | no estimate | \$ 55,938,025 | | no estimate | no estimate | | | no estimate no estimate | no estunase |
| | - State Injunctive Relief | no estimate | no estimate | \$ 23,142,065 | | no estimate | no estimate | | | no estimate no estimate | no estimate |
| | 5 Supplemental Environmental Projects (SEP's) 6/ | - | | | | | | | | | |
| | - Value of Federal SEP's | no estimate | no estruale | , | \$ 9,285,200 | 9,285,200 no estimate | no estimate | | | no estimate no estimate | no estimate |
| | - Value of State St.P's | no estimate | no estimate | | \$ 8,371,475 | 8,371,475 no estimate | na estimalo | | | no estimate no estimate | no estimate |
| | 6 Environmental Miligation Projects 7/ | no estimate | no estimate | | \$ 20,280,000 | 20,290,000 no estimate | no estimate | | | no estimate no estimate | no estimate |
| | 7 Costs Avoided (Saved the U.S. in Defense Cases) 8/ | no estimate | no estimate | 6 | \$ 2.047.041.103 no estimate po estimate | no estimate | no estimale | | | no estimate no estimate | aleantse oo |
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| CRIMINAL | | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
|----------|---|-------------|------------------------|------------|-----------------------------------|------------------------|-------------------------|-----|----------|-------------------------|-------------|
| | TOTAL COSTS & FTE | 53 | \$ 10,764 | \$ 19 | \$ 10,741 | 51.5 | \$ 11,008 | - | \$ 3,242 | 62 \$ | \$ 14,250 |
| | OUTPUT 1/ | Active | Closed | Active | Closed | Active | Closed | | | Active | Closed |
| | 1. Number of cases active/closed | 200 | 80 | 173 | 92 | 200 | 80 | | | 200 | 98 |
| | 2. Number of matters active/closed | 27 | 8 | 40 | 7 | 72 | 8 | | | 27 | 88 |
| _ | 1 | | | | | | | | | | Success |
| | OUTCOME | # Resolved | Success Rate #Resolved | # Resolved | Success Rate | # Resolved | # Resolved Success Rate | | | # Resolved | Rate |
| | 1. Number of criminal cases successfully resolved | no estimate | %06 | 80 | 91% | 91% no estimate | %06 | | | no estimate | %06 |
| | | | Non- | | | | Non- | | | | ¥on. |
| | 2. Dollars Awarded | Superfund | Superfund | Superfund | Superfund Non-Superfund Superfund | Superfund | Superfund | | | Superfund Superfund | Superfund |
| | - Fines 9/ | no estimate | no estimate | · | \$ 24,658,785 no estimate | no estimate | no estimate | | | no estimate no estimate | no estimate |
| | - Restitution | no estimate | no estimate | | 25,525,126 | 25,525,126 no estimate | no estimate | | | no estimate | no estimate |
| | Community Service Funds 10/ | | | | 13,690,000 | | | | | | |
| | 3. Cnminal Environmental Compliance Plan 11/ | no estimate | no estimate | 5 | • | no estimate | no estimate | | | no estimate no estimata | no estimata |
| | | | | | | | | | | | |

Additional Explanation for Targets, Program Changes, and Program Requests

In accordance with Department guidance, estimates of performance are not projected for the noted categories.

Data Definition, Validation, Verification, and Limitations:

Active cases/matters are those currently being worked on as of the reporting date for the current fiscal year. Clossed cases/matters are fiscal year-to-date for the reporting date. Cases and matters reported here are those that had time reported. 1/A matter is defined as "an issue requiring attorney time (i.e. congressional & legislative inquiries, Freedom of Information Act (FOIA) inquiries, notice of intent to sue, or policy issues)."

3/ CERCLA is the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Funds from the Environmental Protection Agency (EPA) used to enforce this statute are called "Superfund". Monies in the "Superfund" and Called and Called Superfund. 2/Penalise Awarded includes. Civil & Stipulated Penalises, Natural Resource and other damagas, Court Costs, Interest on dokars awarded, Attorneys' Fees, and Royaltes paid in cases involving the use of U.S. mineral lands.

4/ Cost recovery is awarded to federal & state governments for reimbursement of the clean-up of sites contaminated with hazardous substances. Injunctive relief is estimated dean-up costs for contaminated sites which are count ordered to be completed by the defendant

5) includes mories paid by the Federal Government for its share of dear-up costs of Superfund sites.

of Supplemental Environmental Projects (SEP) are environmentally beneficial projects that defendants are ordered to perform by the count (i.e., a factory installing a device to reduce the release of pollutaris into the environment)

8/ Costs Avoided is the difference between the amount for which the government is sued, and the amount actually paid to plaintiffs. 7/ A mitigation project is actions a defendant agrees to take to remedy the harm caused by its past non-compliance.

9/ includes Special Assessments, Reimbursement of Court Costs and Attomeys' Fees, and Asset Forfettures.

11/ Criminal Environmental Compilance Plans are plans that may vary in detail, usually imposed on organizational defendants as conditions of probation at sentencing, that set out various actions that defendants must undertake in an effort to bring 10/ Community Service Funds represents actions which benefit the environment and local community that defendants are ordered to complete in addition to any other sentence.

Data Collection & Storage. The majority of the performance data submitted by ENRD are generated from the Division's Case Management System (CMS).

them into and keep them in compliance.

Data Validation and Verification. The division has instituted a formal data quality assurance program to ensure a quarterly review of the Division's docket. The case systems data are monitored by the division to maintain accuracy.

Data does not include United States Attorney (USA) exclusive cases

Data Limitations: Timeliness of notification by the courts

Performance Measure Table

| | | | ERFORMA | NCE MEA | PERFORMANCE MEASURE TABLE | = | | | | ر |
|--|-----------------------|---|----------|-----------|---------------------------|------------|--------|---------|---------|---------|
| | | Decision Unit: Environment and Natural Resources Division | Environm | ent and N | atural Reso | ources Div | Ision | | | |
| | Performan | Performance Renort and Porformanco Dian Tarrate | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY ; | FY 2014 | FY 2015 | FY 2016 |
| Strategic Objectives | | | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 2.6, 3.8 | EFFICIENCY Measure | EFFICIENCY Total dollar value awarded per \$1 of Measure expenditures (Affirmative) | \$125 | \$174 | \$109 | \$117 | \$81 | \$95 | 183 | \$81 |
| 2.6, 3.8 | EFFICIENCY Measure | Total dollars saved the government per \$1 of expenditures (Defensive) | \$43 | \$30 | \$26 | \$107 | \$22 | 02\$ | \$22 | \$22 |
| 2.6, 3.8 | OUTCOME Measure | Civil affirmative cases successfully resolved | %96 | %86 | %86 | %86 | 85% | %66 | 85% | 85% |
| 2.6, 3.8 | OUTCOME Measure | Civil defensive cases successfully resolved | 88% | 92% | %76 | 87% | 75% | %06 | 75% | 75% |
| 2.6, 3.8 | OUTCOME Measure | Criminal cases successfully resolved | %98 | %86 | %86 | %96 | %06 | 91% | %06 | %06 |
| 2.6, 3.8 Measure Cases and Matters (Active & Close | OUTCOME Measure | Cases and Matters (Active & Closed) 1/ | 6,589 | 6,363 | 5,782 | 6,702 | 5,399 | 5,740 | 5,400 | 5,400 |

1/ Measure includes cases and matters with time reported.

3. Performance, Resources, and Strategies

The Environment and Natural Resources Division contributes to the Justice Department's Strategic Goal Two: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. The Division focuses on both civil and criminal litigation within this strategic objective. ENRD also contributes to Strategic Goal Three: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels. An explanation by litigating activity follows.

Criminal Litigating Activities

a. Performance Plan and Report for Outcomes

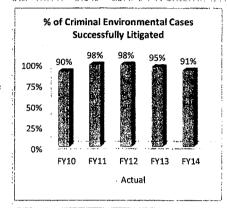
Vigorous prosecution remains the cornerstone of the Department's integrated approach to ensuring broad-based environmental compliance. It is the goal of investigators and prosecutors to discover and prosecute criminals before they have done substantial damage to the environment (including protected species), seriously affected public health, or inflicted economic damage on consumers or law-abiding competitors. The Department's environmental protection efforts depend on a strong and credible criminal program to prosecute and deter future wrongdoing. Highly publicized prosecutions and tougher sentencing for environmental criminals are spurring improvements in industry practice and greater environmental compliance. Working together with federal, state and local law enforcement, the Department is meeting the challenges of increased referrals and more complex criminal cases through training of agents, officers and prosecutors, outreach programs, and domestic and international cooperation.

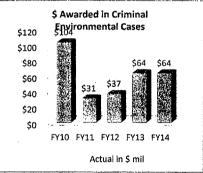
I. <u>Performance Measure</u> - Percent of Criminal Environmental Cases Successfully Resolved

FY 2014 Target: 90%

FY 2014 Actual: 91%

<u>Discussion</u>: In FY 2014, ENRD's Environmental Crimes Section successfully prosecuted 79 defendants, including Zhifei Li,





Data Collection and Storage: A majority of the performance data submitted by ENRD are generated from the Division's Case Management System (CMS).

Data Validation and Verification: ENRD performs a quarterly quality assurance review of the Division's docket. CMS data is constantly monitored by the Division to maintain accuracy.

Data Limitations: Timeliness of notification by the courts.

the owner of an antique business in China, who pleaded guilty to being the organizer of an illegal wildlife smuggling conspiracy in which 30 rhinoceros horns and numerous objects made from rhino horn and elephant ivory worth more than \$4.5 million were smuggled from the United States to China. In December 2013, Li admitted that he was the "boss" of three antique dealers in the United States whom he paid to help obtain wildlife items and smuggle them to him via Hong Kong. One of those individuals was Qiang Wang, aka "Jeffrey Wang," who was sentenced to serve 37 months in prison on Dec. 5, 2013, in the Southern District of New York 37 months for conspiracy to smuggle Asian artifacts made from rhinoceros horns and ivory and violate wildlife trafficking laws.

Also this year, Jordan-based Arab Ship Management Ltd. pleaded guilty in federal court in Wilmington, Delaware, to one count of violating the Act to Prevent Pollution from Ships. In accordance with the terms of the plea agreement, Arab Ship Management Ltd. was sentenced to pay a criminal penalty totaling \$500,000 and be placed on probation for two years, during which time ships operated by the company will be banned from calling on ports of the United States.

FY 2015/2016 Performance Plan: We have set our target at 90 percent of cases successfully litigated for FY 2015 and FY 2016. ENRD targets are generally set at an attainable performance level so that there is no incentive to ramp up prosecutions or lawsuits against insignificant targets for "easy" wins solely to meet higher targets. Such an approach would do a disservice to the public by steering litigation away from more complicated problems facing the country's environment and natural resources.

<u>Public Benefit:</u> The Division continues to produce successful criminal prosecutions relating to environmental statutes. These successes ensure compliance with the law and lead to specific improvements in the quality of the environment of the United States, and the health and safety of its citizens. Additionally, ENRD has had numerous successes in prosecuting vessels for illegally disposing of hazardous materials into United States waterways. These successes have improved the quality of our waterways and promoted compliance with proper disposition of hazardous materials. Also, the Division has successfully prosecuted numerous companies for violations of environmental laws which endangered their workers. Our successes lead to safer workplaces and fewer lives lost to hazardous conditions.

II. Performance Measure - \$ Awarded in Criminal Environmental Cases

- FY 2014 Target: In accordance with Department guidance, targeted levels of performance are not projected for this indicator.
- * FY 2014 Actual: \$64 million

<u>Discussion</u>: The Environmental Crimes Section pursued other cases including that of two Tilghman Island, MD fisherman for conspiring to violate the Lacey Act and to defraud the United States through their illegal harvest, false labeling and sale of striped bass from at least 2007 to 2011. The investigation in this case started in February 2011 when the Maryland Department of Natural Resources found tens of thousands of pounds of striped bass snagged in illegal, anchored nets before the season officially reopened. The subsequent investigation

unveiled a wider criminal enterprise. One defendant has already been sentenced to one year in prison and has agreed to pay restitution to the state of Maryland in the amount of the fraudulently sold fish, or \$498,293. The defendants agreed to forfeit the monetary equivalen of 80 percent of the value of the vessel primarily used during the conspiracy.

FY 2015/2016 Performance Plan: Not Applicable. In accordance with Department guidance, levels of performance for FY 2015 and FY 2016 are not projected for this indicator. Many factors affect our overall performance, such as proposed legislation, judicia calendars, etc. The performance of the Division tends to reflect peaks and valleys when large cases are decided. Therefore, we do not project targets for this metric annually.

<u>Public Benefit:</u> The Division continues to obtain criminal fines from violators, thereby removing economic benefits of non-compliance and leveling the playing field for lawabiding companies. Our prosecutorial efforts deter others from committing crimes and promote adherence to environmental and natural resources laws and regulations. These efforts result in the reduction of hazardous materials and wildlife violations and improve the quality of the United States' waterways, airways, land, and wildlife, thereby enhancing public health and safety.

B. Strategies to Accomplish Outcomes

The Division will continue efforts to obtain convictions and to deter environmental crimes through initiatives focused on vessel pollution, illegal timber harvesting, laboratory fraud, chlorofluorocarbon (CFC) smuggling, wildlife smuggling, transportation of hazardous materials, and worker safety. ENRD will also continue to prosecute international trafficking of protected species of fish, wildlife, and plants with a host of international treaty partners.

Illegal international trade in wildlife is second in size only to the illegal drug trade, and our criminal prosecutors work directly on these cases, as well as assist United States Attorneys Offices and share ENRD expertise nationwide with state and federal prosecutors and investigators. We will focus on interstate trafficking and poaching cases on federal lands, and seek to ensure that wildlife conservation laws are applied uniformly and enforced across the country, seeking consistency in these criminal prosecutions and a vigorous enforcement program that serves as an international role model.

ENRD has partnered with other federal agencies, such as EPA, to pursue litigation against criminal violators of our nation's environmental policies. Egregious offenders are being brought to justice daily. The Division has worked collaboratively to identify violators who pose a significant threat to public health. By prosecuting criminal violations of regulations, ENRD is forcing compliance and discouraging continued disregard for public health.



There are many reasons to buy Duck Stamps. Hunters over the age of 16 must purchase a \$15 stamp each year if they want to hunt migratory waterfowt. Birders and other visitors to national wildlife refuges gain free admission to refuges with the purchase of a stamp. Conservationists know that the stamps are one of the bestimestsments one can make in the future of America's wetlands. Collectors know that the beautiful stamps can gain value overthe years and are an important part of America's outdoor culture. Prinally, educators, conservationists, hunters, parents and students buy \$5 Junior Duck Stamps to support conservation education programs. South Dakota Artist Adam Grimm Won the 2013 Federal Duck Stamp Contest with his oil painting of a pair of canvasbacks.

Civil Litigating Activities

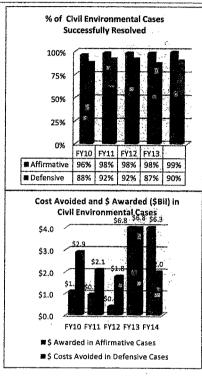
A. Performance Plan and Report for Outcomes

The Department enforces environmental laws to protect the health and environment of the United States and its citizens, defends environmental challenges to government programs and activities, and represents the United States in all matters concerning the protection, use, and development of the nation's natural resources and public lands, wildlife protection, Indian rights and claims, and the acquisition of federal property.

Performance Results

- I. <u>Performance Measure</u> Percent of Civil Environmental Cases Successfully Resolved
 - FY 2014 Target: 85% Affirmative; 75% Defensive
 - FY 2014 Actual: 99% Affirmative; 90% Defensive

<u>Discussion</u>: In FY 2014, ENRD successfully litigated a number of civil cases including a major Clean Air Act case we settled with Houston-based CITGO Petroleum Corp. (CITGO), in which the company agreed to pay a \$737,000 civil penalty and to implement projects to reduce harmful air pollution. In addition to the penalty, the CITGO settlement, requires the company to implement projects that are expected to reduce emissions of volatile organic compounds (VOCs), including toxics, by more than 100 tons over the next five years.



Data Collection and Storage: A majority of the performance data submitted by ENRD is generated from the Division's Case Management System (CMS).

Data Validation and Verification: ENRD performs a quarterly quality assurance review of the Division's docket. CMS data is constantly monitored by the Division to maintain accuracy.

Data Limitations: Timeliness of notification by the courts

In November 2013, we also settled a major (CWA) municipal sewer overflow case with the city of Shreveport, La., which agreed to make significant upgrades to reduce overflows from its sanitary sewer system and pay a \$650,000 civil penalty to resolve violations stemming from illegal discharges of raw sewage. To come into compliance with the CWA, the city estimates it will spend approximately \$342 million over the next 12 years in order to improve the sewer system's condition. While the city upgrades the system, it will also implement a program for capacity management, operation, and maintenance to help reduce sanitary sewer overflows.

In FY 2014, ENRD ensured that harmful sediments are removed from rivers, state-of-the-art pollution control devices are added to factories to provide cleaner air, sewage discharges are eliminated, and damaged land and water aquifers are restored. ENRD also worked successfully to ensure the integrity of municipal wastewater treatment systems. Each year, hundreds of billions of gallons of untreated sewage are discharged into the nation's waters from municipal wastewater treatment systems that are overwhelmed by weather conditions they are not designed to handle

FY 2015/2016 Performance Plan: Considering our past performance, we aim to achieve litigation success rates of 85 percent Affirmative and 75 percent Defensive (average of 80 percent) for FY 2015 and FY 2016. ENRD's targets are set lower than the actual performance so that there is no incentive to ramp up prosecutions or lawsuits against easy targets solely to meet an "ambitious" goal. This sort of easy approach would do a disservice to the public by steering litigation away from more difficult problems facing the country's environment and natural resources. Several years of data demonstrate that our targets are set at achievable levels and do not deter high performance.

<u>Public Benefit:</u> The success of the Department ensures the correction of pollution control deficiencies, reduction of harmful discharges into the air, water, and land, clean-up of chemical releases, abandoned waste, and proper disposal of solid and hazardous waste. In addition, the Department's enforcement efforts help ensure military preparedness, safeguard the quality of the environment in the United States, and protect the health and safety of its citizens.

II. Performance Measure - Costs Avoided and \$ Awarded in Civil Environmental Cases

- FY 2014 Target: In accordance with Department guidance, targeted levels of performance are not projected for this indicator.
- ❖ FY 2014 Actual: \$2.0 billion avoided; \$6.3 billion awarded

<u>Discussion</u>: In April 2014, ENRD achieved a settlement with the Kerr-McGee Corporation and certain of its affiliates, and their parent Andarko Petroleum Corporation, in a fraudulent conveyance case brought by the United States and co-plaintiff Anadarko Litigation Trust in the bankruptcy of Tronox Inc. and its subsidiaries. The settlement resulted in the largest payment ever for the clean-up of environmental contamination. The bankruptcy court had previously found, in December 2013, that the historic Kerr-McGee Corporation fraudulently conveyed assets to New Kerr-McGee to evade its debts, including its liability for environmental clean-up at contaminated sites around the country. Pursuant to the settlement agreement, the defendants

agreed to pay \$5.15 billion to settle the case, of which approximately \$4.4 billion will be paid to fund environmental clean-up and for environmental claims.

FY 2015/2016 Performance Plan: Not Applicable. In accordance with Department guidance, levels of performance are not projected for this indicator. There are many factors that affect our overall performance, including proposed legislation and judicial calendars. The overall performance of the Division can be affected when large cases are decided, so we do not project annually, but our goal is to improve overall performance in a 5-year span.

III. Efficiency Measures

- 1) Total Dollar Value Awarded per \$1 Expenditures [Affirmative]
- 2) Total Dollars Saved the Government per \$1 Expenditures [Defensive]
- ❖ FY 2014 Target: \$81 awarded; \$22 saved
- * FY 2014 Actual: \$95 awarded; \$30 saved

<u>Discussion:</u> In FY 2014, ENRD achieved a number of affirmative and defensive litigation successes. For example Total Petrochemical USA Inc. agreed to pay an \$8.75 million penalty for failing to comply with the terms of a 2007 settlement with the United States that resolved alleged violations of the Clean Air Act at its Port Arthur, Texas, refinery. Between 2007 and 2011, Total violated numerous requirements of the 2007 settlement, including failing to comply with emissions limits for benzene, a harmful air pollutant. The company also failed to perform corrective actions or to analyze the cause of over 70 incidents involving emissions of hazardous gases through flaring.

FY 2015/2016 Performance Plan: The Division has an exemplary record in protecting the environment, Indian rights, and the nation's natural resources, wildlife, and public lands. ENRD anticipates continued success through vigorous enforcement efforts which generally will produce settlements and significant gains for the public and the public fisc.

<u>Public Benefit:</u> The Division's efforts to defend federal programs, ensure compliance with environmental and natural resource statutes, win civil penalties, recoup federal funds spent to abate environmental contamination, ensure military preparedness, and ensure the safety and security of our water supply, demonstrate that the United States' environmental laws and regulations are being vigorously enforced. Polluters who violate these laws are not allowed to gain an unfair economic advantage over law-abiding companies. The deterrent effect of the Division's work encourages voluntary compliance with environmental and natural resources laws, thereby improving the environment, the quality of our natural resources, and the safety and health of U.S. citizens.

B. Strategies to Accomplish Outcomes

As our environment changes, so do the actions we take to preserve the health and life of those residing within the borders of the United States. Environmental groups and other interested

parties challenge Administration policies every year. ENRD is responsible for defending federal agencies carrying out Administration policies every day. The Division has realized some remarkable successes to date. In an effort to continue our successful record of litigation, the Division has sought new and creative ways to utilize our limited resources. For example, ENRD has adopted a policy of "porosity," whereby cases involving the responsibilities of different sections within ENRD can be litigated by a single attorney, rather than two of three attorneys from different sections. As such, ENRD's porosity policy allows us to litigate case in a manner that conserves resources, without regard to bureaucratic distinctions within the Division. This policy has also resulted in more flexibility to shift workloads between attorneys when they become overburdened. Although cross-training staff grows our workforce's skills and abilities, it does not address long-term caseload issues.

The Division works collaboratively with client agencies towards adjudications, mediations, alternative dispute resolution (ADR), and settlements. These alternative methods of resolution are less contentious and save the government expenses associated with full-blown litigation. Water rights adjudications, reclamations, and inverse takings cases are typically handled in settlement mode versus litigation mode. Settlements often result in the most favorable outcome, and reach the largest number of people.



The Junior Duck Stamp Conservation and Design Program is a dynamic art and science program designed to teach wetlands habitat and waterfowl conservation to students in kindergarten through high school and help reconnect youth with the outdoors. The program guides students, using scientific and wildlife observation principles, to communicate visually what they have learned through an entry little the Junior Duck Stamp art contest. This non-traditional pairing of subjects brings new interest to both the sciences and the arts. It crosses cultural, ethnic, social and geographic boundaries to teach greater awareness of our nation's natural resources. Si youn Kim, 16, of Tenaffy, N.J., won the 2014 National Junior Duck Stamp Contest with an acrylic painting of a king eider.

V. Program Increases by Item

A. Improving Environmental Enforcement in Indian Country Initiative

Item Name: Improving Environmental Enforcement in Indian

Country

AG Targeted Priority Options: Protecting the most vulnerable members of society

Strategic Goal: Strategic Goal III: Ensure and Support the Fair, Impartial,

Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels.

Strategic Objective: Strategic Objective 3.8: Strengthen the government-to-

government relationship between tribes and the United States, improve public safety in Indian Country, and honor

treaty and trust responsibilities through consistent, coordinated policies, activities, and litigation.

Budget Decision Unit(s): Environment and Natural Resources Division

Organizational Program: Environmental Enforcement (EES)

Indian Resources Section (IRS)
Environmental Crimes Section (ECS)

Program Increase: Positions 4, Atty 4, FTE 2, Dollars \$3,000,000

Description of the Item

ENRD is requesting \$3,000,000, including 4 attorney positions and 2 FTEs, to expand the Division's efforts to enforce environmental statutes to protect human health and the environment in Indian Country.

Energy and other natural-resource development on Indian lands has increased substantially in the past decade and is projected to continue to grow. With this boom have come air and water pollution and threats to human health and the environment, as well as threats to cultural resources vital to the preservation of traditional life-ways. Air-quality degradation, surface and drinking water contamination, and other strains on water resources are increasingly becoming major problems in Indian Country.

The federal environmental regulatory scheme generally relies on a dual enforcement structure with states. In most cases, a state agency is charged with policing air and water quality

within the state. Our entire environmental regulatory structure contemplates a robust state enforcement authority. In Indian Country, most tribal governments have yet to achieve comparable enforcement capability. Thus, there is a gap in the United States' enforcement of environmental laws in Indian Country. The rapid expansion of energy development on Indian lands in the last decade has strained the enforcement capacity of the federal and tribal agencies charged with protecting human health and the environment in Indian Country.

Areas of Indian Country that have seen rapid changes as a result of increased energy exploration and extraction often lack the road and pipeline infrastructure of other areas of the country. As a result, crushing loads are hauled by truck over roads that were not designed for heavy-load traffic. Disposal facilities for hazardous and non-hazardous waste are located far from production facilities. Pollutants such as benzene, toluene, ethylbenzene, and Volatile Organic Compounds ("VOC") are emitted into the atmosphere, and fugitive emissions of methane can be a major source of Greenhouse Gases ("GHG"). In the short term, exposure to benzene can cause short term irritation of the skin and upper respiratory tract. Long-term exposure may lead to cancer and developmental disorders. VOCs can form ground-level ozone which can cause breathing difficulties such as asthma – particularly in the elderly and children. Residents have expressed serious concerns about thousands of flares that not only release GHGs and VOCs, but also disrupt and disperse wildlife due to the sheer number of fires burning on the open prairie.

Tribal communities are also concerned about surface and drinking water quality, with the contamination of water sources used for drinking water, agriculture, fishing, recreation, and religious ceremonies. Tanker trucks frequently leak contents on roads, and, in some cases, drive to remote areas to dump their contents rather than taking them to a distant disposal facility. Radioactive filters have been illegally dumped along roadsides, in fields, and in warehouses. In some cases, the serial numbers have been scratched off, presumably to keep the filters from being traced back to the generator or transporter. The filters present a particularly attractive danger to children because they look like nets that can be used to fish or build play forts.

Energy exploration and extraction operations can require millions of gallons of water, sometimes in locales where water resources are precious. Tribal members have raised concerns that aquifers are being illegally tapped to supply water for some operators. If that is the case, the United States has an obligation to defend the tribes' water rights from illegal depletion.

Civil and criminal enforcement efforts have been hampered by a lack of resources and the remote nature of these areas of Indian Country. The nearest federal investigators are often hours away, tribal police forces are severely understaffed, and state governments typically lack the authority to regulate environmental violations on the reservation.

Justification

As the United States continues to develop its natural resources, Indian Country will continue to occupy a unique intersection of the nation's energy, climate change, and environmental justice policies. Federal and tribal agencies alike will face serious enforcement challenges. Development of energy and other natural resources will continue to have a significant impact on tribes, tribal land, and tribal people for the foreseeable future. The current

lack of fiscal resources to properly develop enforcement actions on tribal lands may ultimately lead to environmental justice questions as tribal communities bear a disproportionately negative impact of the nation's energy policy. Tribal communities may see their land and natural resources degraded and destroyed because the tribal governments lack the capacity to create and implement effective environmental regulatory structures, and the federal government lacks the resources to enforce the federal environmental regulations already in place.

By working with EPA and other federal agencies, ENRD will provide legal and technical expertise to develop and litigate cases to address environmental violations in Indian Country. To effectively accomplish this objective, the Division estimates that it will require in FY 2016 the services of 4 new attorneys, plus approximately \$2.6 million in funding for contract litigation support and expert consultant services. We will need to retain the services of expert consultants to assist in collecting and/or interpreting air-emission and water-quality data to develop civil and criminal cases for potential violations of the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, and the Resource Conservation and Recovery Act. Specifically, we expect to hire hydrologic experts to assess the impact of water depletion and water quality degradation, to fulfill the United States' trust obligation to protect tribal water rights. And we will require extensive analytical as well as data and document management services to effectively track and manage relevant environmental violations in Indian Country.

Impact on Performance

Successful ENRD enforcement of environmental laws is a critical step in achieving the Justice Department's Strategic Goal Three: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels; and, more specifically, Strategic Objective 3.8: Strengthen the government-to-government relationship between tribes and the United Sates, improve public safety in Indian Country, and honor treaty and trust responsibilities through consistent coordinated policies, activities, and litigation. The Improving Environmental Enforcement in Indian Country initiative enhances a critical aspect of the Department's long-standing role in enforcing and upholding the federal laws that preserve the environment. This enhancement will further environmental law enforcement and prosecutions, addressing the threats to human health on tribal lands and leading to safer and more secure native communities. Existing performance measures will track progress for the proposed increase and will likely include a revision of targets. The requested budget enhancement supports the Attorney General's priority goal to protect the most vulnerable members of society by addressing air and water pollution and threats to human health and the environment in Indian Country.

Funding

Base Funding

| ļ | | FY | 2014 E | inacted | F | Y 2015 | Preside | nt's Budget | Γ | FY 20 | 16 Curre | nt Services |
|---|-----|------|--------|---------|-----|--------|---------|-------------|-----|-------|----------|-------------|
| | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| | | atty | | | | atty | | | ì | atty | | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$0 | 0 | 0 | 0 | \$0 |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|-------------------------|--|-------------------------------------|-------------------------------|--|
| Attorneys (0905) | 167 | 4 | \$367 | \$337 |
| Total Personnel | 167 | 4 | \$367 | \$337 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|---|-----------|----------|-------------------------------|---|
| Automated Litigation Support and Contractor Support | | | \$2,633 | \$0 |
| Total Non- Personnel | | | \$2,633 | \$0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|
| Current Services | 0 | 0 | 0 | \$0 | \$0 | \$0 | |
| Increases | 4 | 4 | 2 | \$367 | \$2,633 | \$3,000 | \$337 |
| Grand Total | 4 | 4 | 2 | \$367 | \$2,633 | \$3,000 | \$337 |

B. Wildlife Trafficking Initiative

Item Name: Wildlife Trafficking Initiative

AG Targeted Priority Options: Protecting Americans from national security threats

Strategic Goal: Strategic Goal II: Prevent Crime, Protect the Rights of the

American People, and Enforce Federal Law.

Strategic Objectives: <u>Strategic Objective 2.4:</u> Investigate and prosecute

corruption, economic crimes, and transnational organized

crime.

Budget Decision Unit(s): Environment and Natural Resources Division

Organizational Program: Environmental Crimes Section (ECS)

Law and Policy Section (LPS)

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

Description of the Item

ENRD is requesting 2 attorney positions, 1 FTE, and a total of \$2,000,000 to expand and further develop the Division's efforts to address wildlife trafficking and to build capacity in overseas countries.

The Department of Justice has taken a leadership role in the recently invigorated highprofile, world-wide, multinational efforts to combat wildlife trafficking and related transnational organized crime activities. On February 11, 2014, the President released the National Strategy for Combating Wildlife Trafficking, demonstrating the United States' deep commitment to ending this pernicious trade that threatens security, sustainable economic development, and the very survival of the world's most iconic and endangered species. ENRD was a principal author of the National Strategy. The National Strategy is an outcome of the July 1, 2013, Executive Order No. 13648, which established a Presidential Task Force on Wildlife Trafficking and charged it to develop a means to enhance coordination of U.S. Government efforts. The Task Force is co-chaired by the Secretaries of State and the Interior and the Attorney General, or their designees, and includes senior-level representatives from 14 additional federal departments and agencies. The National Strategy identifies three key priorities: strengthening domestic and global enforcement, including assessing the related laws, regulations, and enforcement tools; reducing demand for illegally traded wildlife; and building international cooperation and publicprivate partnerships. ENRD seeks a budget enhancement to fund required personnel, critical expert consultant support, and essential logistical and litigation support for the implementation of the National Strategy and to sustain related Wildlife Trafficking investigations, prosecutions, training and enforcement capacity building efforts (from investigators and prosecutors to judges)

Justification

Wildlife trafficking is a multi-billion dollar criminal activity that not only raises critical conservation concerns, but has evolved into an acute security threat in some regions. Record high demand for fish and wildlife products, coupled with inadequate preventative measures and weak institutions, has resulted in an explosion of illicit trade in fish and wildlife in recent years, with the increasing involvement of organized transnational criminal syndicates. This trade undermines security, fuels corruption and is decimating iconic animal populations. Facilitating the poaching and illegal trade is widespread illegal logging. For several years combating illegal logging has been a priority for ENRD under the Lacey Act. This connection to illegal wildlife trafficking provides a strong new imperative for combating illegal logging since it opens up previously inaccessible areas to poaching and facilitates the transportation of fish and wildlife or logging roads thereafter. The increasing involvement of transnational organized crime in wildlife trafficking and illegal logging promotes corruption, threatens the peace and security of fragile regions, strengthens illicit trade routes, and destabilizes economies and communities that depend on wildlife and forests for biodiversity and tourism revenues.

Strong enforcement is critical to stopping this pernicious trade. After working over the past year with partner nations on fish and wildlife and timber interdiction efforts, specific work has been identified that can move enforcement efforts forward in the face of complex international schemes. For example, the U.S. Fish and Wildlife Service (USFWS) has identified the domestic ivory market as a driver of illegal ivory trafficking (and thus of poaching to supply that trade) and is taking steps to increase enforcement in the domestic ivory trade in the U.S. In addition, the USFWS noted a recent increase in illegal harvest and export of U.S. domestic species of wildlife for consumption in foreign markets. Federal and state agencies have started to work on coordinated investigations aimed at shutting down the complex schemes involved in this export trade. Finally, cooperative efforts on combating illegal timber trafficking, particularly originating from forest habitats for tigers and orangutans, are already underway with several international meetings and now regular conference calls for coordination of personnel tasked with implementing and enforcing relatively new, and complementary, timber laws in the U.S., European Union and Australia. Initial work in each of these areas (ivory, domestic poaching for international markets, and habitats) has set the stage for significant joint or targeted enforcement operations in the near future. We are also seeking to increase cooperative efforts on combating illegal wildlife trafficking through training programs for U.S. border agents, as well as international enforcement partners.

To support these efforts, ENRD's budget enhancement, estimated to cost \$2,000,000 in total, serves three purposes. First, ENRD seeks two attorney positions, one in the Law and Policy Section and one in the Environmental Crimes Section, to support the additional case and capacity building work that is developing. Second, the Division has an urgent need to retain two consulting experts to handle analysis and identification of trafficking and finances, subjects and products related to international wildlife, particularly ivory, and timber. These consultants will help create a blueprint and foundation for future enforcement actions, particularly coordinated complex investigations into the operations of multinational corporations involved in the global

trade in illegal wildlife and wild-harvested timber and the tracking of monies related thereto. We have an acute need to consult with an expert in the ivory trade who can help us conduct a detailed analysis of the domestic ivory markets and supply chain. This analysis will help identify subjects and targets in this area and prioritize enforcement resources.

As a result of the increase in fish and wildlife poaching domestically intended for export activities, ENRD is seeing a significant increase in the number of such wildlife trafficking criminal referrals. We anticipate an increase in international cases, particularly with the posting of USFWS agents overseas as a result of the work of the trade and financial experts described above. These referrals require a significant amount of litigation support to assist with the collection of large volumes of documents and other evidence that must be organized, logged into automated image-enabled databases, and reviewed. While the consultants described above are needed to develop our cases, automated litigation support services are needed to successfully litigate our cases.

Finally, to support the Administration's commitments set forth in the National Strategy, ENRD seeks to fund extensive training, capacity building, coordination, and information sharing efforts with the United States' international partners in source, transit, and destination countries for illegal trade in protected wildlife. Our capacity building efforts will be focused on key range and consumer nation states in Africa, Asia, and possibly South America. Over the next three years, the Department will work in close collaboration with U.S. enforcement partners and various international organizations to promote more proactive international law enforcement operations, including through efforts to train investigators, prosecutors, and judges. ENRD prosecutors and other Division attorneys will work closely with our foreign government partners to build their capacity to develop and effectively enforce their wildlife trafficking laws, better enabling them to combat local poaching and the attendant illegal wildlife trade. We seek to help our partners craft strong laws, strengthen their investigation and evidence gathering capabilities, and improve their judicial and prosecutorial effectiveness. Developing and providing training on internationally recognized forensic standards will improve our ability to use evidence developed abroad in enforcement cases here in the U.S.; and broadening the pool of qualified forensic scientists worldwide will help foster development of additional and effective enforcement cases. A web portal that can be accessed by our partners will be developed to provide information on wildlife trafficking laws and international wildlife trafficking agreements; contact information and links for various national, intergovernmental and multinational enforcement groups; tool kits; global criminal history information; and forums for discussions among professionals of questions, concerns and issues.

Our experience has shown that such training, capacity building, coordination, and information sharing efforts develop more effective partners to investigate and prosecute transnational environmental crimes, increases our ability to enforce U.S. criminal statutes that have extraterritorial dimensions while also helping law enforcement officials in the U.S. and other countries meet their enforcement obligations under international environmental and free trade agreements. These training and capacity building initiatives also foster positive relationships with prosecutors in other countries in a way that better enables us to share information and assist in prosecuting transnational crimes. Capacity building may be conducted bilaterally (in the United States or a partner nation) or in multilateral fora, and our programs may span a range of environmental crimes. In addition to costs directly related to travel and training,

developing and implementing these program may require additional ENRD staff or outside consultants to assist with logistical and/or technical matters.

Impact on Performance

Successful execution of ENRD enforcement of Wildlife protection laws is a critical step in achieving the Justice Department's Strategic Goal Two: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People; and, more specifically, Strategic Objective 2.4: Investigate and prosecute corruption, economic crimes, and transnational organized crime. The Wildlife Trafficking initiative enhances a critical aspect of the Department's long-standing role in enforcing and upholding the federal laws that preserve the environment. This proposal focuses Division efforts on the disruption of transnational organized criminal activity in wildlife trafficking as well as the corruption that enables it to prosper. In line with the Administration's Strategy to Combat Transnational Organized Crime, the Division will work with our foreign partners to combat this lucrative and pernicious criminal activity. Performance measures that are developed will track progress for the proposed increase against established targets. The requested budget enhancement supports the Attorney General's priority goal to protect Americans from other threats to national security by taking aim at criminal acts that threaten the peace and security of often already fragile regions, destabilizing economies and communities abroad.

Funding

Base Funding

| | FY | 2014 E | nacted , | F | Y 2015 | Presider | nt's Budget | | FY 20 | 16 Curre | nt Services |
|-----|------|--------|----------|-----|--------|----------|-------------|-----|-------|----------|-------------|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| | atty | l | | | atty | | | | atty | | |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|-------------------------|--|-------------------------------------|-------------------------------|--|
| Attorneys (0905) | \$167 | . 2 | \$183 | \$168 |
| Total Personnel | \$167 | 2 | \$183 | \$168 |

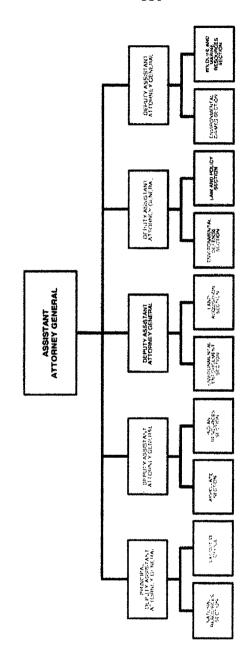
Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|---|-----------|----------|-------------------------------|--|
| Automated Litigation Support and Contractor Support | | | \$1,817 | \$0 |
| Total Non- Personnel | | | \$1,817 | \$0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|
| Current Services | 0 | 0 | 0 | \$0 | \$0 | \$0 | |
| Increases | 2 | 2 | 1 | \$183 | \$1,817 | \$2,000 | \$168 |
| Grand Total | 2 | 2 | I | \$183 | \$1,817 | \$2,000 | \$168 |

ENVIRONMENT AND NATURAL RESOURCES DIVISION



Frence by: BOC H HOLDER, At Assembly General

Exhibit A

| Requirements | £ | |
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| Summary of Requirements | | | |
|---|-----------|-----------------|---------|
| Environment and Natural Resources Division | | : | |
| Salaries and Expenses (Dollars in Thousands) | | | |
| | Ā | FY 2016 Request | 1,5 |
| | Direct | Estimate | Amount |
| | Positions | FTE | |
| 2014 Enacted | 537 | 510 | 107,643 |
| Total 2014 Enacted (with Balance Rescission) | 537 | 510 | 107,643 |
| 2015 Enacted | 537 | 526 | 110,077 |
| Technical and Base Adjustments | | | |
| Pay and Benefits | 0 | o | 1,739 |
| Domestic Rent and Facilities | 0 | O | 10.671 |
| Other Adjustments | 0 | 0 | 10 |
| Total Base Adjustments | 0 | 0 | 12.420 |
| Total Technical and Base Adjustments | 0 | 0 | 12,420 |
| 2016 Current Services | 537 | 526 | 122,497 |
| Program Changes | | | |
| Increases: | | | , |
| Improving Environmental Enforcement in Indian Country | 4 | 7 | 3,000 |
| Wildlife Trafficking Initiative | 2 | * | 2,000 |
| Subtotal, increases | 9 | n | 5,000 |
| Total Program Changes | 9 | 6 | 5,000 |
| 2016 Total Request | 543 | 529 | 127,497 |
| 2016 Total Request | 543 | 529 | 127,497 |
| 2015 - 2016 Total Change | 543 | 529 | 127,497 |
| Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated. | | | |

Exhibit B

| Continued |
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| Summary |
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|--|----------------|-------------------|-------------------------------|---|---|---|----------------|--|---------------|----------------|-----------------------|--------------|
| | | Envir | Summs onment a Sa (I | nary of Requirei and Natural Resou Salaries and Expense (Dollars in Thousands) | Summary of Requirements onment and Natural Resources Div Salaries and Expenses (Dollars in Thousands) | Summary of Requirements Environment and Natural Resources Division Salaries and Expenses (Dollars in Thousands) | uo | | | | | |
| Program Activity | 50. | 2014 Enacted | - | 56 | 2015 Enacted | pe | 2016 T | 2016 Technical and Base Adjustments | nd Base ts | 2016 C | 2016 Current Services | vices |
| - | Direct Pos. | Actual | Amount | Direct Pos. | Est. FTE | Amount | Direct Pos. | Est. FTE | Amount | Direct Pos. | Est. FTE | Amount |
| Environment and Natural Resources | | 510 | 107,643 | 537 | 526 | 1 | | | 12,420 | 1 1 | 526 | 122,497 |
| Total Direct | | 510 | 107,643 | 537 | 526 | 110,077 | 0 | 0 | - 1 | | | 122,497 |
| Balance Rescission Total Direct with Rescission | | | 0 107,643 | | | 0 110,077 | | | 0 12,420 | | | 0 122,497 |
| Reimbursable FTE | | 84 | | | 115 | | | | | | 115 | |
| Total Direct and Reimb. FTE | | 594 | | | 641 | | | 0 | | | 641 | |
| Other FTE: | | | | | | | | | | | | |
| Ceap | | 0 0 | | | 00 | | | 0 0 | | | o c | • |
| Grand Total, FTE | | 594 | | | 641 | | | 0 | | | 641 | |
| | 100 | | | | 240 040 | | ĺ | 0 | | | | |
| | ə١ | ZU16 Increases | Se | 7 | ZU16 UITSELS | 8 | 7 | 2016 Request | SST | | | |
| Program Activity | Direct Pos. | Est. FTE Amount | Amount | Direct Pos. | Est. FTE | Amount | Direct Pos. | Est. FTE | Amount | | | |
| Environment and Natural Resources | 9 | m | 5,000 | 0 | 0 | 0 | | | 127,497 | | | |
| Total Direct | 9 | 3 | 5,000 | 0 | 0 | 0 | 543 | 529 | 127,497 | | | |
| Balance Rescission Total Direct with Rescission | | | 000'5 | | | 0 | | | 127,497 | | | |
| Reimbursable FTE | | 0 | | | 0 | | | 116 | | | | |
| Total Direct and Reimb. FTE | | m | • | | 0 | | | 644 | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 00 | | | 00 | | | 00 | | | | |
| Overline | + | 5 | | | ָר <u>ר</u> | | | , | | | | |
| Grand Total, FTE | | 3 | | | 0 | | | 644 | | | | |
| | | | | 6 | | | | | | | | |

Exhibit (

C. FY 2016 Program Changes by Decision Unit

| | | | Total Increases | Direct Agt./ Est. FTE Amount Pos. Atty. | 4 4 2 3,000 | 2 2 1 2,000 | 6 6 3 5,000 | |
|--|--|------------------------|---|--|---|--------------------------------|-------------------------|--|
| | | | esonuces | Amount Dire | 3,000 | 2,000 | 2,000 | |
| Unit | | | Location of Environment and Natural Resources | Description in Direct Pos. Agt./ Est. FTE Amount Narrative Atty. | 2 | 7 | 9 | |
| v Decision | urces Division | 8 _ | Environmen | Direct Pos. A | 4 | 7 | 9 | |
| ncreases b | Natural Reso | (Dollars in Thousands) | Location of | Description in Narrative | p. 32 | p. 36 | | |
| FY 2016 Program Increases by Decision Unit | Environment and Natural Resources Division | neso) | | Program Increases | Improving Environmental Enforcement in Indian Country | Wiklife Trafficking Initiative | Total Program Increases | |

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| | | | (Dollars i | (Dollars in Thousands) | | | | | | | | |
|--|-------------------------|---------------|---------------------------|------------------------|-------------------------|--------------------------|-------------------------|------------------|-------------------------|------------------|-------------------------|--------------------|
| Strategic Goal and Strategic Objective | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 Ser | 2016 Current Services | 2016 la | 2016 Increases | 2016 | 2016 Offsets | 2016 Tc | 2016 Total Request |
| | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct Amount |
| Goal 2 Prevent Crime, Protect the Rights of the American People, and enforce Federal Law | | | | | | | | | | | | |
| 2.4 Investigate and Prosecute comption, economic crimes, and transnational organized crime | | | | | | | • | c c | | | • | ć |
| 2.6 Protect the federal fisc and defend the interests of the United States | 537 | 97,230 | 601 | 99,429 | 601 | 110,647 | | 7, 200 | | • | 601 | 110,647 |
| Goal 3 Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels. | į | 97,230 | 1 | 99,478 | | 110,847 | | 2,000 | 0 | | | |
| 3.8 Stergathen the government-to-government retainorship between tribes and the United States, improve public stelly in Inflation County, and horoz treaty and futual secondarialities through consistent coordinated notices. | | | | | | | | | | | | |
| activities, and itigation | 57 | 10,413 | 8 8 | 10,648 | ₹ | 11,850 | 2 8 | 3,000 | 00 | | 24.4 | 14,850 |
| TOTAL | | 107,643 | " | 110,077 | ľ | 122,497 | 3 | 5,000 | | | ľ | ľ |

E. Justification for Base Adjustments

| Justifications for Technical and Base Adjustments Fortrament and Natural Recurrent Division | | | |
|---|-------------|---------------------------------|--------|
| Salaries and Expenses | | | |
| (Collect in Thousands) | | | |
| | Direct Pos. | Estimate FTE | Amount |
| Pay and Benefits. 1 2016 Pay Range. This requests provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount requested, \$722,000, represents the pay emounts for 2A of the facely year glus appropriate benefits. | | | 22 |
| 2 Annualization of 2015 Pay Raise This lowy annualization represents first quarter amounts (October through Oscenber) of the 2015 pay increase of 1.0 percent incurded in the 2015 Fresteints Budget. The amount requested, \$171,000, represents the pay amounts for 1/4 of the fixed year bus approvable benefits. | | | 174 |
| 3 FERS ReptisnLaw Enforcement Reliterant Controlution: Effective Cloober 1, 2015 FF 2019), the new agency combustion rates of 13.2% (up from the current 11.9%, or an increase of 1.3%) and 28.5% for the refrorecement personnel (up from the current 28.3%, or an increase of 2.5%). The amount nequested, \$541,000 represents the funds needed to cover this increase. | | | 172 |
| 4 Emolovee Compensation Fund. The request industrial to the Department of Labor for injury benefits under the Federal Employee Compensation Act. | | | 5 5 |
| 5 health fraurancy : Effective January 2016, the component's contribution to Federal employees health insurance increases by 2.8 percent Applied parts the 2015 settimate, the empount is \$125,000. | | | 129 |
| Parternami, CSRSA Agency inference controlled and a serial operation of the controlled and are replaced by FER8 employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FER3 at a risk of 1.5 percent per year, for Doll or ED and North-CD, passed on the past 5 years of DOJ reference date. The requested increase of \$47,000 is received from meet our increased returnment obligations as a result of this conversion | | | |
| 7 Charge in Compensable Days. The increased cost for one compensable day in PY 2016 compared to FY 2015 is calculated by dividing the FY 2015 satinated personnel compensable and applicable benefits by 261 compensable days. The cost of one additional compensable day in FY 2016 is \$294,000. | | | 294 |
| Subtotal, Pay and Benefits | ١ | 0 | 1,739 |
| Domestie Rent and Facilities 1 <u>Ceneral Services Adomistration (GSA) Rent.</u> | Direct Pos. | Direct Pos. Estimate FTE Amount | Amount |
| 25A will conflict the to charge refusit crites that approximate these charged to commercial terral for equivalent space and related services. The requivalent space and related services. The requivalent space and related services. The required through the use of an automatied system, which uses the latest inventory data, including alm emerges to be effective. P? 2015 for each building currently occupied by Department of Justice commonents, as well as the Locks of the western to be effective to P2015 for each building currently occupied by Department of Justice commonents, as well as the Locks of few space to be occupied. | | | |
| Quand Services. This incuses Department of Homeland Secuny (DHS) Federal Protective Service charges, Justice Protective Service charges and other secunity services across the country. | | | 1,777 |
| 3 Moves (Leaze Expirations): CSA requises all agennes to pay relocation costs associated with lease expirations. This request provides for the costs associated with new office relocations caused by the expiration of leases in Y 2016 Subbiotal, Domestic Rent and Facilities | | | 8,8 |
| Other Adjustments 1. Security Intestigations - Oth has increased the rates for some types of personnel investigations (some rates have decined). The returnated not increase for this costs as \$10,000 | | | 0 01 |
| Subtotal, Other Adjustments | | | - 1 |
| TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS | | 0 | 12,420 |

Exhibit E.

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|--|----------------|--------------|----------------|----------------|--|--|--------------------------------------|----------------------------|-------------------------|-----------|------------------------|----------------|-------------------|-------------|
| | | 2014 Enacted | cted | 8 | Balance Rescission | cission | Repro | gramming | Reprogramming/Transfers | Carryover | Recoveries/ Refunds | 20 | 2014 Availability | oiffey |
| Frogram Activity | Direct Pos. | Actual | Amount | Direct Pos. | Estim. FTE | Amount | Direct Pos. | Estm. FTE | Amount | Amount | Amount | Direct Pos. | Estim. FTE | Amount |
| Environment and Natural Resources | 537 | | | 0 | 0 | 0 | 0 | 0 | 2,200 | 2,004 | | 537 | 510 | 112,714 |
| Total Direct | 537 | 510 | 107,643 | 0 | 0 | 0 | 0 | 0 | 2,200 | 2,004 | 867 | 537 | 510 | 112,714 |
| Reimbursable FTE | | 2 | | | 0 | | | 0 | | | | | 84 | |
| Total Direct and Reimb. FTE | | 594 | | | - | | | 0 | | | | | 594 | |
| Other FTE: | | | | | | | | | | | | | • | |
| LEAP | | 0 | | | 0 | | | 0 | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | | | 6 | |
| Grand Total, FTE | | 594 | | | 0 | | | 0 | | | | | 294 | |
| Reprogramming/Transfers Funding of \$2,200,000 was distributed from GLA's ALS account to ENRD. | GLA's A | ALS accoun | nt to ENRD. | | | | | | | | | | | |
| Carryover: Funds were carried over into 2014 from GLA's 2013 no-year account (\$2,004k) | A's 2013 | no-year a | count (\$2,004 | ⊊ | | | | | | | | | | |
| Recoveries/Refunds: Direct recoveries from GLA's no-year ALS accounts total \$867k. | accounts | total \$867 | لد | | | | | | | | | | | |

G. Crosswalk of 2015 Availability

| Program Activity | Œ | FY 2015 Enacted | acted | Reprogramming/Transfers | ming/Tra | nsfers | Carryover Rescission | Rescission | 2015 | 2015 Avaitability | |
|-----------------------------------|----------------|-----------------|---------|-------------------------|---------------|--------|----------------------|------------|-------------|-------------------|---------|
| | Direct Pos. | Estim. FTE | Amount | Direct Pos. | Estim. FTE | Amount | Amount | Amount | Direct Pos. | Estim. FTE | Amount |
| Environment and Natural Resources | 537 | 526 | 110,077 | 0 | ō | 0 | 2,391 | (142) | 537 | 526 | 112,326 |
| Total Direct | 537 | 526 | 110,077 | 0 | 0 | 0 | 2,391 | (142) | 537 | 526 | 112,326 |
| Balance Rescission | | | O | | | | | | | | 0 |
| Total Direct with Rescission | | | 110,077 | | | | | | | | 110,077 |
| Reimbursable FTE | | 115 | | | 0 | | 0 | | | 115 | |
| Total Direct and Reimb, FTE | | 149 | - | | 0 | | 0 | | | <u>8</u> | |
| Other FTE: | | | | | | | | • | | | |
| LEAP | | 0 | | | <u></u> | | 0 | | | 0 | |
| Overtime | | 0 | | | O | | 0 | | - | 0 | |
| Grand Total, FTE | | 641 | | | 0 | | 0 | | | 641 | |
| | | | | | | | | | | | |

Garryover: Funds were carried over into FY 2015 from GLA's 2014 ro-year account.

Rescission: A \$10m unobligated balance rescission was spread among the GLA components' carryover funding.

H. Reimbursable Resources

| | | S E | mmary of vironment are Sa | f Reimbursable and Natural Resou alaries and Expense (Dollars in Thousands) | of Reimbursable t and Natural Resour Salaries and Expenses (Dollars in Thousands) | Summary of Reimbursable Resources Environment and Natural Resources Division Salaries and Expenses (Dollars in Thousands) | un un un un un un un un un un un un un u | | | | | |
|--|--------|-------------|---------------------------|--|--|---|--|--------------|--------|---------------|-------------------|--------|
| A company of the property of t | | 2014 Actual | nat | | 2015 Planned | ned | | 2016 Request | est | ho | Increase/Decrease | rease |
| Collections by Source | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | i | Reimb. | Amount | Reimb. | Reimb. | Amount |
| Department of Agriculture | Fos. | T I | 77 | Pos. | 1 | 118 | Pos. | TI I | 118 | Pos. | 1 | |
| Department of Commerce | | | Ö | | | 14 | | | 17 | | | Φ |
| Department of Defense | | | 246 | | | 1,873 | | | 1,873 | | | O |
| Department of Energy | | | 53 | | | 315 | | | 315 | | | 0 |
| Department of Health and Human Services | | | 3,257 | | | 3,100 | | | 3,100 | | | 0 |
| Department of Homeland Security | | | 174 | | | 900 | | | 900 | | | 0 |
| Department of the Interior | | | 2,941 | | | 5,730 | | | 5,730 | | | 0 |
| Department of Justice | | | 25,015 | | | 28,000 | | | 28,000 | | | _ |
| Department of State | | | 128 | | - | 200 | | | 200 | | | _ |
| Department of the Treasury | | | 0 | • | | 10 | | | 10 | | | _ |
| Environmental Protection Agency | 115 | \$ | 23,462 | 115 | 115 | 25,970 | 115 | 115 | 25,970 | ٥ | 0 | _ |
| Federal Trade Commission | | | 1,250 | | | 1,200 | | | 1,200 | | | 0 |
| Securities and Exchange Commission | | | 15,198 | | | 17,070 | | | 17,070 | | | 0 |
| Others | | | 401 | | | 200 | | | 500 | | | |
| Budgetary Resources | 115 | 28 | 72,152 | 115 | 115 | 85,000 | 115 | 115 | 85,000 | 0 | 0 | |
| | | 2014 Actual | nal | | 2015 Planned | ned | | 2016 Request | lest | Ē | Increase/Decrease | crease |
| Obligations by Program Activity | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. Reimb. | Reimb. | Amount |
| | Pos. | FTE | | Pos. | FTE | | Pos. | FTE | | Pos. | FTE | |
| Environment and Natural Resources | 115 | 84 | 72,152 | 115 | 115 | 85,000 | 115 | 115 | 85,000 | 0 | 0 | |
| Budgetary Resources | 115 | 84 | 72,152 | 115 | 115 | 85,000 | 115 | 115 | 85,000 | 0 | 0 | _ |
| , | | | | | | 1 | | | | 7 | | 1 |

Detail of Permanent Positions by Category

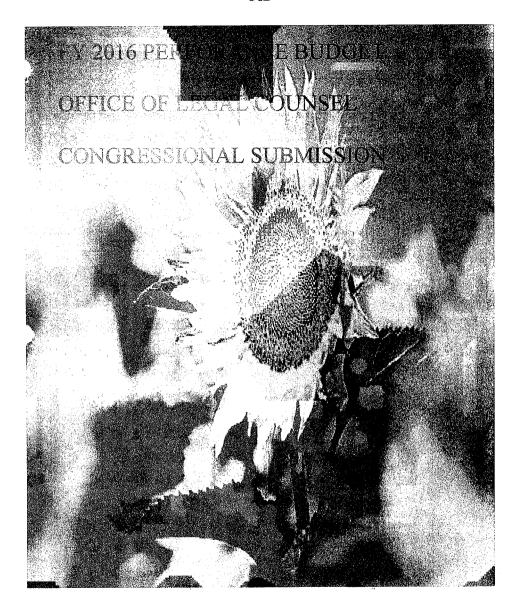
| | | Environm | Environment and Natural Resources Division Salaries and Expenses (Dollars in Thousands) | Environment and Natural Resources Division Salaries and Expenses (Dollars in Thousands) | s Division | | | | |
|--|--------------|----------|---|---|------------|-----------|--------------|--------------|--------------|
| 20. | 2014 Enacted | cted | 20151 | 2015 Enacted | | | 2016 Request | | |
| Category Direct Pos. | | Reimb. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Reimb. |
| | | Pos. | | | | Increases | Offsets | Pos. | Pos. |
| Security Specialists (080) | - | 0 | 1 | o | 0 | 0 | 0 | 1 | 0 |
| Personnel Management (200-299) | 'n | 2 | 5 | 7 | 0 | 0 | 0 | 5 | 2 |
| Clerical and Office Services (300-399) | 52 | 20 | 52 | 8 | 0 | 0 | 0 | 25 | 20 |
| Accounting and Budget (500-599) | 4 | ~ | 4 | - | O | 0 | 0 | 4 | - |
| Attorneys (905) | 370 | 69 | 370 | 69 | 0 | 9 | 0 | 376 | 69 |
| Paralegals / Other Law (900-998) | 88 | 19 | 88 | 19 | 0 | 0 | 0 | 88 | 19 |
| Business & Industry (1100-1199) | က | - | m | ~ | 0 | 0 | 0 | က | T- |
| Information Technology Mgmt (2210) | 14 | က | 14 | n | 0 | 0 | 0 | 14 | 3 |
| Total | 537 | 115 | 537 | 115 | 0 | 9 | 0 | 543 | 115 |
| Headquarters (Washington, D.C.) | 460 | 66 | 460 | 66 | 0 | 9 | 0 | 466 | 66 |
| U.S. Field | 77 | 16 | 77 | 16 | 0 | 0 | 0 | 77 | 16 |
| Total | 537 | 115 | 537 | 115 | 0 | 9 | 0 | 543 | 115 |

| Changes |
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| Program |
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| Courty and Assistance Sources Charges and Andreids Rose and Services from Non-Federal Sources Case Case Case Case Case Case Case Ca | Circust An | Joseph Colored | On Canada | Cho | 200 | | | | |
|--|--|---------------------------------------|--|----------|-------------------------------|-------------|---------|-----------------------|-----------|
| Collets in Total Adultifie Environment and Natural Re | Environment | and Natural | Resources | S Divisi | s u | | | | |
| Improving Environmental and Natural Recursion and Annual Amount Bersonnel Compensation | | Dollars in Tho | sands) | | | | | | |
| Professions and Annual Amount test for former to Things and Miscelaneous Charges from Marities and Materials and Materials and Materials and Materials (State Sequests) Country Cou | | | invironme | It and | Vatural Re | sonices | | | |
| Direct Pos. Amount Direct Amount Direc | Grades | Impro Environ Enforcemei Cou | wing mental nt in Indian ntry | | ildlife ficking ilative | Program | Offsets | Total Program Changes | m Changes |
| ositions and Annual Ann | | Direct Pos. | Amount | Direct | Amount | Direct Pos. | Amount | Direct Pos. | Amount |
| ositions and Annual Ann | SES | 0 | 0 | 0 | 0 | | 0 | 0 | 0 |
| A 432 2 216 | GS-15 | 6 | 0 | | 0 | | 0 | | 0 |
| October Octo | GS-14 | 4 | 432 | | 216 | | 0 | | 648 |
| Dositions and Annual Amount Am | GS-13 | 0.0 | 00 | Ö (| 0 0 | | 0 0 | 0 6 | 00 |
| vositions and Annual Amount see (-) the Personnel Compensation TEs and Personnel Compensation Tes and Personnel Compensati | 50-12 50-41 | o c | o c | - | . | | 2 0 | - | 5 6 |
| obsitions and Annual Amount Am | GS-10 | 0 | | 0 | . 0 | | | | 0 |
| ositions and Annual Amount the Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TEs and Personnel Compensation TES and | 6-89 | 0 | 0 | 0 | Ċ. | | | | 0 |
| ositions and Annual Amount set () ther Personnel Compensation ther Personnel Compensation ther Personnel Compensation there is an Per | 8.89 | 0 | 0 | 0 | 0 | | 0 | | 0 |
| Ossitions and Annual Amount | GS-7 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 |
| Positions and Amutal Amount 4 432 2 216 pse (-) 2 -216 -1 -108 Differ Personnel Compensation 2 216 -1 -108 Benefits 3 2 216 -1 -108 Benefits for former personnel 92 62 62 Benefits for former personnel 1 1 1 ravel and Transportation of Persons 1 1 1 ravel and Transportation of Things 1 1 1 Rental Payments to GSA 6 4 4 Communications, Utilities, and Miscellaneous Charges 0 0 0 Viniting and Reproduction 0 0 0 0 Viniting and Reproduction 0 0 0 0 Viniting and Reproduction 0 0 0 0 Other Services from Non-Federal Sources 0 0 0 0 Oberation and Maiteriaks 0 0 0 0 | 6.00 6.00 7.00 7.00 7.00 7.00 7.00 7.00 | 00 | 00 | - | - | | 0 0 | 00 | 00 |
| 2 2.16 -1 -108 | Total Positions and Annual Amount | 4 | 432 | | 216 | | 0 | | 648 |
| 2 216 1 108 62 62 62 62 62 62 62 62 62 62 62 62 62 | Lapse (-) | Ġ | -216 | 7 | 198 | | | | -324 |
| 2 216 1 108 92 62 62 1 1 108 18 12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 11.5 Other Personnel Compensation | | 0 | | 0 | | 0 | 0 | 0 |
| 92 62 18 12 11 1 1 1 1 1 0 | Total FTEs and Personnel Compensation | 2 | 216 | 1 | 108 | | 0 | | 324 |
| 18 12 18 12 17 1 6 6 4 6 6 4 6 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 12.0 Benefits | | 92 | | 62 | | | 0 | 154 |
| 18 12 12 14 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 13.0 Benefits for former personnel | | 0 | | 0 | | 0 | 0 | 0 |
| 6 4 4 6 6 6 4 4 6 6 6 6 6 6 6 6 6 6 6 6 | 21.0 Travel and Transportation of Persons | | ₩. | | 12 | | 0 | 0 | 8 |
| 2,593 1,764 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 22.0 Transportation of Things | | | | _ | | 0 | 0 | N |
| 2,593 1,764 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 23.1 Rental Payments to GSA | | 9 (| | 4. | | 0 | | 0 |
| 2,593 1,764 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 23.3 Communications, Utilities, and Miscellaneous Charges | | - | | 0 | | | 0 0 | 0 |
| 2,593 1,764 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 24.0 Finantial and Assistance Services | | 9 6 | | | | | - | 5 6 |
| 0 0 0 0 0 0 0 0 0 2 2 1 72 48 me Requests 2 3,000 1 2,000 | 25.2 Other Services from Non-Federal Sources | | 2.593 | | 1.764 | | 0 | 0 | 4.357 |
| and Development Contracts 0 0 0 0 and Maintenance of Equipment 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 25.3 Other Goods and Services from Federal Sources | | • | | | | _ | | |
| and Materials 0 0 0 0 0 0 1 0 0 0 0 0 0 0 0 0 0 0 0 | 25.5 Research and Development Contracts | | 0 | | 0 | | 0 | 0 | 0 |
| nd Materials 2 1 1 72 48 Total Program Change Requests 2 3,000 1 2,000 | 25.7 Operation and Maintenance of Equipment | | 0 | | 0 | | 0 | | 0 |
| 72 48 Total Program Change Requests 2 3,000 1 2,000 | 26.0 Supplies and Materials | | 7 | | _ | | 0 | 0 | n |
| 2 3,000 1 2,000 | | | 72 | | 48 | | 0 | 0 | 120 |
| | Total Program Change Requests | 2 | 3,000 | - | 2,000 | | | 3 | 5,000 |

| mary | Enviror |
|------|---------|
| Sum | _ |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | Summary |

| Summary of Requirements by Object Class | ents by | Object C | ass | | | | | |
|--|----------------------|-------------|--------|--------------|--------|--------------|---------|-------------------|
| Environment and Natural Resources Division | Resourc | es Division | | | | | | |
| Salanes and Expenses (Dollars in Thousands) | expenses ousands) | | | | | | | |
| Object Class | 2014 | 2014 Actual | 2015 | 2015 Enacted | 2016 | 2016 Request | Increas | Increase/Decrease |
| | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| 11.1 Full-Time Permanent | 466 | 54,016 | 480 | 56,241 | 483 | 58,086 | E | 1,845 |
| 11.3 Other than Full-Time Permanent | 4 | 3,942 | 4 | 4,058 | 46 | 4,058 | | 0 |
| 11.5 Other Personnel Compensation | 0 | 657 | 0 | 744 | - | 744 | 0 | 0 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | _ | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 Special Personal Services Payments | 6 | 133 | 0 | 281 | 0 | 281 | | 0 |
| Total | 510 | 58,748 | 526 | 61,324 | 529 | 63,169 | 3 | 1.845 |
| Other Object Classes | | | | | | | | |
| 12.0 Personnel Benefits | | 18,552 | | 21.692 | | 22.388 | | 969 |
| 13.0 Benefits for former personnel | | m | | 0 | | 0 | | 8 |
| 21.0 Travel and Transportation of Persons | | 1,943 | | 2,268 | | 2,298 | | 93 |
| 22.0 Transportation of Things | | 312 | • | 316 | | 318 | | 2 |
| 23.1 Rental Payments to GSA | | 12,313 | | 12,398 | | 14,185 | | 1,787 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 1,141 | | 1,220 | | 1,220 | | 0 |
| 24.0 Printing and Reproduction | | 5 | | 92 | | 92 | | 0 |
| 25.1 Advisory and Assistance Services | | 581 | • | 527 | | 527 | | 0 |
| 25.2 Other Services from Non-Federal Sources | | 12,429 | | 5,926 | | 7,714 | | 1,788 |
| 25.3 Other Goods and Services from Federal Sources | | 2,751 | | 4,762 | | 13,666 | | 8,904 |
| 26.0 Supplies and Materials | | 323 | | 352 | | 352 | | 6 |
| 31.0 Equipment | | 943 | | 1,352 | | 1,352 | | 0 |
| 42.0 insurance Claims and Indemnities | | 0 | | 97 | | 216 | | 119 |
| Total Obligations | | 110,090 | | 112,326 | | 127,497 | | 15,171 |
| Subtract - Unobligated Balance, Start-of-Year | | -2,004 | | -2,391 | | 0 | | 2,391 |
| Subtract - Transfers/Reprogramming | | -2,200 | | 0 | | 0 | | 0 |
| Subtract - Recoveries/Refunds | | -867 | | 0 | | 0 | | 0 |
| Add - Rescission | | 0 | | 142 | | 0 | | |
| Add - Unobligated End-of-Year, Available | | 2,391 | | 0 | | 0 | | 0 |
| Add - Unobligated End-of-Year, Expiring | | 233 | | 0 | | 0 | | 0 |
| Total Direct Requirements | | 107,643 | 6 | 110,077 | 0 | 127,497 | 0 | 17,562 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 84 | | 115 | | 115 | | | |
| 23.1 Rental Payments to GSA (Reimbursable) | | 2,354 | | 2,354 | - | 2,354 | | 0 |
| 25.3 Other Goods and Services from Federal Sources - DHS Security (Reimbursable) | | 35 | | 32 | | 35 | | 0 |
| | | | | | | | | |



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I. Overview for the Office of Legal Counsel

1. Introduction

In FY 2016, the Office of Legal Counsel (OLC) requests a total of \$7,989,000, 33 positions (of which 27 are attorneys), and 33 FTEs.

With the requested FY 2016 resources, OLC will be able to continue to provide top-quality legal advice on matters related to national security, civil rights, crime fighting programs, and legislative and regulatory initiatives, as well as a range of other legal issues concerning constitutional, regulatory, and statutory authority. Although specifically included only under Strategic Goal II ("Enforce Federal Laws and Represent the Rights and Interests of the American People"), OLC is involved in every aspect of the Department's Strategic Plan. OLC has issued opinions or otherwise rendered legal advice touching on virtually every aspect of the Department's overall work and mission.

2. Issues, Outcomes and Strategies

OLC's mission supports the Department as it confronts national security and intelligence challenges, continues vigorous federal civil rights enforcement, and advises Executive Branch departments and agencies on a wide range of legal issues.

OLC is headed by an Assistant Attorney General who is appointed by the President and confirmed by the Senate. The Office provides formal opinions and informal advice in response to requests from the Counsel to the President, the various Departments and Agencies of the Executive Branch, and offices within the Department, including the offices of the Attorney General and Deputy Attorney General. Such requests frequently deal with legal issues about which two or more agencies are in disagreement.

Because formal Attorney General Opinions, which OLC would draft, are so rare, requests for opinions typically result in the preparation of legal opinions signed by OLC's Assistant Attorney General or one of the Office's Deputies. Opinions are based upon the research of one or more of the Office's staff attorneys and reviewed by at least two Deputies. OLC has already published 46 of its opinions issued in this Administration. Additionally OLC provides informal legal advice on hundreds of matters each year.

The opinions and legal advice cover constitutional and statutory questions from a wide range of fields, including national security, criminal law, civil rights, fiscal law, and appointment and removal authorities. OLC gives critical advice on how the Executive Branch organizes itself and carries out its missions.

OLC also reviews hundreds of pieces of pending legislation annually for constitutionality and reviews all proposed Executive Orders and proclamations, as well as proposed regulations and Orders of the Attorney General, for form and legality. Finally, there continues to be an increase in congressional oversight of the activities of the Executive Branch. This in turn has resulted in a significant increase in this aspect of OLC's separation

of powers work, because OLC is the principal office providing legal advice to the White House and Executive Branch agencies concerning their responses to congressional oversight.

Since FY 2012, OLC has been working on and updating a series of presidential emergency action documents (PEADs), first prepared by OLC in 1989 and updated pursuant to presidential directive in 2008. PEADs are pre-coordinated legal documents designed to implement a Presidential decision or transmit a Presidential request when an emergency disrupts normal governmental or legislative processes. A PEAD may take the form of a Proclamation, Executive Order, or Message to Congress. The PEAD Portfolio as an entirety is classified Secret; however, after signature by the President, individual PEADs are unclassified. OLC has been charged by the National Security Staff with conducting its current legal review of the PEADs, expected to be completed in 2016, to ensure that each of the current 56 documents reflects current law and adequately addresses the emerges for which it was prepared.

In recent years, OLC has been the subject of a large number of Freedom of Information Act requests and lawsuits, particularly concerning OLC's work in the national security area, but also including domestic affairs. This entails a significant commitment of time and effort from a team of attorneys and paralegals.

Since 1977, at the direction of the Attorney General, OLC has published selected formal opinions. Volumes covering the years 1977 through 2004 have already been issued in hardback and production of the volumes for 2005, 2006, 2007, and 2008 is in progress. In addition, OLC recently published a volume of opinions from the period 1939 until 1977, the first in a supplemental opinion series the Office intends to issue. As an interim step, OLC has also published opinions from 1992 to 2013 on its website http://www.usdoj.gov/olc/opinions.htm. In addition, OLC has accelerated the timeliness by which it publishes opinions on its website. The rate of publication has increased, and the time between opinion signing and publication has decreased. Work on this effort will continue into FY 2016.

DOJ Strategic Goal 2: Enforce Federal Laws and Represent the Rights and Interests of the American People (FY 2016 Request: \$7,989,000)

 Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.

3. Performance Challenges

OLC's ability to accomplish its mission centers primarily on its ability to maximize resources to meet the demands of an externally-driven workload.

External Challenges: OLC generally does not initiate any programs, nor does it have control over the volume of its work. The work results from requests for opinions and legal advice from the Counsel to the President; general counsels of OMB and other Executive Office of the President components; general counsels of Executive Branch Departments and Agencies; and the Attorney General and other Department of Justice officials. The lack of control over this externally-driven workload has been and is likely to remain a constant challenge to

OLC's mission, and is inherent in all aspects of the Office's work in reviewing legislation, testimony, and Presidential and Attorney General documents.

<u>Internal Challenges:</u> Because it is a relatively small component, representing only a single decision unit, OLC has little flexibility in responding to unexpected surges in workload, such as those created by national security matters and the financial crisis.

4. Environmental Accountability

In compliance with Executive Order 13423, OLC is striving to integrate environmental accountability into its strategic management plans with the inclusion of procurement governance on Sustainable Buildings, Energy Management, Transportation, Recycling, Water Management, Environmental Management Systems, Electronics Stewardship, and the reduction of Toxic and Hazardous Chemicals.

II. Summary of Program Changes

N/A

III. Appropriations Language and Analysis of Appropriations Language

N/A

IV. Program Activity Justification

A. Office of Legal Counsel

| Office of Legal Counsel | Perm. Pos. | FTE | Amount |
|---|------------|-----|--------|
| 2014 Enacted | 33 | 27 | 7,400 |
| 2015 President's Budget | 33 | 27 | 7,836 |
| Adjustments to Base and Technical Adjustments | | | 153 |
| 2016 Current Services | 33 | 27 | 7,989 |
| 2016 Program Increases | | | |
| 2016 Request | 33 | 27 | 7,989 |
| Total Change 2015-2016 | | | 153 |

1. Program Description

Playing a major role in advising on intelligence and national security issues following September 11 events, OLC has continued to devote a significant portion of its resources to providing legal advice to the White House, the Attorney General, and other Executive Branch agencies in these areas, and this is not likely to change. The Office also handles legal issues that have arisen in relation to pending legislation and regulatory initiatives, as well as issues that arise in relation to emerging domestic or international crises.

In addition to these responsibilities, OLC will continue its principal duty of assisting the Attorney General in his role as legal advisor to the President and Executive Branch agencies. OLC will also continue in FY 2016 to serve as arbiter of legal disputes within the Executive Branch, to provide general legal assistance to other components of the Department, including where litigation or proposed legislation raises constitutional issues or general issues of executive authority, and to review for form and legality all Executive Orders and Proclamations to be issued by the President, as well as all proposed Orders of the Attorney General and all regulations requiring Attorney General approval.

OLC's role in the Department's legislative program is substantial, and includes drafting extensive comments on pending legislation and testimony. OLC regularly receives legislation for review from both OMB and the Department's Office of Legislative Affairs, in addition to specific requests from other agencies and the White House; the volume is high and the deadlines usually urgent. OLC also occasionally assists in the drafting of legislation.

In addition, because of its expertise in certain areas, OLC has assumed an on-going advisory role to other Department components, including the Office of the Solicitor General, the National Security Division, and the litigating divisions, on issues relating to, among other things, constitutional rights, national security, and immigration matters.

2. Pr. tormance and Resource

PERFORMANCE AND RESOURCES TABLE

| Decision Uni | Decision Unit: Office of Legal Counsel: 2.6 Protect the federal fisc and defend the interests of the United States. | rotect t | he federa | if fisc and defe | nd the in | nterests | of the Un | ited States | 8. | |
|---|---|----------|-----------|------------------|-----------|-----------|--------------------------------------|---|---------|-------------------|
| RESOURCES | s | Ta | Target | Estimate | Proje | Projected | Cha | Changes | Request | Requested (Total) |
| | | Ł | FY 2014 | FY 2014 | FY ? | FY 2015 | Current Adjustme 2016 F | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE (relmbursable FTE are inc | Total Costs and FTE (reimbursable costs | FTE | 000\$ | FTE \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| are bracketed a | are bracketed and not included in the total) | 27 | 7,400 | 25 6,695 | 27 | 7,836 | 0 | 153 | 27 | 7,989 |
| TYPE/ STRATEGIC OBJECTIVE | PERFORMANCE | FY | FY 2014 🗅 | FY 2014 | FY? | FY 2015 | Current Adjustme 2016 F Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | FTE | \$000 | FTE \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| Activity | | 27 | 7,400 | 26 6,695 | 27 | 7,836 | o | 153 | . 27 | 7,989 |
| Performance Measure: Output | Provision of Legal Opinions on Constitutional questions from the President and Executive Branch agencies | | 1700 | 1700 | | 1700 | | | | 1700 |
| Performance Measure: Efficiency | Review form and legality of all proposed Executive Orders and Proclamations to be issued by the President | | 190 | * | | 190 | | | : | 190 |
| Performance Measure: Outcome | •• | | ် (၁ | | | | | | | |

| | | PERFOR | MANCE | MEASU | PERFORMANCE MEASURE TABLE | щ | | | |
|--|---|---------|-----------------|---------|---------------------------|--------|---------|---------|---------|
| cision Un | Decision Unit: Office of Legal Counsel | | | | | | | | |
| erformance l | Performance Report and Performance Pian Targets | FY 2010 | FY 2010 FY 2011 | FY 2012 | FY 2013 | FY? | FY 2014 | FY 2015 | FY 2016 |
| | | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| Performance Measure | Provision of Legal Opinions on Constitutional questions from the President and Executive Branch | 1700 | 1700 | 1700 | 1700 | 1700 | | 1700 | 1700 |
| Performance Measure | Review form and legality of all proposed Executive Orders and Proclamations to be issued by the President | 180 | 190 | 190 | 190 | 190 | | 190 | 190 |
| Performance Measure | | | | | | | | | |
| Efficiency Measure | | | | | | | | | |
| OUTCOME Measure | | | | · | | | | | |
| N/A = Data unavallable * Denotes inclusion in | N/A = Data unavallable • Denotes Inclusion in the DOJ Annual Performance Plan | ian i | | : | | | | | |

3. Performance, Resources, and Strategies

The Office of Legal Counsel represents a single decision unit. Given its primary mission ("assisting the Attorney General in his role as legal advisor to the President and Executive Branch agencies"), OLC is involved in every aspect of the Department's Strategic Plan. OLC has issued opinions or otherwise rendered legal advice touching on virtually every aspect of the Department's overall work and mission.

a. Performance Plan and Report for Outcomes

Because of the legal advisory nature of its mission and workload, OLC is not included for review in the Department's Performance and Accountability Report (PAR). This budget submission is part of the Department's Performance Plan since we are reporting targets through FY 16. However, OLC does not have measures in the PAR.

b. Strategies to Accomplish Outcomes

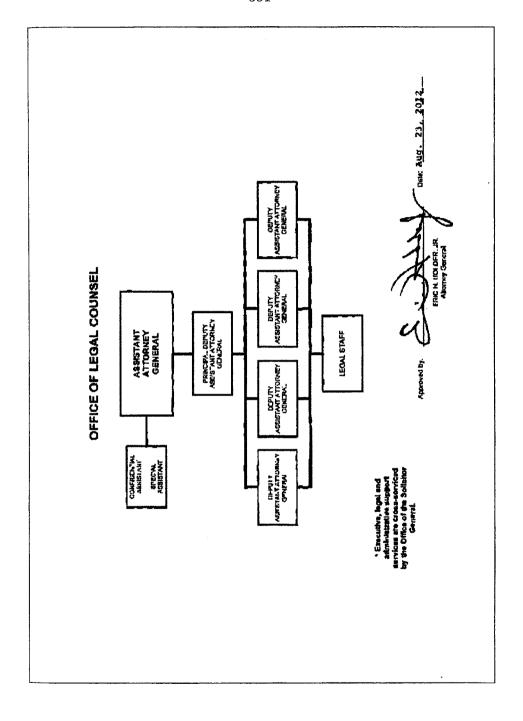
Since September 11, 2001, OLC has had to realign its priorities in terms of workload and assignments in order to meet the variety of new challenges, while still endeavoring to meet its ongoing workload demands to the greatest extent possible with existing resources.

c. Priority Goals

OLC's general goals for FY 2016 are as follows:

- Provide critical legal advice to the White House, the Attorney General, other components of DOJ, and other Executive Branch agencies
- Resolve intra-Executive Branch disputes over legal questions
- Advise on whether litigation or proposed legislation raises constitutional issues or other legal issues of general concern to the Executive Branch
- Approve for form and legality all Executive Orders, other Presidential documents, and Orders and regulations issued by the Attorney General.

V. Program Increases by Item: N/A



B. Sur.... any of Requirements

Summary of Requirements
Office of Legal Counsel
Salaries and Expenses
(Dollars in Thousands)

| | | FY 2016 Request | |
|--------------------------------------|-------------|-----------------|--------|
| | Direct Pos. | Estimate FTE | Amount |
| 2014 Enacted ^{//} | 33 | 25 | 7,400 |
| Total 2014 Enacted | 33 | 25 | 7,400 |
| 2015 Enacted | 33 | 27 | 7,836 |
| | | | |
| Base Adjustments | | | |
| Pay and Benefits | 0 | 0 | 109 |
| Domestic Rent and Facilities | 0 | 0 | 44 |
| Total Base Adjustments | 0 | 0 | 153 |
| Total Technical and Base Adjustments | 0 | 0 | 153 |
| 2016 Current Services | 33 | 27 | 7,989 |
| 2016 Total Request | 33 | 27 | 7,989 |
| 2015 - 2016 Total Change | 0 | 0 | 153 |

FY 2014 FTE is actual "

B. Summary of Requirements

Summary of Requirements Office of Legal Counsel Salaries and Expenses (Dollars in Thousands)

| Program Activity | FY 2 | FY 2014 Appropriation | priation | 1 | FY 2015 Enacted | acted | FY 2016 | Technic | FY 2016 Technical and Base | | FY 2016 Current Services | Services |
|------------------------------|--------|-----------------------|----------|------------|-----------------|------------------------|---------|-------------|----------------------------|--------|--------------------------|----------|
| | | Enacted | | | | | | Adjustments | ants | | | |
| | Direct | Direct Actual | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Direct Est FTE | Amount |
| | Pos. | ᆵ | | Pos | | | Pos | | | Pos. | | |
| Office of Legal Counsel | 33 | 25 | | 7,400 . 33 | 27 | 7,836 | 0 | 0 | 153 | 33 | 27 | 7,989 |
| Total Direct | 33 | 25 | 7,400 | 33 | 27 | 7,836 | 0 | ٥ | 153 | 33 | 27 | 7,989 |
| Balance Rescission | | | 0 | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 7,400 | | | 7,836 | | | 153 | | | 7,989 |
| Reimbursable FTE | | 0 | | | Þ | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 25 | | | 27 | | | 0 | | | 27 | |
| | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | О | | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 25 | | | 22 | | | 0 | | | 27 | |

| Program Activity | | 2016 Increases | ases | | 2016 Offsets | ets | | 2016 Request | Jest |
|------------------------------|--------|----------------|--------|--------|-----------------|--------|--------|-----------------|--------|
| | Direct | Direct Est FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | | | Pos. | | | Pos. | | |
| Office of Legal Counsel | 0 | 0 | 0 | 0 | 0 | 0 | 33 | 27 | 7,989 |
| Total Direct | 0 | Ü | 0 | 0 | 0 | 0 | 33 | 27 | 7,989 |
| Balance Rescission | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 0 | | | 0 | | | 7,989 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 72 | |
| | | | | | | | | | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | ٥ | | | 0 | | | 27 | |

C Pros. Changes by Decision Unit

FY 2016 Program Increases/Offsets by Decision Unit Office of Legal Coursel Salaries and Expenses (Collers in Thousands)

| Program Increases | Location of | | Office of L | Office of Legal Counsel | sel | | Total | Total Increases | |
|-------------------------|--|--------|-------------|-------------------------|--------|--------|------------|-----------------|--------|
| | Description by Direct Agt/Atty, Est. FTE Amount Direct Agt/Atty, Est. FTE | Direct | Agt/Atty. | Est. FTE | Amount | Direct | Agt/Atty. | Est. FTE | Amount |
| No Program Increase | Program Activity | r gs | | | | i o | | | |
| Total Program Increases | | | | | | | | | |
| | | Ì | | 1 | | | ļ | , , | |
| Program Offsets | Location of | | 100000 | Office of Legal Counsel | 136 | | 1 OC | otal Orisets | |
| , | Description by Direct AgL/Atty, Est. FTE Amount Direct Agt./Atty. Est. FTE | Direct | Agt/Atty. | Est. FTE | Amount | Direct | Agt./Atty. | Est. FTE | Amount |
| | Program Activity | Pos. | 1 | | | Pos. | | | |
| No Program Offsets | | | | | | | | | |
| Total Program Offsets | | | | | | | | | |

Exhibit D - Resources by DC Igic Goal and Strategic Objective

is. Resources by U.S. Stragetic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal and Objective Office of Legal Counsel Salaries and Expenses (Polers in Thesense)

| Strategic Goal and Strategic Objective | 7 | FY 2014 | FY 201 | FY 2015 Enacted FY 2016 Current FY 2016 Increases FY 2016 Offsets | FY 201 | 6 Current | FY 2016 | Increases | FY 20 | 6 Offsets | | FY 2016 Total |
|---|--------------------------|------------------|--------------------------|---|--------------------------|---|--------------------------|-----------|--------------------------|------------------|--------------------------|------------------|
| | Appro | Appropriation | | | | | | | | | | |
| | . G | Enacted | | | Sar | Services | | | | | ~ | Request |
| | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct & Direct Reimb Amount | Direct & Reimb FTE | Direct & Direct Reimb Amount FTE Amount | Direct & Reimb FTE | Direct | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount |
| Goal 2 Prevent crime, protect the rights of the American people, | | | | | | | | | | | | |
| and enforce federal law | | | | | | | | | | | | |
| 2.6 Protect the federal fisc and defend the Interests of the United | 52 | 7,400 | 27 | 7,836 | 27 | 7,989 | 0 | | 0 | • | 27 | 7,989 |
| States | | | | | | | | | | | | |
| Subtotal, Goal 2 | 25 | 7,400 | 27 | 7,836 | 12 | 7,989 | 0 | | - | ۰ | 27 | 7,989 |
| TOTAL | 25 | 7.400 | 27 | 7.836 | 27 | 7,989 | 0 | | 0 | ľ | 27 | 7 989 |

E. Jus....cations for Technical and Base Adjustments

Justifications for Technical and Base Adjustments Office of Legal Counsel Salaries and Expenses (Dollars in Thousands)

| | Direct | Estimate | Amount |
|--|--------|----------|--------|
| | Pos. | FTE | |
| Pay and Benefits | | | |
| 1 2016 Pay Raise - 1.3% 2016 Pay Raise: This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount request, \$57,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits. | 0 | 0 | 22 |
| 2 <u>Annualization of 2015 Pay Raise</u> Annualization of 2015 Pay Raise: This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase of 1.0 percent included in the 2015 President's Budget. The amount requested \$12,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$4,652 for new and \$7.348 for handlets). | 0 | 0 | 12 |
| Changes in Compensable Days: The increased cost for one compensable day in FY 2016 compared to FY 2015 is calculated by dividing the FY 2015 estimated personnel compensation \$4,606,000 and applicable benefits | 0 | 0 | 21 |
| \$/U3,U0U by 261 compensable days. 4 FERS Rate Increase FERS Rate Increase | 0 | 0 | 43 |
| 5 Retirement | 0 | ō | 2 |
| Retirement: CSRS: Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 0.8 percent per year, for both LEO and Non-LEO, based on the past 5 years of DOJ retirement data. The requested increase of \$2,000 is necessary to meet our | | | |
| increased retirement obligations as a result of this conversion. Subtotal, Pay and Benefits | ö | Ö | 109 |
| Domestic Rent and Facilities | | | |
| 1 GSA Rent | | | 42 |

Exhibit E. Justifications for Technical and Base Adjustments

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Office of Legal Counsel Salaries and Expenses (Dollars in Thousands)

| Direct Estimate Amount Pos. FTE | | - 7 | 44 | 153 |
|---------------------------------|---|--|--|---|
| Estimate | | 0 | 0 | 0 |
| Direct Pos. | | 0 | 0 | 0 |
| | General Services Administration (GSA) Rent: GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$42,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective FY 2016 for each building currently occupied by Department of Justice components, as well as the costs of new space to be | occupied. 2 <u>Guard Service</u> Guard Service | Subtotal, Domestic Rent and Facilities | TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS |

F. Cros. alk of 2014 Availability

Crosswalk of 2014 Availability
Office of Legal Counsel

Office of Legal Counsel Salaries and Expenses (Dollars in Thousands)

| Program Activity | FY 2014 | Appropria | FY 2014 Appropriation Enacted Reprogramming/Transfers | Repro | gramming | | Carryover | Carryover Recoveries/ Refunds | | FY 2014 Availability | llability |
|------------------------------|---------|-----------------|---|--------|----------|------------------------|-----------|----------------------------------|--------|----------------------|-----------|
| | Direct | Direct Est. FTE | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Amount | Amount | Direct | Direct Est. FTE | Amount |
| Office of Legal Counsel | Pos. | 25 | 7,400 | Pos. | 0 | 0 | 0 | 0 | Pos. | 25 | 7,400 |
| otal Direct | 33 | 25 | 7,400 | 0 | 0 | 0 | 0 | 0 | 33 | 25 | 7,400 |
| Balance Rescission | | | 0 | | | 0 | 0 | 0 | | |) |
| Total Direct with Rescission | | | 7,400 | | | 0 | 0 | 0 | | | 7,400 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb. FTE | | 25 | | | Ö | | | | | 25 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | jo | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | | 0 | |
| Grand Total, FTE | | 25 | | | 0 | | | | | 25 | |
| | | | | | | | | | | | ŧ |

Reprogramming/Transfers:

Carryover:

Recoveries/Refunds:

:

G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability Office of Legal Counsel

Office of Legal Counsel Salaries and Expenses (Dollars in Thousands)

| Program Activity | | FY 2016 Enacted | acted | Repro | gramming | Transfers | Reprogramming/Transfers Carryover Rescission | Rescission | F | FY 2015 Availability | lability |
|------------------------------|----------------|----------------------|--------|----------------|----------|-----------------------------|--|------------|----------------|----------------------|----------|
| | Direct Pos. | Direct Est, FTE Pos. | Amount | Direct Pos. | Est. FTE | Direct Est. FTE Amount Pos. | Amount | Amount | Direct Pos. | Direct Est. FTE Pos. | Amount |
| Office of Legal Counsel | 33 | 27 | 7,836 | 0 | 0 | 0 | 0 | 0 | 33 | 27 | 7,836 |
| Total Direct | 33 | 27 | 7,836 | 0 | 0 | 0 | 0 | 0 | 33 | 27 | 7,836 |
| Balance Rescission | L | | ō | | | 0 | 0 | 0 | | | 0 |
| Total Direct with Rescission | | | 7,836 | | | 0 | 0 | 0 | | | 7,836 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb. FTE | | 27 | | | 0 | | | | | 27 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | | 0 | |
| Grand Total, FTE | | 27 | | | 0 | | | | | 27 | |

Reprogramming/Transfers:

Carryover:

Recoveries/Refunds:

H. Sum. . y of Reimbursable Resources

Summary of Reimbursable Resources

Office of Legal Counsel Salaries and Expenses (Dollars in Thousands)

| Collections by Source | | 2014 Actual | uai | | 2015 Estimate | nate | 2016 Request | Jest | il. | ncrease/Decrease | rease |
|-----------------------|----------------|---------------|--|----------------|---------------|--------|---------------|---|----------------|------------------|--------|
| | Reimb. Pos. | Reimb. FTE | Relmb. Amount Reimb. Reimb. FTE Pos. FTE | Reimb. Pos. | Reimb. FTE | Amount | Reimb. FTE | Reimb. Reimb. Amount Relmb. Reimb. Pos. FTE | Reimb. Pos. | Reimb. FTE | Amount |
| None | | | | | | | | | 0 | 0 | |
| Budgetary Resources | | | | | | | | | 0 | 0 | 0 |
| | | | | | | | | | | | |

| Obligations by Program Activity | | 2014Actual | ual | • | 2015 Estimate | nafe | | 2016 Request | uest | Ĕ | Increase/Dec | Jecrease |
|---------------------------------|--------|------------|--------|--------|---------------|--------|--------|--------------|--------|--------|--------------|----------|
| | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Relmb. | Reimb. | Amount |
| | Pos | FTE | | Pos. | 된 | | Pos. | FTE | | Pos. | ᆵ | |
| Office of Legal Counsel | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Budgetary Resources | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

Exhibit I - Detail of Pe nt Positions by Category

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category Office of Legal Counsel Salanes and Expenses (Doldars in Thousands)

| Category | FY 2014 Ap Enacted w | FY 2014 Appropriation Enacted with Balance | FY 2015 C | FY 2015 Continuing | | <u> </u> | FY 2016 Request | # # # # # # # # # # # # # # # # # # # | |
|--|-------------------------|---|-------------|--------------------|------|----------|--------------------|---------------------------------------|--------------|
| | Pesci Direct Pos. | Direct Pos. Reimb. Pos. | Direct Pos. | Pos. Reimb. Pos. | ATBs | Program | Program Offsets | Total Direct Total Reimb. | Total Reimb. |
| Clerical and Office Services (0300-0399) | 3 | 0 | 8 | 0 | 0 | ō | 0 | 3 | 0 |
| Paralegals / Other Law (900-998) | 3 | 0 | 5 | 0 | 0 | o | 0 | 0 | 0 |
| Attorneys (905) | 27 | 0 | 27 | 0 | 0 | 0 | 0 | 27 | 0 |
| Paralegal Specialist (0950) | _ | 0 | 8 | 0 | 0 | o | 0 | 9 | 0 |
| Total | 33 | 0 | 33 | o | 0 | 0 | 0 | 33 | 0 |
| Headquarters Washington D.C. | 33 | 0 | 33 | a | 0 | 0 | 0 | 33 | 0 |
| US Fields | 0 | 0 | ō | 0 | 0 | 0 | 6 | 0 | 0 |
| Foreign Field | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Ö | 0 |
| Total | 33 | 0 | 33 | 0 | 0 | 0 | 0 | 33 | 0 |

| Grades | Total Program Changes | т Сһапрев |
|---------------------------------------|-----------------------|-----------|
| | Direct Pos | Amount |
| No g/ades | | |
| Total Positions and Annual Amount | 0 | |
| Lapse (-) | | |
| 115 - Other personnel compensation | | |
| Total FTEs and Personnel Compensation | o | ľ |
| No BOCs | | |
| Total Program Change Requests | • | |

Summary of Requirements by Object Class

K. Summary of Requirements by Object Class

Office of Legal Counsel Salaries and Expenses (Dollars in Thousands)

| Object Class | FY 20 | FY 2014 Actual | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Request | Increase | increase/Decrease | _ |
|---|----------|----------------|--------|-----------------|--------|-----------------|----------|-------------------|------|
| • | Act. FTE | Amount | Direct | Amount | Direct | Amount | Direct | Amount | Г |
| | | | FTE | | FTE | | FTE | | - |
| 11.1 - Full-time permanent | 23 | 3,232 | 25 | 3,913 | 25 | 4,642 | 0 | 2 | 729 |
| 11.3 - Other than full-time permanent | 7 | 243 | 2 | 426 | 2 | 171 | • | ? | -255 |
| 11.5 - Other personnel compensation | 0 | 93 | 0 | 178 | 0 | 63 | • | ٢ | -115 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| 11.8 - Special personal services payments | 0 | 0 | 0 | 0 | 0 | 0 | ٥ | | 0 |
| Total | 25 | 3,568 | 27 | 4,517 | 27 | 4,876 | 0 | e | 359 |
| Other Object Classes | | | | | | | | | |
| 12.1 - Civilian personnel benefits | | 953 | | 1,099 | | 1,178 | 0 | | 79 |
| 21.0 - Travel and transportation of persons | | 4 | | 9 | | 9 | 0 | | Ö |
| 22.0 - Transportation of things | | 36 | | 37 | • | 39 | 0 | | N |
| 23.1 - Rental payments to GSA | - | 1,094 | | 1,095 | | 1,170 | 0 | • | 22 |
| 23.2 - Rental payments to others | | 49 | | 50 | | 49 | 0 | | ₹ |
| 23.3 - Communications, utilities, and miscellaneous charges | | 120 | | 124 | | 127 | 0 | | m |
| 24.0 - Printing and reproduction | | 84 | | 87 | | 35 | 0 | , | -52 |
| 25.2 - Other services from non-federal sources | | 368 | | 381 | | 226 | 0 | Ť | -155 |
| 25.3 - Other goods and services from federal sources | | 250 | | 259 | | 144 | 0 | Ť | -115 |
| 25.6 - Medical care | | n | | 6 | | 4 | 0 | | - |
| 25.7 - Operation and maintenance of equipment | | 80 | | 80 | • | 6 | 0 | | - |
| 26.0 - Supplies and materials | | 99 | | 75 | | 120 | 0 | _ | 45 |
| 31.0 - Equipment | | 94 | | 95 | | 6 | ٥ | Ī | ဆူ |
| Total Obligations | | 6,695 | | 7,836 | | 7,989 | • | ~ | 53 |
| Subtract - Unobligated Balance, Start-of-Year | | 0 | | 0 | | 0 | 0 | | 0 |
| Subtract - Transfers/Reprogramming | | 0 | | 0 | | 0 | 0 | | 0 |
| Subtract - Recoveries/Refunds | | 0 | | 0 | | 0 | 0 | | 0 |
| Add - Unobligated End-of-Year, Available | | 0 | | 0 | | 0 | 0 | | 0 |
| Add - Unobligated End-of-Year, Expiring | | 705 | | 0 | | 0 | 0 | | 0 |
| Total Direct Requirements | 0 | 7,400 | 0 | 7,836 | 0 | 7,989 | 0 | 1 | 153 |
| Reimbursable FTE | | | | | | | | | |
| Full-Time Permanent | 0 | | Ö | | ō | | 0 | | ᆰ |

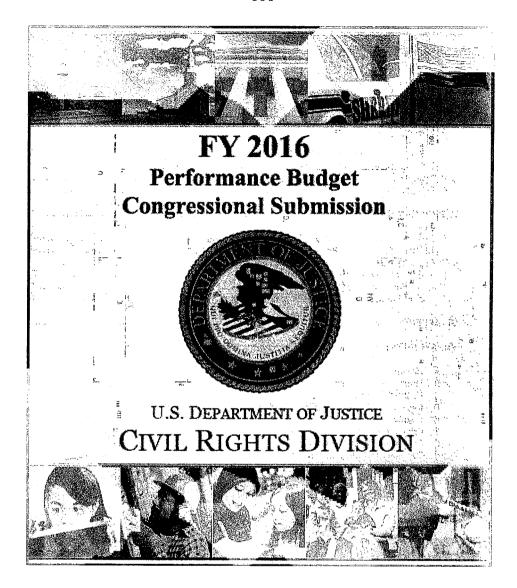


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I. CIVIL RIGHTS DIVISION OVERVIEW

The Civil Rights Division (Division) is dedicated to preserving the rights enshrined in the Declaration of Independence and the United States Constitution. The Division enforces federal laws that prohibit discrimination and uphold the civil and constitutional rights of all who live in America. Building on a legacy that extends more than fifty years, the men and women of the Division work to:

- · Rescue victims from human traffickers and prosecute traffickers;
- Fight for the employment rights of servicemembers who have returned from active
 duty;
- · Ensure effective, accountable policing in our communities; and
- Protect students from sexual assault and harassment in our nation's schools.

This work, which represents just a fraction of the Division's recent accomplishments, continues to answer the call for justice that Dr. Martin Luther King, Jr., made on the steps of the Lincoln Memorial in 1963. While great progress has been made in the five decades since then, the Division's robust caseload reminds us that much work remains. In pursuit of that mission, the Civil Rights Division is committed to advancing three basic principles:

- Protecting the most vulnerable among us by ensuring that all in America can live free from fear of exploitation, discrimination, and violence.
- Safeguarding the fundamental infrastructure of democracy by protecting the right to vote and access to justice, by ensuring that communities have effective and democratically accountable policing, and by protecting those who protect us.
- Expanding opportunity for all people by advancing the opportunity to learn, the
 opportunity to earn a living, the opportunity to live where one chooses, and the
 opportunity to worship freely in one's community.



To continue its service to this country in FY 2016, the Civil Rights Division requests a total of \$175,015,000, 893 positions, 697 direct FTE, and 478 attorneys to protect, defend, and advance civil rights in our nation. The Division also requests enhancements to continue to protect victims of human trafficking and prosecute traffickers (\$2,788,000, 30 positions, 15 FTE), ensure that all communities have effective and democratically accountable policing (\$2,519,000, 25 positions, 13 FTE), protect students from sexual assault and harassment in our nation's schools (\$500,000, 5 positions, 3 FTE), ensure that E-Verify is not used to discriminate

against work-authorized immigrants (\$305,000, 3 positions, 2 FTE), protect the right of all Americans to vote (\$1,200,000, 12 positions, 6 FTE), and continue to vigorously protect servicemembers and individuals in institutions (\$8,726,000, 104 positions, 52 FTE). Electronic copies of the Department of Justice's (DOJ) Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the address: http://www.justice.gov/02organizations/bpp.htm.

CIVIL RIGHTS CHALLENGES AND OPPORTUNITIES: THE UNFINISHED BUSINESS OF AMERICA

Fifty years ago, President Lyndon B. Johnson signed into law the Civil Rights Act of 1964. With its landmark protections against discrimination on the basis of race, color, national origin, sex, and religion, the Act ended the era of legal segregation in America, relegating the age of Jim Crow to the history books. As he prepared to sign the bill, President Johnson announced, "those who are equal before God shall now also be equal in the polling booths, in the classrooms, in the factories, and in hotels, restaurants, movie theaters, and other places that provide service to the public."



Emerging from the turmoil of the early 1960s, the Civil Rights Act laid the groundwork for other critical federal civil rights statutes, including the Voting Rights Act of 1965, the Fair Housing Act of 1968, the Americans with Disabilities Act of 1990, and

the Shepard-Byrd Hate Crimes Prevention Act of 2009. There is no doubt that our nation has come a long way since 1964. Many of the rights for which civil rights pioneers fought, bled, and gave their lives are now guaranteed by law. Yet the Civil Rights Division's robust caseload remains a stark reminder that too many in our nation continue to face barriers to equal opportunity.

In 2014, our nation and the Division must confront new, complex, and ever-changing challenges in the ongoing effort to ensure equal opportunity for all. These challenges are the result of external factors such as an increase in hate crimes and a spike in foreclosures resulting from the recent financial crisis, as well as internal factors such as the need to maintain a well-trained, knowledgeable, and motivated staff to meet the Division's ever-growing workload.

The Division plays a unique role in civil rights enforcement that cannot be performed by any other government agency. In order to continue to protect victims of human trafficking and prosecute traffickers, ensure that all communities have effective and democratically-accountable policing, ensure voting rights for all Americans, and protect students from sexual assault in our nation's schools, the Civil Rights Division needs to able to hire, train, and retain talented, dedicated attorneys and staff. Between December 2010 and December 2014, the Division lost 36 attorneys and 107 investigators, paralegals, and support staff. It is essential that the Division be able to replace lost staff to ensure that it can continue to perform this essential work.

CRIMINAL ENFORCEMENT: PROTECTING INDIVIDUALS FROM EXPLOITATION, DISCRIMINATION, AND VIOLENCE

The Division's criminal enforcement program protects individuals from exploitation, discrimination, and violence by:

- Prosecuting and preventing human trafficking a form of modern day slavery that
 involves the use of force, threats, or coercion to compel labor, services, or commercial
 sex acts from victims. Human trafficking can involve migrant farm laborers, sweat-shop
 workers, domestic servants, and persons forced into prostitution. Victims may be U.S.
 citizens or non-citizens, adults or children;
- Combating hate crimes, violent and intimidating acts such as beatings, murders, or cross-burnings that are targeted at an individual because of his or her race, color, national origin, religious beliefs, gender, gender identity, sexual orientation, or disability;
- Prosecuting public officials who, unlike the vast majority of law enforcement officers, misuse their positions to willfully deprive individuals of their constitutional rights by engaging in excessive force, sexual assault, illegal arrests or searches, or theft of individuals' property;
- Protecting the right to religious worship by prosecuting violence against churches, synagogues, mosques, and other religious houses of worship;
- Investigating unsolved civil rights era homicides under the Emmett Till Unsolved Civil Rights Crime Act of 2007.

In addition to prosecuting cases in district courts, the Division also participates in litigation in the federal courts of appeals and the U.S. Supreme Court to advance and defend its criminal enforcement work.

PROSECUTING AND PREVENTING HUMAN TRAFFICKING

The Division has a lead role in the Department's efforts to enforce laws against human trafficking, including both sex trafficking and forced labor. Working with U.S. Attorney's Offices (USAOs) nationwide, the Division leads prosecutions of novel, complex, multi-jurisdictional, and international cases and spearheads coordination initiatives to strengthen the federal law enforcement response to human trafficking crimes. The Division also provides national and international expertise in cases involving forced labor, sex trafficking of adults by force, fraud, and coercion, and international sex trafficking cases.

FY 2013 and FY 2014 were record-breaking years for the Division, in terms of bringing criminal civil rights cases, respectively being the first and second most productive years since counting began in 1993.

Man convicted of human trafficking gets 34 years in prison

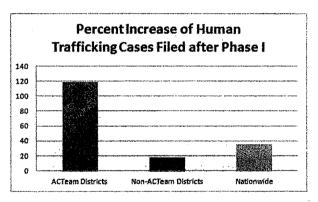
The Tampa Bay Times, 1/29/14

Human trafficking cases are on the rise and require vigorous, coordinated, and creative efforts to prevent future trafficking, rescue and protect victims, and prosecute traffickers. Over the

past four fiscal years (2011-2014), the Department of Justice brought 236 such cases, compared to 169 in the previous 4-year period (amounting to a 40% increase), and 104 in the 4-year period before that (amounting to a 127% increase).

The Division led the launch of the Anti-Trafficking Coordination Teams (ACTeams) Initiative to streamline federal law enforcement human trafficking investigations and prosecutions. In partnership with the Departments of Homeland Security and Labor, the Federal Bureau of Investigation, and the Executive Office of United States Attorneys, the Division led a competitive, interagency, nationwide selection process to convene ACTeams of federal agents and federal prosecutor in six select Phase I pilot districts beginning in 2011. Throughout Phase I of the Initiative, which ran from 2011-2013, the six Phase I Pilot ACTeams formulated and implemented a coordinated, pro-active, interagency Federal law enforcement strategy to develop high-impact human trafficking investigations and prosecutions.

Phase I of the ACTeam Initiative proved highly successful, with ACTeam Districts increasing the numbers of human trafficking cases filed by 119% over same-district results prior to Phase I, compared to an 18% increase in non-ACTeam Districts and a 35% increase nationwide during the same period.



ACTeam Districts, although constituting less than 7% of the Districts nationwide, accounted for 58% of the nationwide increase in human trafficking prosecutions during the Phase I period of 2011-2013. Based on the demonstrated success of the ACTeam model, by unanimous consensus of the interagency ACTeam partners and the Attorney General's Advisory Committee of United States Attorneys, the Division will be coordinating the launch of Phase II of the ACTeam Initiative beginning in 2015. It is anticipated that significant CRT resources will be necessary to implement Phase II of the ACTeam Initiative while continuing to support the highly productive Phase I ACTeam Districts.



Human trafficking requires coordination beyond our borders. The Division leads the U.S./Mexico Human Trafficking Bilateral Enforcement Initiative, which has contributed significantly to restoring the rights and dignity of human trafficking victims through outreach, interagency coordination, international collaboration, and capacity-building in both countries. Through this initiative, U.S. and Mexican law enforcement have

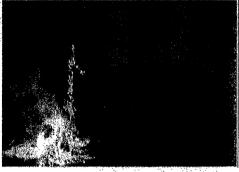
worked together to dismantle sex trafficking networks operating across the U.S.-Mexico border, prosecuting members of those networks and securing substantial sentences under both U.S. and

Mexico law, while rescuing victims and recovering victims' children from the trafficking networks' control. This initiative has established enduring partnerships, bringing together law enforcement agencies and non-governmental organizations across international lines to vindicate the rights of dozens of sex trafficking victims.

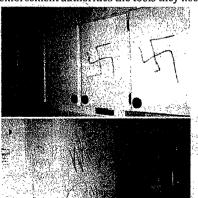
Strategic law enforcement partnerships such as the ACTeam Initiative and U.S.-Mexico Bilateral Human Trafficking Enforcement Initiative, combined with highly successful outreach, training, and capacity-building efforts have substantially increased the Division's workload related to prosecuting and preventing human trafficking. In particular, these coordination initiatives and outreach efforts have enhanced case-identification capacity, generating a high volume of complex trafficking cases that often require CRT's unique expertise and coordination among multiple districts and multiple law enforcement agencies. The investigation and prosecution of these trafficking cases requires significant CRT resources. Therefore, the Division is seeking a \$2.8 million enhancement for human trafficking enforcement to ensure that it can continue to expand this crucially important work. More information about the Division's human trafficking enforcement and its FY 2016 enhancement request is available on page 41.

COMBATING HATE CRIMES

Hate crimes remain prevalent across the United States. These crimes include beatings, murders, cross burnings, and other violent acts motivated by a victim's race, color, national origin, religious beliefs, gender, gender identity, sexual orientation, or disability. They have a devastating effect beyond the physical injury inflicted on the victim. They reverberate through families, through entire communities, and across the nation, as people fear that they, too, could be targeted simply for who they are.



Just five years ago, Congress passed the Matthew Shepard-James Byrd, Jr. Hate Crimes Prevention Act (Shepard-Byrd Act). The Act is named after Matthew Shepard, a University of Wyoming student who was killed because he was gay, and James Byrd, an African-American man who was dragged to death by White supremacists. The Shepard-Byrd Act significantly expanded federal jurisdiction to investigate and prosecute crimes that have targeted whole communities. The Shepard-Byrd Act gives law enforcement authorities the tools they need to effectively investigate, prosecute, and deter hate



crimes. Since 2009, the Division has received hundreds of new matters that must be investigated and analyzed. The Division would have been unable to address many of these matters, such as hate crimes based on sexual orientation or gender identity, before the passage of the Shepard-Byrd Act.

Through FY 2014, the Division has brought 28 cases and charged 65 defendants under the Shepard-Byrd Act. The Division has also convicted 47 defendants under the Act. And, in total, the Division has prosecuted 201 defendants for hate crimes under multiple statutes over the last five years. Examples

of recent prosecutions include the murder of an African American man because of his race, the torturing of people because of their mental disabilities, and violent assaults of gay men because of their sexual orientation.

As part of its hate crime enforcement work, the Division leads the Department of Justice's law enforcement response to address post-September 11th "backlash" violence and threats against Arabs, Muslims, and South Asians. Federal charges have been brought in 47 cases against 61 defendants, yielding the conviction of 52 defendants.

Overall, from FY 2009 to FY 2014, the Division prosecuted 222 defendants in hate crimes cases, including Shepard-Byrd and "backlash" prosecutions, as well as prosecutions under pre-existing hate crimes statutes.

PROSECUTING OFFICIALS WHO WILLFULLY VIOLATE INDIVIDUALS' CONSTITUTIONAL RIGHTS

While the vast majority of law enforcement officers work tirelessly to protect the civil and constitutional rights of the communities they serve, the Division investigates and prosecutes public officials who use their authority to intentionally violate individuals' constitutional rights. These cases most commonly involve allegations that a police officer or corrections officer has used excessive force, but they may also include allegations of a broad range of other types of misconduct, including thefts and sexual misconduct by judges, police officers, corrections officers, and other public officials. From FY 2009 through FY 2014, the Division charged 407 law enforcement officers in 271 indictments, charging willful violations of constitutional rights. This represents a 15% increase in indictments over the prior 6 year period (FY 2003 to FY 2008).

The Division plays an important role in promoting and maintaining public confidence in law enforcement by carefully and thoroughly investigating allegations that law enforcement officials have intentionally violated individuals' constitutional rights. Regardless of whether charges result, and, in fact, most of these investigations do not result in charges, these investigations are important and resource intensive. The Division has devoted four prosecutors (out of approximately 50 non-manager criminal prosecutors) to exclusively handle investigations of deadly law enforcement shootings. Following extensive investigation of each case, the Division writes detailed decision-memoranda on these matters. After a decision is reached, prosecutors and managers are often involved in a "roll out" of the decision that requires extensive planning and coordination with the victim's surviving family members, the U.S. Attorney's Office, FBI, public officials, and community groups.

CIVIL ENFORCEMENT: PROTECTING INDIVIDUALS FROM EXPLOITATION, DISCRIMINATION, AND VIOLENCE

PROTECTING THE RIGHTS OF INDIVIDUALS IN INSTITUTIONS

The Division's civil enforcement work includes extensive efforts to ensure that individuals are protected from exploitation, discrimination, and violence. Much of this civil work is focused on protecting individuals in institutions. The Division's institutional work has focused on significant and systemic problems, such as sexual victimization of women prisoners, use of solitary confinement for inmates with mental illness, and the unmet mental health needs of inmates and pre-trial detainees.

The Division's work on behalf of institutionalized persons includes cases addressing constitutional and legal violations that might lead to the unnecessary incarceration of children. The Division investigates juvenile justice systems, including courts, indigent defense, and probation to ensure that youth involved in the juvenile justice system are afforded their rights to due process, have meaningful assistance of counsel, and are not subject to discrimination based on race or disability. The Division has worked with jurisdictions to create alternatives to incarceration that permit children to be served in their homes and communities rather than in detention facilities.

SAFEGUARDING THE FUNDAMENTAL INFRASTRUCTURE OF DEMOCRACY: CIVIL ENFORCEMENT

The Division's civil enforcement work seeks to protect rights guaranteed by the Constitution and federal law. This includes:

- Protecting voting rights of all Americans, including minorities, people with disabilities, individuals who need language assistance to vote, servicemembers serving away from home, and American citizens living overseas;
- Protecting those who protect us by vigorously pursuing employment, housing, credit, voting, and other cases on behalf of servicemembers;
 - Expanding access to courts by ensuring that individuals who need language assistance receive effective translation and interpretation services;
 - Ensuring full and equal access to courts and the justice system for people with disabilities; and,
 - Ensuring effective, accountable policing by working to address systemic problems in police departments.

In addition to litigating cases in district courts, the Division also participates in litigation in the federal courts of appeals and the U.S. Supreme Court to advance and defend its civil enforcement work.

PROTECTING VOTING RIGHTS

When he signed the Voting Rights Act in 1965, President Lyndon Johnson announced: "Millions of Americans are denied the right to vote because of their color. This law will ensure them the right to vote. The wrong is one which no American, in his heart, can justify. The right is one which no American, true to our principle, can deny."

In 2014, while the right to vote has been enshrined in the Voting Rights Act for nearly 50 years, there are still Americans who are unable to vote or who are hindered in their efforts to vote or who are unable to elect the candidates of their choice because of their race, color, language ability, disability, military service, or overseas residence. Therefore, the Division continues to vigorously protect the right to vote.

The Division's work to protect voting rights has changed substantially since 1965. Most recently, the Division's enforcement of the Voting Rights Act changed when the Supreme Court held in *Shelby County v. Holder* that the coverage formula in Section 4(b) of the Voting Rights Act

can no longer be used as the basis for subjecting jurisdictions to the preclearance requirement of Section 5 of the Voting Rights Act. Before *Shelby*, certain states and localities with a history of voting discrimination were required to obtain "preclearance" from the Department of Justice or the D.C. District Court before changing their voting procedures. As a result of the Court's ruling, those states and localities are no longer required to seek preclearance. In the wake of the Supreme Court's decision in *Shelby County*, the Division's work has shifted to greater affirmative efforts to identify and investigate voting practices that violate federal law and to more affirmative litigation to stop such practices.

The Department is committed to using all the tools still available in the Voting Rights Act to prevent discrimination in voting. This includes Section 2 of the Act, which allows the Justice Department to challenge practices that result in minority citizens having less opportunity to participate in the political



process. In the months after the *Shelby County* decision, the Division filed three new statewide Section 2 challenges, claiming in each case that the states were actually engaged in intentional racial discrimination and seeking judicial orders that they again submit voting changes for preclearance before putting them into effect.

By their nature, Section 2 cases are significantly more resource-intensive than the administrative Section 5 procedures used by the Division prior to Shelby County. There are many challenges inherent in this shift in how we enforce the Voting Rights Act. Rather than a jurisdiction being affirmatively responsible for identifying new voting changes in advance and providing information to the Division for analysis, as was the case under Section 5, the Division must shift resources into discovering where new voting changes have been adopted, obtaining the necessary information, undertaking analysis, initiating an investigation in the field, and then bringing a lawsuit under Section 2 in a local federal court. Litigation of these Section 2 cases is exceptionally complex since it typically requires hiring multiple experts to analyze and present an extensive array of information, including historical information about the jurisdiction, electoral data, population data, socioeconomic data, and geographic data.

The Division also works to ensure voting rights of Alaska Natives and American Indians, and voters who need language assistance. Over the last five years, the Department has filed several statements of interest and *amicus* briefs in Voting Rights Act cases involving the voting rights of American Indians and Alaska Natives. In November 2014, the Division monitored elections in three counties where there are significant populations of Native American voters: Cibola County, New Mexico; Charles Mix County, South Dakota; and Shannon County, South Dakota. In FY 2012 and 2013, the Division resolved cases against Lorain County, Ohio, Orange County, New York, and Colfax County, Nebraska, to ensure voting access for limited English proficient, Spanish-speaking voters.

The Division also continues its efforts to protect the rights of voters with disabilities. In addition to protections under the Voting Rights Act, title II of the ADA requires jurisdictions to ensure that polling places are accessible to people with disabilities. This obligation extends to all voting activities carried out by jurisdictions, including registration, early voting, and voting at the polls on Election Day. Election officials must provide physically-accessible polling places, modify policies as needed to provide access to the polls, and ensure that communication with

people with disabilities is as effective as communication with people who do not have disabilities. The Division has reached agreements with the City of Philadelphia and Blair County, PA, and has opened several additional investigations.

PROTECTING THOSE WHO PROTECT US



Servicemembers make tremendous sacrifices for our nation. When their duties call them away from home, the Division stands ready to protect their rights. Over the past five years, the Division has done more civil rights work in more areas on behalf of servicemembers than ever before. The Division vigorously enforces Federal laws that provide servicemembers with the right to vote when stationed away from home, the right to return to work after their military service, the right to be free of financial exploitation while on active duty, and the right to reasonable accommodation

when they have a disability. Many servicemembers rely on the Division to bring cases for which they otherwise would be unable to find or afford private attorneys.

The Division's work on behalf of servicemembers includes aggressive enforcement of the Uniformed and Overseas Citizens and Absentee Voting Act (UOCAVA), Uniformed Services Employment and Reemployment Rights Act (USERRA), and Servicemembers Civil Relief Act (SCRA).

EXPANDING ACCESS TO COURTS AND THE JUSTICE SYSTEM



Access to state courts is critically important. Individuals who are limited in their ability to communicate in English effectively in court are at risk of failing to obtain restraining orders in domestic violence cases, losing homes in foreclosure proceedings, losing custody of their children, or losing their liberty in a criminal proceeding. Under Title VI of the Civil Rights Act, recipients of federal financial assistance—including state courts that receive funds from the Department of Justice—are obligated to ensure that people with limited English skills can access the programs or services the recipients offer.

The Division's Courts Language Access Initiative works to ensure that those who cannot speak or understand English have access to justice. During FY 2014, the Courts Language Access Initiative worked to ensure that courts in 18 states do not deny individuals access to important court proceedings and operations because of their national origin. In several instances, the Division was able to achieve voluntary compliance without resorting to a full investigation or enforcement action.

In addition, the Division has worked closely with DOJ's Access to Justice Initiative to ensure that indigent defendants have access to counsel under the 6^{th} Amendment to the United States Constitution. Through statements of interest and policy initiatives, the Division has pursued this priority of the Attorney General.

ENSURING EFFECTIVE, ACCOUNTABLE POLICING IN OUR NATION'S COMMUNITITIES

Recent police shootings of unarmed civilians offer a stark illustration of the ongoing need to bolster effective, accountable policing in all communities. Police shootings and tasering of unarmed civilians in cities like Albuquerque, Newark, and New Orleans present modern civil rights challenges that have been a key enforcement area for the Division and the Department of lustice.



The Division is devoting substantial resources to address unconstitutional and discriminatory policing practices throughout the country. The Division is an integral part of the Department's efforts to strengthen community policing and to build strong, collaborative relationships between local police and the communities they serve. Using the considerable expertise of its career staff, the Division works to address systemic problems in police departments. Division staff investigates police departments by interviewing police officials and witnesses about alleged wrongdoing, reviewing numerous records, and evaluating departmental practices. Over the last five years, the Division has opened 20 investigations of the policing practices of law enforcement agencies, which is more than twice as many as were opened in the previous five years, and has secured 15 settlement agreements that will result in meaningful reform of police departments. These agreements amount to almost half of all settlement agreements ever reached by the Division in such cases.

The Division's police accountability work is designed to address constitutional violations, while at the same time repairing community trust in law enforcement. By highlighting systemic deficiencies in police departments, including insufficient accountability, inadequate training and equipment, and ineffective policies, as well as identifying causes and providing transparency in the reform process, communities can work together with their police



departments to ensure public safety and officers' safety. These civil investigations are often conducted in conjunction with or immediately following criminal investigations of law enforcement officers who have been accused of intentionally violating individuals' constitutional rights. In addition, the Division works to promote effective and accountable

policing by examining police hiring and policing services. The Division investigates and litigates allegations of employment discrimination involving hiring by police departments and other state and local law enforcement agencies. These efforts aid in making police departments more representative of the communities they serve which, in turn, increases the trust between the community and the department. Further, the Division works to ensure that police departments meaningfully communicate with limited English proficient individuals. Without such communication, for instance, limited English proficient victims of domestic violence have been forced to use their perpetrators to communicate with police.

Because recent events in Ferguson, Missouri, Staten Island, New York and Cleveland, Ohio, have focused the nation's attention on police practices and reform, the Division anticipates that there will be an increased demand for the review of police departments to ensure that they are engaging in constitutional practices. More information about the Division's police reform efforts is available on page 46.

CIVIL ENFORCEMENT: EXPANDING OPPORTUNITY FOR ALL PEOPLE

The Division's civil enforcement work also includes enforcement of federal laws that are designed to expand opportunity for all people. This includes:

- · Expanding equal opportunity in education;
- Expanding equal opportunity in the workplace;
- Expanding equal opportunity in housing and lending for all Americans; and,
- Expanding equal opportunity for individuals with disabilities.

EXPANDING EQUAL OPPORTUNITY IN EDUCATION

In his opinion in *Brown v. Board of Education*, Chief Justice Earl Warren wrote, "it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms." Six decades after this landmark decision, the Civil Rights Division continues to enforce Federal laws designed to ensure equal educational opportunities to all of our nation's students.

The Division aggressively protects students from discrimination because of their race and national origin. In FY 2014, the Division enforced approximately 180 active school desegregation cases. The Division works with school districts operating under desegregation decrees with the United States to ensure that students of all races have equal access to resources and opportunities, particularly in the areas of qualified faculty and staff, facilities, extracurricular activities, transportation, student assignment, course offerings, and discipline.

The Division also works to ensure that English Language Learner (ELL) students receive an education that meets their needs. The Division works with school districts to ensure that ELL students receive appropriate language services so that they can participate meaningfully in schools' educational programs. Without direct and effective instruction to help them learn English, ELL students are at risk of failing their classes and dropping out of school.

The Division also seeks equal educational opportunity for students with disabilities. The Division seeks to better integrate students with disabilities into general education programs and eliminate barriers that make it impossible for them to learn, to be in the same classroom as their friends, or to participate in school and community activities. In FY 2013 and 2014, the Division continued to work aggressively to protect the rights of students with disabilities so that all students have equal access to the resources and opportunities they need to learn.

Protecting students from sexual harassment and assault is a high priority for the Division. This problem is becoming more common in K-12 schools as well as on college campuses.

In addition, the Division uses its enforcement tools to stop sexual assault against students. For example, in FY 2013, the Division reached a settlement with the University of Montana, Missoula to ensure that the University responds swiftly and effectively to allegations of sexual assault and harassment by students. More information about the Division's settlement with the University of Montana, Missoula is available at http://www.justice.gov/crt/about/edu/documents/casesummary.php#montana.

The Division also uses its enforcement authority to address sexual harassment, including assault, in elementary and secondary schools. For example, the Division is enforcing a consent decree in *Doe v. Allentown*, a Title IX case in which the Division intervened to protect elementary school students from sexual assault at school. More information about *Doe v. Allentown* and the Division's other efforts to protect students from sexual assault is available at http://www.justice.gov/crt/about/edu/documents/casesummary.php#allentown.

EXPANDING EQUAL OPPORTUNITY IN THE WORKPLACE

The ability to earn a living and climb the economic ladder is at the heart of the American dream. Yet in too many cases, employees are still subjected to unequal treatment due to their race, sex, national origin, citizenship or immigration status, religion, or disability.

Race, national origin, and sex discrimination still bar qualified minorities and women from employment. The Employment Litigation Section's large cases challenge artificial hiring barriers that limit the opportunities of women and minorities. Removing these artificial barriers allows qualified individuals the chance to be part of meaningful public employment. For example, in 2009, in *United States v. City of New York*, the United States District Court for the Eastern District of New York found that the City's entry-level firefighter selection practices discriminated against African-Americans, Hispanics, and women. The court found that approximately 293 qualified African-American and Hispanic and job applicants were not selected for entry-level firefighter jobs because of their race or national origin and sex.

Jordan Sullivan, one of the applicants who failed the challenged examination but was hired as a result of the Division's law suit was profiled in a *New York Times* article in 2014 as he waited for his first "real" fire call. Mr. Sullivan decided to apply to be a firefighter after watching the attacks on the World Trade Center on September 11th. He did not score well enough on that examination to be considered.

So that was that. He was disappointed, but moved on, didn't just carry around the dream. Soon after, he got a job with the Civil Rights Center at the city comptroller, starting as a clerk and working up to claims investigator. He was not unhappy.

In 2007, he heard on the news about the lawsuit. The Justice Department had sued the Fire Department after the Vulcan Society, an association of black firefighters, complained that the entrance exam was biased against minority applicants. At the time, the department was 90 percent white.

He hadn't personally felt the exam was unfair to him as a black man. He found the suit curious but irrelevant to him, figuring, "I'll be 50-something years old before it's resolved."

Things went quicker. In July 2009, a federal judge ruled that the 1999 and 2002 exams discriminated against black and local Hispanic applicants. Under court-ordered reforms, promising black and Hispanic candidates not appointed from those tests could take a newly created one, regardless of their age, and would receive priority in being hired.

At the beginning of 2012, a full decade since he had that first urge, he was among hundreds of black and Latino candidates who heard from the Fire Department that they could sit for the new exam. He was amazed and unabashedly grateful at this stroke of providence.

N.R. Kleinfield, "Baptism by Fire," *New York Times*, June 20, 2014. http://www.nytimes.com/interactive/2014/06/22/nyregion/rookie-new-york-firefighter-faces-first-test.html? r=0

Firefighter Sullivan made it onto the force and successfully completed his training. On March 16, 2014, Firefighter Sullivan "caught" his first fire. He found and helped rescue a five monthold baby.

The Division also works to protect the rights of immigrants who are legally authorized to work. Some employers deny employment to work-authorized individuals or subject those individuals to discriminatory employment eligibility verification procedures. Such unfair employment practices are devastating for workers—and are prohibited by the anti-discrimination provision of the Immigration and Nationality Act (INA).

This type of discrimination often occurs because employers misuse or misunderstand E-Verify, an Internet-based verification system operated by the Department of Homeland Security that allows employers to confirm an individual's employment eligibility. The result of E-Verify-related discrimination is that qualified, work-authorized individuals are often denied employment or required to jump through several unnecessary hoops to keep their jobs because of their immigration status. Making matters worse, victims tend to be from minority, disadvantaged, and immigrant populations, or marginalized communities. With an average of 1,400 new employers enrolling in E-Verify per week, and with employer enrollment doubling since FY 2011, the Division anticipates that this type of discrimination will become more prevalent. More information is available on the Division's E-Verify responsibilities on page 60.

Finally, the Division works to challenge employment discrimination by state and local government employers against people with disabilities. People with disabilities still face

barriers to becoming employed, staying employed, and earning the same benefits and privileges offered to all employees. Vestiges of long-outdated attitudes and stereotypes still keep qualified people with disabilities unemployed, as do inaccessible workplaces or failure to provide reasonable accommodations. The Division continues work to ensure that applicants and employees with disabilities are treated fairly and provided the same opportunity to succeed in the workplace.

EXPANDING EQUAL OPPORTUNITY IN HOUSING AND LENDING

A family's access to housing determines far more than whether they have a roof over their heads—it affects their access to good schools, transportation, and jobs. Four decades after the passage of the Fair Housing Act, housing discrimination and segregation continue to taint communities across the country. Far too many home seekers are shut out by housing providers' prejudice and stereotypes. Continuing discrimination harms African Americans, Latinos, Arab-Americans, Asian-Americans, people with disabilities, and families with children.

But in 2014, a family's access to housing is often linked to its access to credit. That's why the Division has reinvigorated its efforts to ensure that all qualified borrowers have equal access to fair and responsible lending. In 2010, the Division created a Fair Lending Unit that aggressively pursues lending discrimination. Much of the Fair Lending Unit's work has focused on mortgage lending. In 2013, however, the Division expanded these efforts into the auto lending market, working with the Consumer Financial Protection Bureau (CFPB) and the U.S. Attorney for the Eastern District of Michigan to reach a \$98 million settlement with Ally Bank and Financial for pricing discrimination in its automobile lending practices. The Division found that between 2011 and 2013, approximately 235,000 African-American, Hispanic, and Asian/Pacific Islander borrowers who obtained loans from Ally were forced to pay higher interest rates than white borrowers—a penalty based not on their creditworthiness or other objective criteria related to borrower risk— but on their race or national origin.

PROVIDING OPPORTUNITIES FOR PEOPLE WITH DISABILITIES

Although the Americans with Disabilities Act was passed in 1990, individuals with disabilities still face significant barriers to education, public places, and essential services. The Division works to ensure equal opportunity for people with disabilities to access public accommodations and state and local government services. For example, the Division protects the rights of students, including those at colleges and universities, individuals seeking access to hotels, restaurants, and movie theaters, as well as individuals who need sign language or other services when at a doctor, hospital, or local government agency.

The Division also works to enforce the Supreme Court's decision in Olmstead v. L.C., a ruling that requires states to eliminate unnecessary segregation of persons with disabilities and to serve persons with disabilities in the community rather than in segregated facilities whenever appropriate. In FY 2013 and 2014, the Division litigated Olmstead cases against the states of New Hampshire and Texas. Those cases involved the right of approximately 2,000 persons with mental illness in New Hampshire and the rights of approximately 635 Texans with intellectual and developmental disabilities. In each case, individuals were being served in state institutions or nursing homes or were at risk of being placed in institutions rather than receiving services in their communities. More information about the Division's work on Olmstead cases is available at www.ADA.gov/Olmstead.

Since 2012, the Division's enforcement activities have resulted in three consent decrees that will bring relief to approximately 16,000 people with disabilities. Through its ongoing

litigation, the Division seeks to continue the trend of ensuring that people with disabilities have meaningful opportunities to receive services in integrated, community-based settings.

In 2014, the Division entered into a settlement agreement with the State of Rhode Island to enforce the rights of people with intellectual and developmental disabilities who were unnecessarily segregated into sheltered workshops and facility-based day programs. This agreement will provide relief to approximately 3,200 individuals over a ten-year period. In July 2013, the Division reached a settlement agreement with New York remedying discrimination in the administration of its service system for approximately 4,000 adults with psychiatric disabilities who were unnecessarily institutionalized in large, for-profit adult homes. And in August 2012, the Division reached a settlement agreement with the State of North Carolina, providing community-based supported housing to 3,000 individuals unnecessarily segregated in, or at risk of entry into, adult care homes.

PROVIDING OPPORTUNITY THROUGH POLICY DEVELOPMENT, COLLABORATION, COORDINATION, TECHNICAL ASSISTANCE, AND OUTREACH

The Division's criminal and civil enforcement programs are complemented by a variety of nonlitigation activities including development of regulations and policies, coordination and cooperation with other government actors, technical assistance, and outreach to the public.

Policy, regulations, and legislation: The Division develops initiatives that are designed to more fully realize the promise of federal civil rights laws. Examples of the Division's work include:

- Work on a legislative package to strengthen servicemembers' civil rights. In FY 2011, based on years of experience enforcing UOCAVA, SCRA, and USERRA, the Division drafted and formally transmitted to Congress a package of legislative proposals to strengthen these statutes. Since that time, the Division, in close consultation with other federal agencies, has continued to work to refine those proposals and has worked to provide extensive technical assistance to Members of Congress considering servicemember-related legislation. During both the 112th and 113th Congresses, the Senate introduced legislation drawn from the Division's legislative proposals.
- Development of new ADA regulations to provide guidance to individuals, businesses, and organizations about compliance with the Americans with Disabilities Act. In FY 2013 and FY 2014, the Division developed proposed ADA rules related to movie captioning and video description and the definition of disability under the ADA Amendments Act.
- Participation in the federal agency Reentry Council, chaired by the Attorney General.
 The Council represents twenty federal agencies working to make communities safer by reducing recidivism and victimization, assist those who return from prison and jail to become productive citizens, and save taxpayer dollars by lowering the direct and collateral costs of incarceration.

Collaboration with other Federal agencies and other governmental actors: Partnerships with other federal enforcement agencies, United States Attorneys' Offices, state, local, tribal, and foreign governments, and international organizations are important to the Division's criminal and civil enforcement work.

- The Division's partnership with the CFPB has been critical to recovering millions of dollars in damages for victims of discriminatory lending.
- The Division has partnered with the Departments of State and Homeland Security in a
 State Department program designed to educate foreign governments on legal tools they
 can create to promote and realize religious freedom within their own countries.
 Specifically, the tri-agency effort holds trainings and workshops in foreign countries to
 educate foreign officials and civil society about how religious freedom is implemented
 in the United States through law enforcement and other methods utilized by the
 Division.
- The Division's close working relationships with United States Attorneys' Offices (USAOs) have been crucial to rescuing human trafficking victims and putting traffickers in prison.

Guidance documents, technical assistance, training, and outreach: The Division recognizes that individuals and organizations sometimes need assistance in understanding their rights and responsibilities under federal law.

- In FY 2014, the Division, in cooperation with the Department of Education, issued supplemental guidance on *Plyler v. Doe* and related obligations to ensure that all students can enroll in elementary and secondary schools regardless of race, national origin, or immigration or citizenship status. Also in 2014, the Division and the Department of Education issued joint guidance regarding schools' obligations not to discriminate in the administration of student discipline.
- The Americans with Disabilities Act (ADA) requires the Division to provide technical assistance (TA) to businesses, state and local governments, people with disabilities, non-profit agencies, architects and builders, attorneys, and others who have responsibilities or rights under Titles II and III of the ADA. To carry out this mandate, the Division creates and disseminates an array of technical assistance materials, operates a nationwide toll-free ADA Information Line and the ADA website, provides educational presentations and training sessions, and engages in outreach targeted to businesses, state and local governments, and people with disabilities. The goal of the Division's TA Program is to provide accurate, understandable, and timely information to people across the country, to increase understanding of and voluntary compliance with the ADA. In FY 2014, the ADA Information Line responded to over 48,000 calls and the ADA web site received over 16 million hits.
- In FY 2014, the Division brought together key courts stakeholders to discuss efforts to improve language access in the courts. At that event, the Division released its <u>Language</u> <u>Access Planning and Technical Assistance Tool for Courts</u>, designed to help courts prevent national origin discrimination and ensure access to justice for all. The Division's technical assistance efforts have helped to ensure expanded access for limited English proficient individuals in state courts from Hawaii to Maryland.
- The Division has conducted an extensive, nationwide public outreach campaign to
 educate workers, employers, and concerned organizations about the anti-discrimination
 provision of the Immigration and Nationality Act (INA). In FY 2014, the Division
 participated in more than 200 public outreach sessions and webinars, and handled
 more than 4,000 calls through its employer and worker hotlines.

• In FY 2014, the Division collaborated with the Equal Employment Opportunity Commission and the Department of Labor on the Vulnerable Workers Project, which focuses on strengthening employment and labor protections and enforcement for vulnerable Asian American and Pacific Islander (AAPI) workers in high-risk and lowwage industries, in great part by informing workers of the ways in which federal law protects them. Together, these agencies planned listening sessions with AAPI workers and stakeholders in different U.S. cities to hear about the employment and labor challenges those communities face and to share information about the federal agency resources available to assist them.

II. SUMMARY OF PROGRAM CHANGES

| Item Name | .Description | | | | Page |
|---|---|------|-------|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Protect Victims of Human Trafficking and Prosecuting Traffickers | Protect victims of human trafficking and prosecute traffickers. | 30 | ** 15 | 2,788 | 42 |
| Ensure Effective and Democratically- Accountable Policing | Ensure that all communities engage in effective, accountable policing. | 25 | 13 | 2,519 | 46 |
| Protect Civil Rights for All | Expand civil rights enforcement. | 104 | 52 | 8,726 | 51 |
| Protect Students from Sexual Assault in Schools | Protect students from sexual assault and harassment in schools. | 5 | 3 | 500 | 54 |
| Guarantee Voting Rights of All Americans | Protect the voting rights of all Americans. | 12 | 6 | 1,200 | 58 |
| Ensure Equal Employment Opportunity | Ensure that E-Verify is not used to discriminate against workauthorized immigrants. | 3 | 2 | 305 | 61 |
| Total | | 179 | 91 | 16,038 | |

III. APPROPRIATIONS LANGUAGE AND ANALYSIS OF APPROPRIATIONS LANGUAGE

Please refer to the General Legal Activities Consolidated Justifications.

Appropriations Language

The 2016 Budget request includes proposed changes in the appropriations language listed and explained below. Language proposed for deletion is bracketed and new language is *italicized*.

General Legal Activities Salaries and Expenses

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed \$20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia, [\$885,000,000] \$1,037,386,000, of which not to exceed [\$15,000,000] \$20,000,000 for litigation support contracts shall remain available until expended; Provided, That of the amount provided for INTERPOL Washington dues payments, not to exceed \$685,000 shall remain available until expended: Provided further, That of the total amount appropriated, not to exceed \$9,000 shall be available to INTERPOL Washington for official reception and representation expenses: Provided further. That notwithstanding section 205 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for litigation activities of the Civil Division, the Attorney General may transfer such amounts to "Salaries and Expenses, General Legal Activities" from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the preceding proviso shall be treated as a reprogramming under section [505] 504 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section: Provided further, That of the amount appropriated, such sums as may be necessary shall be available to the Civil Rights Division for salaries and expenses associated with the election monitoring program under [section 8 of] the Voting Rights Act of 1965 (52 U.S.C. 10305) and to reimburse the Office of Personnel Management for such salaries and expenses: Provided further, That of the amounts provided under this heading for the election monitoring program, \$3,390,000 shall remain available until expended.

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed [\$7,833,000] \$9,358,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

Analysis of Appropriations Language

The Civil Rights Division directs and manages federal enforcement of the provisions of the Voting Rights Act, including the election monitoring provisions of the Act. The Division reimburses the Office of Personnel Management for salaries and expenses that it incurs for federal observers for elections. The Department's election monitoring program operates under numerous sections of the Act, not just Section 8. The change ensures that the appropriations language will cover the expenses of the election monitoring program.

IV. PROGRAM ACTIVITY JUSTIFICATION

A. Civil Rights Division Decision Unit

1. Program Description

| Civil Rights Division | Perm Pos. | Estimate FTE | Amount | | |
|------------------------|--------------|-----------------|-------------------|--|--|
| 2014 Enacted | 714 | 573 | \$144, 173 | | |
| 2015 Enacted | 714 | 606 | 147,239 | | |
| Adjustments to Base | 0 | 0 | 11,738 | | |
| 2016 Current Services | 714 | 606 | 158,977 | | |
| 2016 Program Increases | 179 | 91 | 16,038 | | |
| 2016 Request | 893 | 697 | 175 ,015 | | |
| Total Change 2015-2016 | 179 | 91 | \$27,776 | | |

Established in 1957, the Division is comprised of 11 program-related sections, as well as the Professional Development Office, the Office of Employment Counsel, and the Administrative Management Section. A description of CRT's responsibilities and activities, as well as accomplishments for its program-related sections, is presented below.

The Division is a single decision unit within the General Legal Activities appropriation, and is led by the Assistant Attorney General (AAG) for Civil Rights. Five deputy assistant attorneys general work with the AAG to supervise the Division's two programmatic areas: criminal enforcement and civil enforcement.

The Division's Criminal Section falls under the Criminal Enforcement program area (149 positions, \$25,918,000). The Appendix on page 64 provides a summary of each of the criminal statutes enforced by the Division's Criminal Section.

The Division's Civil Enforcement program area (744 positions, \$149,097,000) includes the Division's remaining 10 program-related sections:

- · Appellate
- Disability Rights
- Educational Opportunities
- Employment Litigation
- Federal Coordination and Compliance
- Housing and Civil Enforcement
- Office of Special Counsel for Immigration-Related Unfair Employment Practices
- Policy
- ❖ Special Litigation
- Voting

The Appendix on page 64 provides a summary of each of the civil statutes and Executive Orders enforced by the Civil Rights Division and identifies the civil litigating section responsible for enforcing each statute.

2. Performance and Resource Tables

| | PERFOR | RMANC | E AND R | ESOURCES TAE | BLE | | | | | |
|--|--|-------|-------------------------|--------------|---------|-------------------------|--|--------------------|----------------|-------------------------|
| DECISION L | NIT: CIVIL RIGHTS DIVISION | | | | | | | | | |
| RESOURCE | S | 7. | arget | Actual | Pro | jected | Che | inges | | uested Total) |
| | | FY | 2014 | FY 2094 | FY | 2015 | Current dervices Adjustments and FY 2018 Program Changes | | 1 | |
| Total Costs and FTE (rembursable FTE are included, but reimbursable costs are bracketed and not included in the total) | | FTE | \$000 | FTE \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| | | 635 | \$144,173 [\$11,709] | | 635 | \$147,239 [\$10,058] | 91 | \$27,778 [\$17] | 726 | \$175,015 [\$10,075] |
| STRATEGIC OBJECTIVE: 2.5 | PERFORMANCE | FY | 2014 | ****** | FY 2016 | | Current Services Adjustments and FY 2016 Program Changes | | PY 2016 Reques | |
| Program | | FTE | \$000 | PTE \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| Activity Civil Rights | Civil Rights | 635 | \$144,173 [\$10,041) | | 835 | \$147,239 [\$10,058] | D1 | \$27,776 [\$17] | 728 | \$175,015 [\$10,075] |
| Performance Measure | Number of matters opened concerning human trefficking | 150 | | let | . 154 | | 0 | | 154 | |
| Performance Messure | % of criminal cases favorably resolved | 85 | | 99 | 85 | | 0 | | 85 | |
| Performance Measure | % of civil cases favorably resolved | 85 | | 98.75 | 85 | | 0 | | 85 | |

Data Definition, Validation, Verification, and Limitations: The data source for all measures is the CMI Rights Division's (CRT) interactive Case Management System (ICM). The ICM is the official workload system of record for CRT and is used to generate key data for both internal and external inquiries. The ICM captures and reports on the level of affort that attorneys and professionale dedicate to matters and case-related tasks. Senior managers of CRT are responsible for ensuring the accuracy of the data contained in the ICM.

| | PERFORMANCE MEASURE TABLE | | | | | | | | | |
|------------------------|---|---|---------|---------|---------|---------|--------|--------|---------|---------|
| | CIVIL RIGHTS DIVISION | | | | | | | | | |
| | Performance Report and Performance Plan Targets | | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY | 2014 | FY 2015 | FY 2016 |
| Strategic Objective | | • | | Actual | Actual | Actual | Target | Actual | Target | Target |
| 2.5 | Performance Measure | Number of matters opened concerning human trafficking | • | 1 | | | 150 | | 154 | 230 |
| 2.5 | Performance Measure | % of criminal cases favorably resolved | 89. | 84 | 94 | 94 | 80 | | 85 | 85 |
| 2.5 | Performance Measure | % of civil cases favorably resolved | 95 | 97 | 98 . | 84 | 85 | | 85 | 85 |

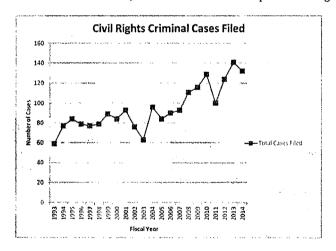
3. Performance, Resources, and Strategies

PROTECTING INDIVIDUALS FROM EXPLOITATION, DISCRIMINATION, AND VIOLENCE

CRIMINAL ENFORCEMENT

The Criminal Section's career prosecutors continue to achieve remarkable results, keeping pace with the record-setting levels of productivity and effectiveness demonstrated in recent years. Each year, the Division receives more than 10,000 complaints alleging criminal interference with civil rights. In FY 2013, the Division filed a record 141 cases. In FY 2014, the Division filed its second-highest number of cases, 132. Further, the Division filed 38% more criminal civil rights prosecutions in the last six fiscal years (742 indictments in FY 2009 - FY 2014) than the previous six years (537 indictments in FY 2003 - FY 2008), without an increase in staff.

In FY 2013 and FY 2104, the Division exceeded its performance goals:



- During each of those two years, the Division, in conjunction with the United States.
 Attorneys' Offices, charged more defendants with criminal civil rights violation than in any prior year since counting began in 1993 (279).
- In FY 2013 and 2014, the Division filed the highest number of criminal civil rights cases compared with any other two year period since counting began in 1993 (273).
- In FY 2013 and 2014, the Division filed the highest number of human trafficking cases in any two-year period since counting began in 1993 (138).
- In the five years since the passage of the Matthew Shepard and James Byrd Jr. Hate Crimes Prevention Act of 2009, the Division has brought 27 cases and charged 61 defendants under the Act. Of those 61 defendants, 47 have been convicted. In total, the

Division has prosecuted 222 defendants for hate crimes under multiple statues over the last six years, a 31% increase over the prior six years.

- The Division leads the Department of Justice's law enforcement response to address
 post-September 11th "backlash" violence and threats against Arabs, Muslims, and South
 Asians. Federal charges have been brought in 48 cases against 65 defendants, yielding
 the conviction of 52 defendants.
- While achieving these record results, the Division's Criminal Section has also operated
 its cold case initiative, pursuant to the Emmett Till Cold Case Act of 2007, in which
 Section prosecutors have reviewed voluminous evidence in over 100 unsolved hate
 crime homicides dating back to the Civil Rights Movement.

CASE EXAMPLE: PROSECUTING HUMAN TRAFFICKING

U.S. v. Kalu, et al.: The defendant was indicted for visa fraud, forced labor, and trafficking into forced labor, as well as mail fraud and money laundering. The defendant lured individuals from abroad to come to the United States with promises of jobs as nursing teachers. The defendant required the recruits to pay him fees for arranging work visas and to sign contracts to repay him those fees and other costs. When the recruits arrived, however, there were no teaching jobs for them. Instead, the defendant either arranged lesser paying jobs for them in nursing homes or required them to find their own positions while still forcing them to repay their fees to him under the threat of cancelling their visas and having them deported. The defendant was sentenced to 130 months incarceration and was ordered to pay \$3,790,338.55 in restitution to the victims.

CASE EXAMPLES: COMBATING HATE CRIMES

U.S. v. Dedmon, et al.: The federal investigation revealed that beginning in the spring of 2011, a total of ten defendants conspired to harass and assault African Americans in and around Jackson, Mississippi. On numerous occasions, the co-conspirators used dangerous weapons, including beer bottles, sling shots, and motor vehicles to cause, and attempt to cause, bodily injury to African Americans. They would specifically target African Americans they believed to be homeless or under the influence of alcohol because they believed that such individuals would be less likely to report an assault. The co-conspirators would often boast about these racially motivated assaults. The defendants' actions culminated in the brutal death of James Anderson, an African-American man, on June 25, 2011. The defendants were driving around Jackson looking for victims when they spotted Anderson in a motel parking lot. Two of the defendants physically assaulted Anderson by knocking him to the ground and then attacking him while he lay on the ground. The defendants then got back into the truck, yelling "White Power!" After that, one defendant deliberately used his two-ton truck to run over Anderson, causing fatal injuries. A total of ten defendants were convicted for their role in this conspiracy, with the final two defendants pleading guilty in January 2015.

U.S. v. Beebe: In 2011, two men admitted that they brought the victim—a Navajo man with a development disability—to an apartment and branded the impression of a swastika into his skin using a wire hanger heated on a stove. They also shaved a swastika into the back of his head and wrote "KKK" and "White Power" on his body. In 2014, the two defendants pleaded guilty to committing a hate crime and were sentenced to eight-and-a-half and five years in prison.

U.S. v. Johnson: In June 2014, defendant Brice Johnson pled guilty to a kidnapping charge in connection with the 2013 assault of A.K., a gay man whom Johnson attacked and severely injured. Johnson met his victim on the website "MeetMe.com," where the two men engaged in communications, and the defendant expressed an interest in engaging in sexual activity with A.K. The defendant invited A.K. to his home, but when A.K. arrived, Johnson attacked him, severely beat him, and bound his wrists with an electrical cord. Johnson then locked the victim into the trunk of his own car and drove the car to a family friend's house, where other individuals threatened to call the police unless Johnson took A.K. to a hospital. Johnson eventually transported A.K. to an Emergency Medical Services station in Springtown, Texas, where A.K. was diagnosed with multiple skull and facial fractures. A.K. was hospitalized for 10 days because of his injuries. Johnson was sentenced to 183 months in prison, in part because the court applied a sexual orientation hate crime enhancement.

U.S. v. Hammett, et al.: Three white supremacist defendants were charged with committing a racially-motivated attack on a white man and an African-American woman. The victims drove to a convenience store parking lot where defendant Perry Jackson called the white man a "n----lover." Defendant Billy Hammett then approached the driver's side of the car and called the African-American female victim a "n-----," drawing the attention of the two victims, while defendants Jackson and Anthony Tyler attacked the victims from the other side of the car. Defendants Hammett and Jackson punched and kicked the two victims and defendant Tyler smashed the victims' car windshield with a crowbar. On March 25, 2014, defendant Hammett was sentenced to 87 months in prison. On April 29, 2014, defendant Jackson was sentenced to 70 months of incarceration. Defendant Tyler was sentenced in October 2014.

United States v. Cannon: On April 24, 2014, the Fifth Circuit Court of Appeals affirmed defendants' convictions for violating the Shepard-Byrd Act. The evidence showed that Charles Cannon and two other defendants assaulted an African-American man who was waiting at a bus stop in downtown Houston. The defendants were shirtless, tattooed with white supremacist symbols, and some of them were yelling racial slurs at the victim. On appeal, the defendants challenged the constitutionality of the Shepard-Byrd Act, arguing that Congress exceeded its power in passing the law. The Fifth Circuit rejected that argument and affirmed the constitutionality of the Shepard-Byrd Act.

CASE EXAMPLE: PROSECUTING OFFICIALS WHO INTENTIONALLY VIOLATE INDIVIDUALS' CONSTITUTIONAL RIGHTS

U.S. v. Cates: The Division successfully prosecuted a Milwaukee police officer who sexually assaulted and raped a woman after responding to a 911 call at her home. While they were alone together in the victim's home, the officer coerced and intimidated the victim into committing sexual acts before forcibly raping her. Local officials declined to prosecute the officer. The defendants was convicted of a violating the victim's civil rights and sentenced to 24 years in prison.

U.S. v. Bloodsworth: On May 8, 2013, Wilcox County Sheriff Stacy Bloodsworth was sentenced to 10 years of incarceration for his role in a July 23, 2009 prison beating at Wilcox County Jail in Abbeville, Georgia. Sheriff Bloodsworth—along with his son Austin Bloodsworth, Jailer Casey Owens, Drug Task Force Officer Timothy King, Jr., and inmate-trustee Willie James Caruthers—assaulted three inmates because the inmates had a cell phone, in violation of the jail's regulations. All three inmates were injured. One of the inmates suffered a broken jaw, which Sheriff Bloodsworth attempted to "fix" by hitting the inmate in the face with a wrench. Following the assault, Sheriff Bloodsworth made up a false cover story, which he instructed others to tell investigators. Austin Bloodsworth and Caruthers were each sentenced to 18

months in prison. King was sentenced to six months incarceration. Owens was sentenced to three years of probation.

CIVIL ENFORCEMENT

The Division's Special Litigation Section works to protect the rights of children and adults in institutional settings, including nursing homes, mental health institutions, juvenile detention centers, and prisons. In FY 2014, the Special Litigation Section continued its work protecting the rights of individual in institutions.

CASE EXAMPLES: PROTECTING THE RIGHTS OF CHILDREN AND ADULTS IN INSTITUTIONS

Ohio Juvenile Justice: In November 2013, the Section learned that youth in custody at juvenile justice facilities in Ohio were experiencing significant amounts of unlawful solitary confinement. In March 2014, the Section sought leave to supplement its complaint to challenge Ohio's use of disciplinary solitary confinement. That same day, the Section filed a motion for a temporary restraining order to curtail Ohio's use of solitary confinement of youth with mental health disorders. Thereafter, the parties engaged in extensive settlement negotiations, with a goal of ending disciplinary solitary confinement of Ohio youth. The court entered that agreement as its order, and the Section is now monitoring the reforms required by the agreement.

SAFEGUARDING THE FUNDAMENTAL INFRASTRUCTURE OF DEMOCRACY

PROTECTING VOTING RIGHTS

The Division's Voting Section brings affirmative litigation to enforce federal voting laws and defends the United States when it is sued over voting matters. Despite the resource-intensive nature of its cases and setbacks from the Supreme Court's 2013 decision in *Shelby County v. Holder*, the Voting Section remains highly productive in safeguarding voting rights. For example, from FY 2012 to FY 2014, the Voting Section:

- Represented the United States in 64 new cases;
- Filed three new suits under Section 2 of the Voting Rights Act;
- Filed eight new Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) cases
 to ensure military and overseas voters the opportunity to vote (Virgin Islands, Alabama,
 Georgia, Vermont, Wisconsin, California, Michigan, and Illinois). The Section obtained
 favorable resolutions or orders granting preliminary relief in each of these UOCAVA
 cases; and
- Defended 35 new cases brought under various provisions of the Voting Rights Act or the United States Constitution: and.
- Monitored 160 elections using 1,865 federal observers and Department staff.

In addition, the Division's Disability Rights Section enforces the Americans with Disabilities Act's (ADA) requirements to ensure equal access to polling places and the election process for people with disabilities.

CASE EXAMPLES: PROTECTING VOTING RIGHTS

Veasey v. Perry: In August 2013, the Division filed a lawsuit against the State of Texas to block the implementation of a new law that imposed a highly restrictive photographic identification law on citizens voting in person at the polls. Originally, a three-judge federal district court had blocked implementation of the law on the grounds that the State had not met its burden under Section 5 of the Voting Rights Act to show that the law had neither a racially discriminatory purpose nor a racially discriminatory effect. But after the Supreme Court's decision in Shelby County v. Holder, Texas immediately put the law into effect. The Civil Rights Division's case under Section 2 of the Voting Rights Act, along with several cases brought by private parties alleging both constitutional and Voting Rights Act violations, went to trial in September 2014.

In October 2014, the federal district court held that Texas's voter ID law violated Section 2 of the Voting Rights Act both because it had a racially discriminatory purpose and because it had a racially discriminatory result. After finding that Texas's voter ID law was comparatively the strictest voter ID law in the country – rejecting at least sixteen kinds of ID that even other states with "strict" voter ID law accepted – the district court found that more than 608,000 registered voters in Texas lacked the kind of ID Texas required. Black and Latino voters were far more likely to lack the newly required forms of photo ID. And they were also likely to face greater obstacles to obtaining them. In explaining how the Texas law "effectively makes some poor Texans choose between purchasing their franchise or supporting their family," the district court quoted one witness, an African-American retiree living on \$321 a month for whom saving the \$42 she needed to obtain the birth certificate necessary to obtain a photo ID took months:

I had to put the \$42.00 where it was doing the most good. It was feeding my family, because we couldn't eat the birth certificate ... [a]nd we couldn't pay rent with the birth certificate, so, [I] just wrote it off.

The district court further found that the discriminatory burden the law placed on African American and Latino voters served no legitimate purpose: it did not address any demonstrated in-person voter fraud and it did not increase public confidence in the election system. To the contrary, the court held that the legislators who enacted Texas's voter ID law "were motivated, at the very least in part, because of and not merely in spite of the voter ID law's detrimental effects on the African-American and Hispanic electorate." Although the Supreme Court allowed the law to remain in effect for the 2014 general election, the case is now before the court of appeals on the underlying merits appeal. The Department will continue to defend the district court's judgment.

United States v. North Carolina: In September 2013, the Justice Department also filed a lawsuit against the State of North Carolina over voting rules adopted by House Bill 589, which was signed into law in August 2013. The North Carolina law includes troubling new restrictions, such as provisions that will significantly reduce early voting days; eliminate same-day registration during early voting; impose a restrictive photo identification requirement for inperson voting; and prohibit the counting of otherwise legitimate provisional ballots that are mistakenly cast in the right county but at the wrong precinct. The Justice Department expects to show that these cutbacks in opportunities to vote will disproportionately affect African

American voters, who were more likely than the white counterparts to take advantage of early voting and same-day registration. Moreover, the Department also expects to show that the changes in North Carolina were intended to have precisely this racially discriminatory result. After a federal district court denied a request from the Department and private plaintiffs to prevent implementation of the law before the November 2014 general election, the Division filed a brief as *amicus curiae* in the court of appeals in order to ensure that Section 2 of the Voting Rights Act is properly interpreted and applied in the context of restrictive voting practices that provide minority voters less opportunity than other members of the electorate to cast a ballot that will be counted. The court of appeals then entered a partial injunction that was later stayed by the Supreme Court. The State has recently filed a petition for certiorari in the Supreme Court. A full trial on the merits in the district court is scheduled for the summer of 2015.

Amicus briefs and statements of interest involving the voting rights of native peoples: In FY 2013 and 2014, the Division filed amicus briefs/statement of interest briefs in Toyukak v. Treadwell and Wandering Medicine v. McCulloch, two cases brought by Alaska Native and American Indian private plaintiffs under the Voting Rights Act. Toyukak involves a challenge under the language minority provisions of Section 203 of the Act regarding the translation of election information into the Alaska Native languages in the Dillingham, Wade Hampton, and Yukon-Koyokuk Census Areas in Alaska. The Wandering Medicine plaintiffs allege that the lack of early voting and late registration opportunities for Native American voters in Big Horn, Blaine, and Rosebud Counties in Montana is a violation of Section 2 of the Act.

City of Philadelphia, Pennsylvania: In April 2009, the Division entered into a comprehensive settlement agreement with the City of Philadelphia, Pennsylvania, resolving complaints that the City's polling places were inaccessible. Many of Philadelphia's 1,200 polling places are located in inaccessible private residences, local stores, restaurants, and other small businesses. People with mobility disabilities were frequently denied the opportunity to vote in person at the polls and had to vote by alternative ballots because of the inaccessibility of polling places. The agreement required the City to conduct an assessment of all polling places. If a polling place cannot be made accessible, the City is obliged to try to find an alternative location. Accessibility will be a major criterion in the City's selection of new polling places.

Blair County, Pennsylvania: In March 2014, the Division reached a settlement agreement with Blair County, Pennsylvania, to resolve the lack of accessibility of the County's polling places for voters who use wheelchairs and other mobility devices. The agreement requires the County to relocate polling places to accessible facilities or use temporary measures to make existing polling places accessible.

PROTECTING THOSE WHO PROTECT US

Three sections of the Civil Rights Division—Employment Litigation, Housing and Civil Enforcement and Voting—enforce statutes that are designed to protect servicemembers from civil rights violations. In addition, the Disability Rights Section brings cases involving servicemembers who are discriminated against on the basis of disability.

In FY 2014, the Division took the following actions to protect the rights of servicemembers:

 The Housing and Civil Enforcement Section obtained a \$60 million lending discrimination settlement under the SCRA;

- The Employment Litigation Section, on its own and in concert with several United States Attorneys' Offices, filed five suits to vindicate the employment rights of servicemembers who have returned from active duty and reached settlement in 11 cases; and,
- The Voting and Appellate Sections continued litigating two UOCAVA cases on behalf of servicemembers.

CASE EXAMPLES: PROTECTING THOSE WHO PROTECT US

United States v. Sallie Mae, Inc.: The Housing and Civil Enforcement Section sued three separate owners or servicers of private and federally guaranteed student loans (collectively, "Sallie Mae") alleging that they violated the rights of servicemembers eligible for benefits and protections under the SCRA. The complaint alleged that Sallie Mae charged approximately 60,000 servicemembers more than six percent interest on student loans even though the SCRA established a six percent interest rate cap on the loans at issue. The complaint also alleged that defendants improperly obtained default judgments against servicemembers who were unable to make their loan payments while on active duty. The Division resolved the case by consent order, which required Sallie Mae to pay \$60 million to compensate about 60,000 servicemembers for the alleged violations and \$55,000 to the United States as a civil penalty. The Secretary of Education joined the Attorney General when the settlement was filed, to announce plans to expand the opportunities for servicemembers to obtain the interest rate benefit for Department of Education student loans.

Delee v. City of Plymouth: In 2014, due to the work of the Employment Litigation and Appellate Sections as well as the United States' Attorney's Office, the Seventh Circuit Court of Appeals overruled a lower court and gave the Robert Delee, a sevicemember returning from active duty the longevity payment he deserved. The court found that the City of Plymouth violated USERRA when it reduced Robert Delee's longevity payment while he was serving on active duty military leave. This important decision will protect servicemembers in all types of employment and ensure that they are not penalized for the service to the nation.

Mann v. Penske Truck Leasing Co.: In 2014, the Division collaborated with the United States Attorney's Office for the Eastern District of Virginia on behalf of William Mann, an Air Force Reserve member. Mr. Mann's employer refused to re-employ him when he returned from his military leave with a service-related injury. Mr. Mann ultimately received \$85,000 in lost wages.

Collins v Key Safety Systems, Inc.: In 2014, the Division collaborated with the United States. Attorney's Office for the Middle District of Florida to protect the rights of Ronald Collins, an Army National Guard soldier who was demoted when he informed his employer that he would be taking military leave. Ronald Collins was ultimately paid \$20,000, including \$10,000 in lost wages.

Alabama UOCAVA litigation: In 2014, the Voting Section continued its litigation against Alabama to protect the voting rights of hundreds of military and overseas voters in federal elections. The suit alleges that Alabama failed to send ballots to UOCAVA voters at least 45 days before the 2012 Federal primary election and failed to ensure ballots would be sent by the 45th day before any needed Federal primary runoff election. In early 2014, the court entered the parties' proposed remedial order to resolve issues aside from the runoff question and granted the United States' motion for summary judgment on its runoff election claim. Thereafter, the court adopted the State's proposed "consent order" authorizing Alabama to use an instant runoff system to comply with UOCAVA in primary runoff elections for the 2014 election cycle and,

beginning with the 2016 election cycle, ordering Alabama to hold any Federal runoff elections nine weeks (63 days) after the Federal primary election. On March 25, 2014, Alabama appealed the court's order granting summary judgment to the United States on its runoff claim. That appeal is currently pending in the United States Court of Appeals for the Eleventh Circuit.

ENSURING EFFECTIVE AND DEMOCRATICALLY ACCOUNTABLE POLICING

The Division's Special Litigation, Employment Litigation, and Federal Coordination and Compliance Sections work to ensure effective, accountable policing. In FY 2014, the Special Litigation Section's enforcement of the pattern and practice provisions of the Violent Crime Control and Law Enforcement Act of 1994 has continued to expand. Over the last year, the Section has completed several comprehensive investigations and negotiated innovative resolutions to address serious and systemic problems in large police departments including: New Orleans; Portland, Oregon; Albuquerque, New Mexico; and Puerto Rico. Through strategic priority setting, the Section has selected cases and fashioned remedies to address issues that will have the broadest impact both in the communities affected and across the Nation. The Employment Litigation Section works to ensure that police departments use fair and equitable hiring and promotions processes. Such hiring and promotion processes help to ensure that police departments hire highly qualified individuals from a broad range of backgrounds. Finally, the Federal Coordination and Compliance Section works to ensure that law enforcement recipients of federal funds do not discriminate on the basis of race, color, or national origin.

CASE EXAMPLES: ENSURING EFFECTIVE ACCOUNTABLE POLICING

Portland Police Bureau: The Special Litigation Section issued findings that the Portland Police Bureau engages in a pattern or practice of excessive use of force during interactions with people who are, or are perceived to be, in mental health crisis. This investigation was conducted parallel to the Section's investigation of Oregon's mental health system. The Portland findings letter, and the remedies Special Litigation negotiated, will hopefully address not only the issues in Portland, but also provide guidance to police departments across the nation.

In December 2014, Portland Police officers were called to an apparent burglary attempt by a man on a hotel window ledge in the middle of the night.

"The man was crying, sobbing." [Officer] DeLong said. That's when DeLong's Crisis Intervention Training [required by the Division's settlement agreement] kicked in, he said. There was no crime being committed; it was time for compassion.

He began to calmly talk to the man, assuring him from the start that he was not in trouble.... Paramedics from the Portland Fire Bureau were also in the room and later took the man to a hospital for mental health treatment, police officials said. He was not charged with any crime."

-Oregonian, December 4, 2014

(http://www.oregonlive.com/portland/index.ssf/2014/12/officers_who_coaxed_intoxicate.html)

Alamance County Sheriff, North Carolina: The Special Litigation Section issued a findings letter asserting that the Alamance County Sheriff engages in a pattern or practice of discrimination against Latinos. The investigation revealed that Latinos are ten times more likely to be stopped on the roads than white traffic law violators, that they will receive harsher treatment than similarly situated whites, and that these practices are the direct result of racial and ethnic bias. After negotiations failed, the Section filed suit against the

United States v. State of New Jersey: The United States alleged the State-developed police sergeant promotional examination used in numerous local jurisdictions across the State was unlawful and excluded qualified African-American and Hispanic police officers from competing for promotions on a level playing field. Following years of litigation and work developing a new promotional exam pursuant to a settlement, a group of black and Hispanic police officers who were previously excluded based on the unlawful exam began receiving promotions to police sergeant in 2014. In some jurisdictions across New Jersey, implementation of this relief is historic. For example, the first African-American police sergeants in the Hamilton Township Police Division were promoted as a result of this case.

Sheriff in December 2012, and proceeded to trial in 2014.

"I wanted to express my sincere gratitude to all of the individuals and entities who took part in this monumental task...
[s]pecifically, those who participated in the litigation for an oversight of the new testing process." Sergeant James Walters, Detective Sergeant, Hamilton Township Police Division

Torres v. City of New York: The Federal Coordination and Compliance Section has worked with the United States Attorney's Office in the Eastern District of New York and the Department's Office of Justice Programs to ensure that the New York City Police Department provides meaningful language access to limited English proficient individuals. In Torres, the Department filed a statement of interest in a case brought by private plaintiffs alleging that the New York City Police Department refused to communicate in Spanish with Spanish-speaking victims of domestic violence, leaving them either unable to report crimes against them, forcing them to relying on their abusers to explain incidents to police, and even arresting the victims. The Section argued that the allegations, if true, constitute national origin discrimination under Title VI and, therefore, the police department's motion to dismiss should be denied. The full Statement of Interest can be found here.

[http://www.justice.gov/crt/about/cor/cases/112213 SOI Padilla v New York EDNY.pdf]

EXPANDING OPPORTUNITY FOR ALL PEOPLE: CIVIL ENFORCEMENT

EXPANDING EQUAL OPPORTUNITY IN EDUCATION

In FY 2013 and 2014, the Educational Opportunities Section continued its efforts to vigorously protect students from discrimination and harassment in public schools and universities. The Section's accomplishments include:

- Resolving 37 cases to protect the rights of students;
- Opening 21 investigations of alleged discrimination on the basis of race, national origin, sex, religion, disability, and language services;

- Negotiating 11 agreements to protect the rights of English Language Learner (ELL) students, including a significant out-of-court settlement to ensure that Navajo-speaking ELLs in a school district receive appropriate services under the Equal Educational Opportunities Act (EEOA); and
- Monitoring approximately 180 active school desegregation cases in which the United States is a party.

In addition, the Disability Rights Section works to protect the rights of students with disabilities. And the Division's Appellate Section, which is responsible for handling criminal and civil appeals in federal courts, works with the Educational Opportunities Section to protect the rights of students.

CASE EXAMPLES: EXPANDING EQUAL OPPORTUNITY IN EDUCATION

Pine Bush, New York: The section supported the United States Attorney's Office in the filing of a brief in a case involving anti-Semitic peer-on-peer harassment in Pine Bush, New York. The brief supports the plaintiffs' argument that there was sufficient evidence that the school district was deliberately indifferent to known incidents of harassment that the court should permit the case to proceed.

Barnhardt and U.S. v. Meridian Municipal School District: In 2010, as part of efforts to enforce an existing desegregation order, the Division began investigating complaints that the District had implemented a harsh and punitive student discipline policy that resulted in the disproportionate suspension, expulsion, and school-based arrest of African-American students in Meridian schools. The Division found that African Americans were suspended, expelled, and arrested at vastly greater rates than white students even when comparing students at the same schools, of the same age, and with similar disciplinary histories. The Division filed suit alleging that:

- The school district suspended African-American students for dress code infractions such as wearing the wrong color socks or undershirt, having a shirt untucked, tardiness, flatulence in class, using vulgar language, yelling at teachers, and going to the bathroom or leaving the classroom without permission;
- School officials routinely called police to arrest students who were suspended and that, regardless of age, the police handcuffed children, placed them in the back of a police car, and transported them to the police department or juvenile center; and
- Many students were incarcerated as a result of school suspensions.

In May 2013, a federal court in Mississippi approved a consent decree requiring the school district to take steps to create safe and inclusive learning environments in all Meridian schools, including providing students with supports and interventions before excluding them from school; limiting the use of discipline measures that remove students from the classroom; ensuring that discipline consequences are fair and consistent; establishing clear guidelines for when law enforcement intervention is appropriate; providing training to give teachers and administrators the tools necessary to manage their schools in a safe, effective and positive manner; and building data-driven monitoring and accountability systems.

Crestwood School District, Michigan: The majority of the Crestwood School District's ELL Learner students are native Arabic speakers. Working with the United States Attorney's Office,

the Division conducted an investigation of the school district's ELL program and found that the district was not providing adequate services and materials to ELL students. In FY 2014, the Division entered into a comprehensive settlement agreement with the Crestwood School District to resolve violations of the EEOA related to the district's ELL program, its employment policies and practices, and allegations of unlawful retaliation. The settlement agreement will, among other things, ensure that all ELL students receive appropriate English language instruction taught by teachers who are properly qualified and trained and it requires the district to provide ELL students and limited English proficient parents with meaningful access to important information, including discipline and special education materials and procedures.

Delran Township School District: In June 2014, the Division entered a settlement with the Delran Township School District in New Jersey to resolve allegations that the school district refused to allow a student with autism and encephalopathy to have his service dog in school or at school-related activities. The service dog alerts the boy of impending seizures, provides mobility and body support, and mitigates the symptoms of his autism. The student's mother spent six months responding to burdensome requests for information and documentation and even offered to provide a handler for the dog, but the school district refused to allow the student to be accompanied by his service dog. The student was prevented from bringing his service dog with him on the bus for his school's year-end field trip. Instead, his mother followed the school bus with the service dog in her car. Under the agreement, the school district will adopt a lawful service animal policy, provide training to staff, and pay \$10,000 in damages.

Milwaukee Montessori School: In September 2014, the Division entered into a consent decree with Milwaukee Montessori School, a private day school serving over 400 children from 18-months-old through eighth grade, to resolve allegations that the school failed to accommodate and then impermissibly dis-enrolled a young child whose disability caused him to stumble and fall more frequently than his peers. Under the agreement, the school will adopt a disability nondiscrimination policy, pay \$50,000 in damages, and pay a \$5,000 civil penalty.

CASE EXAMPLES: PROTECTING STUDENTS FROM SEXUAL ASSAULT AND HARASSMENT IN SCHOOL

Protecting students from sexual assault and harassment is a priority of the Civil Rights Division. In order to maximize its ability to protect students from sexual assault, the Division brings enforcement actions and participates in suits filed by private plaintiffs. Examples of the Division's work in this area include:

Hill v. Madison: The Division's Appellate Section filed an amicus brief in Hill v. Madison urging the Eleventh Circuit Court of Appeals to reverse summary judgment against the plaintiff in a sexual assault case brought under Title IX of the Education Amendments Act of 1972 (Title IX). In Hill, a school employee used a 14-year-old female student as bait to entrap a student who was accused of sexual misconduct involving multiple other students. The entrapment failed and the defendant raped the female student in a school bathroom. The District Court dismissed charges against the school district under the reasoning that, despite a history of sexual misconduct against multiple students, school administrators were not on notice that the defendant was a serious threat to other students. The court also found that while the plan to entrap the defendant was a bad idea, school administrators were not deliberately indifferent for failing to stop the entrapment plan. The Division's brief argued that the school district had actual notice that the defendant was a serious threat to others because it knew of his extensive history of sexual and physical misconduct, and that the school district was deliberately indifferent to the risk to the female student for failing to take any steps to stop the entrapment plan once they knew about it.

Carmichael v. Galbraith: The Appellate Section filed an amicus brief in Carmichael v. Galbraith, urging the Fifth Circuit Court of Appeals to reverse the district court's dismissal of plaintiff's Title IX claim involving student-on-student sexual harassment. A 13-year-old middle school student committed suicide after a group of boys accosted and stripped him naked and then uploaded to YouTube a video of the final attack. The plaintiff alleged that the harassment of the boy violated Title IX, but the district court dismissed the claim, concluding that the harassment was not "because of sex." The Fifth Circuit agreed with the Division's position, ruling that "removal of a person's underwear without consent on numerous occasions plausibly constitutes pervasive harassment of a sexual character" in violation of Title IX.

Arcadia, California: In FY 2013, the Division and the Department of Education entered into a landmark agreement with the Arcadia Unified School District to address discrimination against a transgender student. The student, a transgender boy, had presented as a boy at school and in all aspects of his life for several years. Yet before the federal investigation, the district had prohibited the student from accessing facilities consistent with his gender identity, including restrooms and locker rooms at school. Under the agreement, the district agreed to treat the student like other male students in all activities and to adopt policies to ensure nondiscrimination for all students going forward.

Junior Doe, et al. & United States v. Allentown School District: Four students sued the Allentown School District under Title IX and other laws. They alleged that, as six- and seven-year-old students, they were sexually assaulted in multiple incidents by an older student in the bathrooms at Central Elementary School. The Division intervened and alleged that sexual assaults occurred on at least five separate occasions; that the district was made aware of each incident immediately after it occurred; and that despite this notice, the district did not take appropriate action, and in some circumstances took no action, to prevent the harassment from recurring. The Division is actively enforcing the consent decree in this case, which requires the school district to implement a comprehensive plan for addressing and preventing sexual harassment in all district schools; implement a sexual harassment policy and procedures; and provide training to administrators, faculty, staff, students, and parents on sex-based harassment.

University of Montana, Missoula. During fall 2011, the University of Montana, Missoula received reports that two female students had been sexually assaulted on campus by male students. In an effort to fulfill its Title IX obligations, the University hired an independent investigator. During that investigation, the University received seven additional reports of student-on-student sexual assault. The independent investigator concluded that the University "has a problem with sexual assault on and off campus and needs to take steps to address it to insure the safety of all students as well as faculty, staff, and guests."

On May 1, 2012, the Division launched an investigation of the University's handling of sexual assault and harassment involving students. During its investigation, the Division reviewed thousands of pages of documents, conducted site visits to the University and community, and interviewed witnesses.

While the University took several positive steps to address sexual assault and harassment beginning in December 2011, the Division found the University needed to take additional steps to meet its legal obligations. The letter of findings found that the University's policies, procedures and response to sexual harassment, sexual assault, and retaliation against complainants, all needed improvement. Moreover, the Division found that the University needed to better coordinate its Title IX enforcement, provide more training to staff, develop a system to track Title IX complaints, and revise its notice of nondiscrimination. The Division and the University reached an agreement to expand the reforms initiated by the University President, to keep students safe, and to resolve the United States' findings. (A copy of the letter of findings and agreement are available at http://www.justice.gov/crt/about/spl/findsettle.php#police).

EXPANDING EQUAL OPPORTUNITY IN HOUSING AND LENDING

In FY 2014, the Division's Housing and Civil Enforcement Section devoted significant resources to fair lending and fair housing cases. In FY 2013 and FY 2014, the Division expanded fair housing opportunities for all by filing 77 lawsuits, including 49 pattern or practice lawsuits, to combat housing and lending discrimination. Further, during that time period, the Division settled 83 housing and lending cases, including 56 pattern or practice cases.

Many of these cases involved significant, groundbreaking settlements. These include:

- 23 settlements in matters involving an allegation that the defendant was engaged in a widespread pattern or practice of discrimination;
- \$993 million in monetary relief from FY 2012 to the present; and
- Relief to hundreds of thousands of victims of housing and lending discrimination.

CASE EXAMPLES: PROMOTING EQUAL OPPORTUNITY IN HOUSING

United States v. VanderVennen: The United States alleged that Dale VanderVennen, manager at Alger Meadow Apartments, sexually harassed female tenants. The complaint alleged that VanderVennen made unwelcome sexual comments and advances to female tenants, touched female tenants in a sexual manner without their consent, entered the apartments of female residents without permission and notice, conditioned or offered tangible housing benefits in exchange for sexual acts, and took adverse housing actions against female tenants who refused to grant him sexual favors. The consent decree includes \$510,000 in damages for at least 13 victims, a \$40,000 civil penalty, and various injunctive measures, including prohibiting VanderVennen from managing any residential rental property.

United States v. City of San Jacinto: The United States alleged that the City of San Jacinto discriminated against the residents and providers of group homes for persons with disabilities when it passed an ordinance restricting the location and operation of such homes and targeted those homes for enforcement actions, including highly intrusive warrantless searches of the homes performed in conjunction with law enforcement. The residents of the homes targeted were primarily persons with mental illnesses in need of the support provided by group housing. As a result of the settlement, the City will pay nearly \$760,000 in damages. It also rewrote its zoning code and revised its process for providing persons with disabilities exceptions to its zoning and land use requirements.

United States v. St. Bernard Parish: The United States alleged that St. Bernard Parish engaged in a multi-year campaign to limit rental housing opportunities for African Americans through exclusionary zoning practices in the aftermath of Hurricane Katrina. These practices included the establishment of a restrictive permit-approval process for single-family rentals, the elimination of multi-family zoning from most of the Parish zoning map, and repeated attempts to block the construction of multi-family affordable-housing developments on pretextual grounds. The complaint alleged that the Parish's actions disproportionately disadvantaged African-American renters in St. Bernard Parish. The settlement, which is valued at more than \$2.5 million in relief, included monetary payments to eight aggrieved persons, a rental land grant program, an Office of Fair Housing for the parish, and civil penalties.

DOJ applies legal muscle to St. Bernard Parish fair housing battle

The Times -Picoyune, 1/31/12

CASE EXAMPLES: PREVENTING DISCRIMINATORY LENDING

United States v. Synchrony Bank, f/k/a GE Capital Retail Bank: The United States alleged that GE Capital Retail Bank discriminated against 108,000 individuals who wished to participate in two credit card debt repayment programs. The Division alleged that GE Capital refused to allow those who indicated that they preferred communications to be in Spanish or had a mailing address in Puerto Rico to participate in the credit card repayment programs. The consent order provides \$169 million in relief to affected borrowers. This investigation was conducted jointly with the Consumer Financial Protection Bureau (CFPB).

GE Capital arm to pay record credit card settlement

- USA Today, 6/20/14

EXPANDING EQUAL OPPORTUNITY IN THE WORKPLACE

Three sections of the Division—Employment Litigation, Disability Rights, and Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC)—work to prevent discrimination on the basis of race, national origin, sex, religion, disability, and immigration status. During FY 2014, the Division continued its ongoing efforts to ensure equal employment opportunity for all individuals. The Division's employment enforcement activities include:

- Filing seven new suits and initiating 13 new investigations under Title VII, covering a
 wide range of claims including discrimination based on race, national origin, sex,
 religion, retaliation, and discrimination in compensation and hiring;
- Resolving 15 matters through a combination of consent decrees, court-approved settlement agreements, and out-of-court settlements;
- Collecting a record \$1.44 million (in back pay and civil penalties) from employers for violations of the anti-discrimination provision of the Immigration and Nationality Act (INA);
- Receiving 490 referrals of potential E-Verify related discrimination or document abuse
 pursuant to a Memorandum of Agreement (MOA) with United States Citizenship and
 Immigration Services. This is more than double the prior year's number of referrals;
 and
- Executing a consent decree with the State of Rhode Island and the City of Providence, which will provide relief to more than 3,200 people with intellectual and developmental disabilities who are unnecessarily segregated into sheltered workshops and facilitybased programs.

CASE EXAMPLES: EXPANDING EQUAL OPPORTUNITY IN THE WORKPLACE

United States v. Life Generations Healthcare: In September 2014, OSC won a case alleging that an employer discriminated against workers who were born abroad by requiring them to produce a specific document to establish their work authorization and refusing to hire them if they could not present the document. OSC alleged that foreign-born individuals were prevented from working for the company even though they had sufficient proof of work authorization. After the court's ruling, the parties reached a settlement, in which the employer agreed to pay more than \$200,000 in civil penalties and back pay to resolve the case.

United States v. Autobuses Ejecutivos: In September 2014, OSC settled a case against Autobuses Ejecutivos in which OSC alleged that the bus company discriminated against qualified U.S. workers by preferring to hire workers on temporary H-2B visas for its bus driver positions. Under the settlement, Autobuses Ejecutivos agreed to pay \$208,000 to victims of its discriminatory practices and \$37,800 in civil penalties.

Burnett v. City of Philadelphia-Free Library: The United States filed a Statement of Interest supporting Plaintiff Bobbie Burnett, a transgender female, who alleged that her coworkers and supervisors subjected her to harassment, including commenting that she was a freak, a man in women's clothing, people couldn't be fooled by her wig, and that she did not act in a lady-like manner. The brief argued that transgender individuals may show that discrimination grounded in gender stereotypes is discrimination because of a person's sex. The National Center for Transgender Equality hailed the filing of the brief, noting that "The Justice Department's brief in Burnett's case is another example of the resounding consensus among federal agencies that transgender people are protected by sex discrimination laws." http://transgenderequality.wordpress.com/2014/05/01/ncte-welcomes-philadelphia-

http://transgenderequality.wordpress.com/2014/05/01/ncte-welcomes-philadelphiasettlement-with-trans-worker-lauds-feds-for-supporting-case/

Murphy-Taylor and United States v. Queen Anne's County, et al: The United States intervened in this sexual harassment case and alleged that the facts showed egregious sexual harassment and brazen retaliation by supervisors and the Sheriff at the Queen Anne's County Sheriff's Office. The United States alleged that the Sheriff fired Kristy Murphy-Taylor, a female deputy sheriff, after the Sheriff's brother pleaded guilty to sexually assaulting Ms. Murphy-Taylor in a Sheriff's Office vehicle. Under the terms of the settlement between the United States and the County, the County will revise several personnel policies to prevent this type of harassment and retaliation, and will act as the point for receiving complaints of sex discrimination regarding the Sheriff's Office. The County also agreed to pay \$620,000 in back and front pay for Ms. Murphy-Taylor.

United States v. City of Birmingham: The City of Birmingham's Police Department refused to allow Renee Gunn to change her schedule to observe the Jewish Sabbath even though the City allowed for schedule changes for non-religious reasons. Faced with a choice between honoring her religious beliefs and her job, Ms. Gunn resigned. As a result, Ms. Gunn was out of work and suffered severe financial hardship. The United States brought a lawsuit on her behalf. The settlement agreement required the City to pay Ms. Gunn \$80,000 in damages and reemploy her with a work schedule that did not conflict with her Sabbath observance. The City was also required to develop and implement a lawful religious accommodation policy and provide mandatory training on religious accommodation to all Police Department employees.

United States v. City of Austin: In 2014, the Division settled a case against the City of Austin, resolving the United States' claims that the City's 2012 entry-level firefighter hiring practices unlawfully discriminated against African-American and Hispanic applicants, similar to the allegations in the case against the City of New York's Fire Department. The decree requires the City to hire 30 qualified African Americans and Hispanics, to pay \$780,000 in back pay, and replace its discriminatory hiring practices.

Louisiana Supreme Court: In August 2014, the Division entered into a settlement agreement with the Louisiana Supreme Court, following an investigation that found that during the Louisiana bar admissions process, licensing entities based recommendations about bar admission on mental health diagnosis and treatment, rather than conduct that would warrant denial of admission to the bar. Under the agreement, the court will revise its character and fitness screening questions, re-evaluate prior and pending applications of applicants who

disclosed mental health disabilities, and pay \$200,000 to compensate a number of affected bar applicants and attorneys.

PROVIDING OPPORTUNITIES FOR PEOPLE WITH DISABILITIES

The Division's Disability Rights Section continued its efforts to provide opportunities for people with disabilities through implementation of the Americans with Disabilities Act (ADA). In FY 2014, the Division:

- Reached three statewide Olmstead settlements, filed one Olmstead lawsuit, and filed five statements of interest on Olmstead issues. Since 2009, the Division's settlements are affecting the lives of over 46,000 people with disabilities.
- Reached the Division's first-ever settlement agreement to resolve complaints that two
 medical schools revoked the acceptances of admitted applicants after the schools
 learned that the applicants have hepatitis B.
- Entered a consent decree in DFEH v. LSAC Inc., to resolve a lawsuit against the Law School Admissions Council (LSAC), which administers the LSAT, alleging that LSAC discriminates against test takers who have disabilities.
- Continued its robust ADA Technical Assistance Program to promote voluntary compliance with the ADA and provide free information and technical assistance directly to businesses, state and local governments, people with disabilities, and the general public. In FY 2014, the Program:
 - ADA Specialists responded to more than 95,000 calls to the ADA Information Line;
 - The ADA Home Page—<u>www.ada.gov</u>—was the Department's fourth-most visited web destination. The site was visited more than 9.7 million times and more than 12 million pages were viewed;
 - Published three new technical assistance documents: (1) Questions and Answers
 About the Lesley University Agreement and Potential Implications for Individuals
 with Food Allergies; (2) Wheelchairs, Mobility Aids, and Other Power-Driven
 Mobility Devices, and (3) Effective Communication;
 - Assisted in the development and publication of the Division's Best Practices to Reform HIV-Specific Criminal Laws to Align with Scientifically-Supported Factors; and,
 - Presented 65 speeches, workshops, and training sessions to an audience of approximately 10,000.

CASE EXAMPLE: ENFORCING THE SUPREME COURT'S DECISION IN OLMSTEAD V. LC

State of Rhode Island: In April 2014, the Division entered into the nation's first statewide settlement agreement to enforce the civil rights of individuals with intellectual and developmental disabilities who are unnecessarily segregated in sheltered workshops and

facility-based day programs in the state of Rhode Island. The agreement resolves the Division's findings that the State's day activity service system over-relies on segregated settings to the exclusion of integrated alternatives. The agreement provides relief to approximately 3,250 individuals over a ten year period.

State of New York: In July 2013, the Division and the United States Attorney's Office for the Eastern District of New York, along with plaintiff adult home residents, entered into a comprehensive settlement agreement with the state of New York under the ADA. The settlement agreement will provide relief to approximately 4,000 people with mental illness unnecessarily segregated in 23 adult homes in New York City. Adult homes are institutional, segregated settings that house large numbers of people with mental illness. Under the settlement agreement, New York will offer supported housing to people with mental illness currently residing in adult homes. Supported housing is apartments scattered throughout the community for which the state provides rental assistance and housing-related support services. Supported housing residents have access to community-based services and supports that promote their inclusion, independence, and full participation in community life.

CASE EXAMPLE: ENSURING ACCESSIBILITY OF TECHNOLOGY

HRB Digital LLC and HRB Tax Group Inc.: In March 2014, the Division entered into a consent decree with HRB Digital LLC and HRB Tax Group Inc., subsidiaries of H&R Block Inc., to resolve allegations that H&R Block failed to code its website in a manner that would make it accessible to individuals who have vision, hearing, and physical disabilities. Individuals with disabilities often use common assistive technologies to access the Internet, including screen reader software, refreshable Braille displays, keyboard navigation, and captioning. H&R Block's website was not compatible with these technologies. Under the consent decree, H&R Block is required to make its website and mobile apps accessible, provide training to relevant staff, and pay \$22,500 to each of the two named plaintiffs, and pay a \$55,000 civil penalty to vindicate the public interest.

B. Strategies to Accomplish Outcomes

The Division's work directly supports the Department of Justice's 2014-2018 strategic plan. Specifically, the Division's criminal and civil enforcement work supports the DOJ Strategic Objective 2.5, promote and protect Americans' civil rights by preventing and prosecuting discriminatory practices.

The Department is committed to upholding the civil and constitutional rights of all Americans, including the most vulnerable members of society. Federal civil rights statutes reflect some of America's highest ideals and aspirations—equal treatment and equal justice under law. These statutes not only aim to protect the civil rights of racial and ethnic minorities, but also of members of religious groups, women, persons with disabilities, servicemembers, individuals housed in public institutions, and individuals who come from other nations and speak other languages.

The Division supports Strategic Objective 2.5 by advancing three basic principles: 1) protecting the most vulnerable among us by ensuring that all in America can live free from fear of exploitation, discrimination, and violence; 2) safeguarding the fundamental infrastructure of democracy by protecting the right to vote and access to justice, by ensuring that communities have effective and democratically accountable policing, and by protecting those who protect us; and 3) expanding opportunity for all people by advancing the opportunity to learn, the

opportunity to earn a living, the opportunity to live where one chooses, and the opportunity to worship freely in one's community.

The Division supports Strategic Objective 2.5 by engaging in a variety of activities, including criminal and civil enforcement and litigation, prevention efforts, outreach initiatives, and technical assistance. The Division also supports Strategic Objective 2.5 by working with the Department, Congress, and other federal agencies and partners on legislative, regulatory, and policy developments.

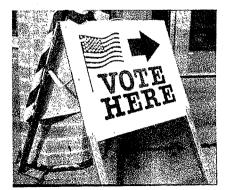
The Division's multifaceted approach to civil rights seeks to ensure that it is positioned to take on both existing and emerging civil rights challenges.

CRT'S 2016 STRATEGIC FOCUS AREAS

Protect Victims of Human Trafficking and Prosecute Traffickers: Trafficking in humans is the equivalent of modern-day slavery and it stands among the most offensive moral scourges in America. The victims endure sexual assault, brutality, and fear, and the perpetrators engage in criminal conduct that often lasts for months or years, and can involve international organized criminal networks. There are unique challenges in prosecuting such cases, as each requires the dedication of time, resources, and specialized skill in jurisdictions across the country and around the globe. The Division will continue to expand its already successful human trafficking program by coordinating the launch of Phase II of the ACTeam Initiative beginning in 2015. It is anticipated that significant CRT resources will be necessary to implement Phase II of the ACTeam Initiative while also continuing to support the highly productive Phase I ACTeam Districts.

Ensure Effective and Democratically Accountable Policing in Our Communities: The Division will continue to make effective and accountable policing a key priority enforcement area. This includes both criminal and civil enforcement. The Division will continue to investigate and, when necessary, prosecute law enforcement officers who engage in excessive force or intentionally violate individual's rights. The Division's civil enforcement work is designed to address systemic problems in police departments by securing agreements that provide for meaningful reform. The Division is continually examining its enforcement work to ensure that it is encouraging departments to use the best practices. In fact, the Division calls its enforcement program "2.0" because it has learned a lot from the previous decade and half of enforcement work, and has incorporated lessons learned into our current reform efforts. To protect individual rights and ensure communities' trust in law enforcement, the Division will continue to commit substantial resources to these important cases. In light of recent events, there has been increased national attention focused on police practices and police reform. Accordingly, CRT anticipates that there will be an increased demand to review police departments across the country to ensure that they are engaging in constitutional practices.

Safeguard Voting Rights for All Americans: The Department will continue to place a high priority on the protection of voting rights through efforts to detect and investigate voting practices that violate the federal laws it enforces, through affirmative litigation to enjoin such practices, and through monitoring of elections all throughout the country each year. One of these high priorities is to detect and challenge practices that violate Section 2 of the Voting Rights Act, which is the permanent



nationwide prohibition against voting practices that are intended to be racially discriminatory, or that have a racially discriminatory result.

Continuing Efforts to Protect Those Who Protect Us: Servicemembers make tremendous sacrifices for our nation. When their duties call them far away from home, the Division stands ready to protect their rights. Over the past five years, the Division has done more civil rights work in more areas on behalf of servicemembers than ever before. Last year, the Civil Rights Division achieved significant victories in its efforts to ensure that our men and women in uniform have access to meaningful employment as they come home from war. CRT plans to continue this work in FY 2016.

Protect Students from Sexual Assault in Schools and on College Campuses: The Department will continue to use all tools available to protect students from sexual assault in school. This includes enforcing Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex, including sexual assault and harassment, in schools, colleges, and universities that receive federal funds. This also includes the Department's contributions to the White House Task Force to Protect Students from Sexual Assault, which provides information and resources for the public on how to respond to and prevent sexual assault on college and university campuses as well as in our K-12 schools. CRT will continue to take enforcement action against schools that discriminate on the basis of sex in their responses to sexual harassment against students. The Department will also continue to fulfill its obligations under Executive Order 12250 to coordinate Title IX enforcement across federal agencies. The Department is seeking additional funding to support a team to coordinate and engage in Title IX enforcement, guidance, and technical assistance. The team would serve as a central and dedicated force to combat sexual assault and harassment, and would enable the Department to address these issues in a manner consistent with the priorities of the Administration and the nation.



Protect the rights of people with disabilities: The Division will continue to expand enforcement of the Supreme Court's decision in Olmstead v. L.C., a ruling that requires states to eliminate unnecessary segregation of persons with disabilities and to serve persons with disabilities in the community rather than in segregated facilities whenever appropriate. The Division will pursue existing cases, ensure community services required by our settlement agreements are readily available and high quality, and seek new opportunities to advance the rights of individuals in and at risk of entering institutions through a combination of litigation,

technical assistance, and interagency coordination.

Promote fair lending and fair housing: Access to housing influences a family's access to good schools, transportation, and jobs, and is closely linked to access to credit. In FY 2013 and FY 2014, the Division opened a number of investigations and filed several lawsuits seeking to expand fair housing opportunities for all. The Division will continue those efforts and seek new enforcement opportunities.

C. Priority Goals

The Civil Rights Division contributes to the Department's Vulnerable People Priority Goal which states that the Department will "Improve the federal response to the needs of vulnerable populations, specifically children, the elderly, and victims of human trafficking." The Division is on track to exceed its performance targets in this area. (See Performance and Resources Tables at 21)

The Administration is committed to the aggressive investigation and prosecution of human trafficking cases in support of this goal, and the Division has led a number of initiatives which contribute to the restoration of the rights and dignity of human trafficking victims.

V. PROGRAM INCREASES BY ITEM

A. Protect Victims of Human Trafficking and Prosecute Traffickers

AG Targeted Priority Options: Protecting the Most Vulnerable Members of Society

Strategic Goal 2: Prevent Crime, Protect the Rights of the American People,

and Enforce Federal Law

Strategic Objective 2.5: Promote and Protect Americans' Civil Rights

Budget Decision Unit(s): Civil Rights Division Organizational Program: Civil Rights Division

Program Increase: Positions 30 Agt/Atty 18 FTE 15 Dollars \$2,788,000

Description of Item

The Civil Rights Division is requesting additional resources for its human trafficking (HT) programs.

Iustification

Trafficking in humans stands among the most offensive moral scourges in America. Many trafficking victims are young and undocumented women who are compelled into commercial sex or compelled to labor in sweat shops, in agricultural fields, or as domestic servants. While the actual numbers of victims are difficult to quantify, the complexity, magnitude, and increased volume of both investigations and prosecutions requires the need for an increased dedication of resources as we continue to advance a rigorous, multi-disciplinary, rights-based enforcement program. An increase in resources is necessary to continue enhancing our victim-centered approach in which survivors of human trafficking are empowered as active participants in the criminal justice process. Our multi-faceted enforcement strategy has not only returned record prosecution results in terms of bringing traffickers to justice, it has simultaneously built partnerships with survivors and survivor advocates to restore the rights and dignity of some of the most vulnerable and marginalized members of our society, and developed innovative coordination structures to increase the efficacy of our anti-trafficking programs.

Recent prosecution results have reached unprecedented levels, but these are levels that cannot be sustained absent additional resources. In FY 2013, federal authorities brought 161 HT cases, a record number. During this time, the Civil Rights Division in partnership with United States Attorney's Offices, brought a record 71 cases involving sex trafficking of adults by force, fraud, coercion, and labor trafficking, a 28% increase over the previous record.

This increase in human trafficking extends beyond the past year. Over the past four years (FYs 2010-2013), for example, DOJ has brought 221 cases involving sex trafficking of adults by force, fraud, coercion, and/or forced labor, compared to 149 in the previous 4-year period (a 48% increase), and compared to 82 such cases in the 4-year period before that (a 173% increase).

Labor cases have increased to a total of 91 over the past four FYs, as compared to 55 in the four fiscal years before that, a 65% increase. Adult and international sex trafficking cases similarly have increased from 94 to 130, a 38% increase.

The Division is not only bringing more prosecutions than ever before, it also is bringing pathbreaking cases that have led to new legal precedent supporting innovative theories of coercion. The Division has secured the first convictions under recently-enacted extraterritorial jurisdiction statutes, and brought more organized crime cases. Additional resources are needed to continue advancing the development of these groundbreaking, resource-intensive prosecutions.

The increased resource level will lead to an increase in the number of investigations opened, the number of cases brought, and the number of defendants charged.

Recent success is directly attributable to strategic partnerships built over the past four years. The Division has launched and expanded the U.S.-Mexico Bilateral Human Trafficking Enforcement Initiative, which has significantly enhanced the capacity to dismantle human trafficking networks operating across the U.S.-Mexico border. By exchanging leads and evidence between United States and Mexican law enforcement counterparts, the Division has been able to locate additional victims and apprehend additional targets. To act upon the additional leads identified through this partnership and to sustain the momentum generated through this initiative, additional resources will be required.

In 2011, DOJ partnered with FBI, DHS, and DOL to launch the Anti-Trafficking Coordination Team (ACTeam) Initiative, a federal law enforcement strategic partnership structure designed to streamline human trafficking investigations and prosecutions. Through this Initiative, DOJ and federal investigative agency partners convened ACTeams in six Phase I Pilot Districts and collaborated with other federal investigative agency headquarters to implement a coordinated, interagency strategy to identify and develop high-impact human trafficking investigations and prosecutions.

The structure has proven highly effective. In one Pilot District, where the ACTeam had never before brought a HT case, federal authorities, within the span of two years, secured the conviction of ten defendants in a multi-district, multi-defendant sex trafficking and labor trafficking case; developed two indictments in gang-related sex trafficking case; tried and won their first international sex trafficking case; and simultaneously initiated multiple international sex trafficking and labor trafficking investigations. DOJ, DHS, and DOL then collaborated to develop an intensive Advanced Human Trafficking Training Program piloted on the six Phase I ACTeams at the Federal Law Enforcement Training Center. The curriculum proved so effective it is now being expanded and adapted for local law enforcement task forces. The increased case identification opportunities generated by these capacity-building trainings can only be translated into additional victims rescued and additional traffickers apprehended and brought to justice if the Division attains concomitant increases in resources to handle these new investigations.

There are unique challenges in prosecuting human trafficking cases. Each of these investigations is time and labor intensive. The victims themselves are critical witnesses, but are often deeply traumatized, requiring a protracted, multi-disciplinary process to prepare a victim to confide their victimization. The duration of the offense may have spanned an extended period of months or years, and the complexity of the crime often calls for expertise in the prosecution of violent crimes, sex crimes, financial crimes, immigration offenses, and labor exploitation.

Accordingly, CRT's Criminal Section urgently needs additional resources to continue its anti-trafficking enforcement program, as well as to expand its ability to effectively coordinate and expand it throughout the nation.

The projected workload associated with the resources being requested is as follows:

| | FY 12 | FY 13 | FY 14 | FY 15 | FY 16 | FY 17 |
|--|-------|-------|-------|-------|-------|-------|
| Number of Trafficking Cases Filed | 43 | 71 | 75 | 77 | 91 | 105 |
| Number of Trafficking Defendants Charged | 120 | 163 | 167 | 173 | 215 | 257 |
| Number of Trafficking Matters Opened | 153 | 223 | 161 | 165 | 241 | 318 |

Increasing the number of CRM personnel is essential to developing an effective coordination structure to ensure that these larger, more complex human trafficking cases are investigated and prosecuted efficiently and effectively in a systematic, proactive fashion. As we bring more complex cases involving trafficking networks, we anticipate that the United States will be able to more effectively seize greater assets from these criminal organizations.

We anticipate this increased staffing will enable us to respond to the increased volume of leads generated by our outreach and capacity-building efforts, and will also allow us to continue our outreach to further raise awareness and case identification capacity among stakeholders who may come into contact with potential victims and other vulnerable populations.

Estimated productivity increase associated with an additional 18 attorneys:

| | Total | Per Attorney |
|--|-------|--------------|
| Estimated increase in law enforcement/NGO outreach/training events for victim identification | 36 | 2 |
| Estimated increase in investigations initiated | 153 | 8.5 |
| Estimated increase in number of cases | 36 | 2 |
| Estimated increase in defendants charged | 108 | 6 |

Impact on Performance

This initiative supports the Attorney General's Priority Goal to protect the most vulnerable members of society.

Base Funding

| | FY | 2014 Et | acted | | HX. | 2015 En | acted | | FY 20 | 16 Curre | nt Services |
|-----|--------------|---------|---------|-----|--------------|---------|---------|-----|--------------|----------|-------------|
| Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) |
| 22 | 19 | 21 | \$3,994 | 22 | 19 | 21 | \$4,087 | 22 | 19 | 21 | \$4,189 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | |
|---------------------------|---|-------------------------------------|-------------------------------|---|--|
| Attorneys - Senior (0905) | \$114 | 10 | \$1,140 | \$ 933 | |
| Attorneys (0905) | 89 | 8 | 712 | 537 | |
| Investigators (010-099) | 76 | 2 | 152 | 127 | |
| Paralegals (0900-0999) | 68 | 8 | 544 | 432 | |
| Clerical (300-399) | \$ 48 | 2 | 96 | 67 | |
| Total Personnel | | 30 | \$2,644 | \$2,096 | |

Non-Personnel Increase Cost Summary

| Non-Personnel Irem | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) |
|------------------------|-----------|----------|----------------------------|---|
| Litigative Consultants | \$0 | 0 | \$144 | \$4 |

Total Request for this Item

| | Pos Agt, | | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | |
|------------------|----------|----|-----|----------------------|------------------------------|------------------|--|--|
| Current Services | 22 | 19 | 21 | \$4,189 | \$ 0 | \$4,189 | \$ 0 | |
| Increases | 30 | 18 | 15 | 2,644 | 144 | 2,788 | 2,100 | |
| Grand Total | 52 | 37 | 36 | \$6,833 | \$144 | \$6,977 | \$2,100 | |

Affected Crosscuts

This program increase will be reported as part the Department of Justice's Civil Rights crosscut under the Human Trafficking program.

B. Ensure Effective and Democratically Accountable Policing

Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and

Enforce Federal Law

Strategic Objective 2.5: Promote and Protect Americans' Civil Rights

Budget Decision Unit(s): Civil Rights Division
Organizational Program: Civil Rights Division

Program Increase: Positions 25 Agt/Atty 13 FTE 13 Dollars \$2,519,000

Description of Item

Protecting the public's trust in the integrity of law enforcement is critical to effective policing. The public and the law enforcement community recognize the need to establish the highest levels of confidence in the integrity and full accountability of police work. In the past year, the Division initiated the most inquiries into systemic deficiencies in police departments in the Division's history. The request for \$2,519,000 will provide for 25 new positions, including 13 attorneys, 6 paralegals, and 6 investigators to provide the capacity to effectively address this expanded workload.

Support of the Department's Strategic Goals

This enhancement links to the FY 2012-2016 Strategic Plan, Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law; Objective 2.5: Promote and Protect American's Civil Rights.

The Federal government has a compelling interest in establishing and maintaining trust in the Country's public institutions, especially those vested with the mission to protect and defend its citizens. The Division's law enforcement work is designed to target unconstitutional conduct, while at the same time increasing community confidence in the police and improving public safety. Building on the experience of prior cases, the Division's investigations are more comprehensive, the findings are more thorough, and the remedies sought more detailed than ever before.

The additional positions funded through the program increase will allow the Division to enhance its multi-faceted approach to enforcement, specifically through improved performance capabilities in the Division's Criminal, Special Litigation, and Employment Litigation Sections as follows:

Criminal (CRM)

CRM enforces the Nation's criminal laws penalizing law enforcement misconduct, hate crimes, and human trafficking, among other crimes. Criminal indictments and criminal prosecutions address the most egregious incidents of individual police misconduct, and can effect widespread, positive change across entire departments. The Section's total attorney staffing ceiling is 60 attorneys who devote approximately 40% of their time to police misconduct enforcement. The program increase will add four attorneys, two investigators, and two paralegals in support of CRM's police misconduct enforcement efforts.

Section investigators prepare case files for attorney review by working with the FBI to ensure proper evidence has been collected and ensuring that case files are complete. The addition of two investigators will increase productivity by allowing the investigative staff to carry a more manageable docket of about 100 cases each. The reduced docket size enables more efficiency in preparing files for prosecutor review and handling, resulting in a four percentincrease in attorney productivity for each additional staff investigator. Currently, a shortage of investigative staff has created backlogs as investigators struggle to develop the case files for prosecutor review.

Along with the increased productivity resulting from the additional investigative and paralegal staff, the three new attorney positions funded through the increase should help return the Section to an overall 2.4 case/attorney ratio, reducing attorney burn-out and resulting in the Section bringing nine additional police prosecutions each fiscal year.

Special Litigation (SPL)

SPL's law enforcement work focuses on patterns or practices of police misconduct, including broad investigations of departments with deeply-rooted and/or widespread structural breakdowns and targeted, issue-focused initiatives. Investigations always involve the use of police experts; often require reviewing tens of thousands of pages of documents; and routinely involve repeated site-visits and hundreds of interviews with police officials, line officers, victims of civil rights violations, community leaders and elected officials. If SPL finds violations, SPL seeks durable, sustainable remedies, often embodied in an injunction. Implementing reforms is a long-term and time-intensive process often lasting a decade. The Section is currently enforcing injunctions or agreements in nine law enforcement-related cases. SPL's total attorney staffing level is 43 line attorneys, who devote approximately 33% of their time to police misconduct enforcement. The program increase will add four attorneys, three investigators, and two paralegals in support of SPL's police misconduct litigation efforts.

As with CRM, the addition of investigative staff increases efficiency in producing more timely and complete case files. The increased productivity gained through additional support staff will enhance the level of police misconduct cases the attorneys will be able to initiate. In SPL, statistics show that for each additional attorney, one additional large investigation is possible in the first year. Resource needs diminish as the emphasis shifts from investigations to enforcement; however, as the docket of cases with consent decrees grows, the Section must commit more resources to ensure compliance. Over time, equilibrium is reached resulting in a smaller ratio of attorneys to cases after the first year of an investigation.

Employment Litigation (ELS)

The Employment Litigation Section (ELS) enforces Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000e, et seq., (Title VII) against state and local government employers. As such, part of ELS's mandate is to increase the diversity and representativeness of police departments. While diversity alone is not enough to ensure fair policing practices, it is a critical component to improving trust between the community and the police department. As stated by a comprehensive report on police misconduct:

A police agency whose officers reflect the racial demographics of the community they serve fulfills several important purposes in reducing racial bias in policing. First, it conveys a sense of equity to the public, especially to minority communities. Second, it increases the probability that, as a whole, the agency will be able to understand the perspectives of its racial minorities and

communicate effectively with them. Third, it increases the likelihood that officers will come to better understand and respect various racial and cultural perspectives through their daily interactions with one another.¹

ELS is a recognized leader in bringing challenges to public employer practices that unnecessarily screen out minorities and women. These large cases usually result in the employer changing its employment processes so that the new examinations or criteria actually evaluate candidates for what is necessary for the job and have less disparate impact on minorities and women. ELS's total attorney staffing ceiling is 45 attorneys and a substantial number of ELS's cases and investigations involve police departments. The program increase will add one attorney, one investigator, and one paralegal in support of ELS's mission to reduce police misconduct through equity in hiring practices. Cases that challenge a department's hiring or promotion policies are significant undertakings that require a large commitment of resources. Because of the large volume of documents and data that ELS must analyze, the Section usually assigns two attorneys and a paralegal to this type of investigation and may increase the team to three attorneys if the case moves to litigation. These investigations can take over a year to complete and during that year can take approximately half of an attorney's time. One additional attorney position will permit ELS to increase its caseload regarding police hiring and promotion practices and increase its ability to find, investigate, and litigate potential violations. The added attorney position will allow the Section to investigate a minimum of two additional police departments a year and expect to resolve two-to-three cases annually.

ELS will fill the additional investigator position with an individual who can conduct statistical analyses of departments' workforces and hiring practices to assist in identifying and investigating police departments for enforcement actions. This analysis would include reviewing a department's hiring practices at issue to see if it actually evaluates candidates on job-related criteria. Currently, ELS is forced to rely on consultants for some of these types of analyses. Having the capacity to conduct this work in-house would significantly increase ELS's efficiency.

In summary, the additional resources will allow CRT to make changes in policies and practices related to the use of force; stops, searches and arrests; custodial interrogations; photographic line-ups; prevention of discriminatory policing; community engagement; recruitment; training; officer assistance and support; performance evaluations and promotions; supervision; and misconduct investigations. The work will encourage greater civilian oversight and will foster community interaction and partnerships.

Effective policing and constitutional protections go hand in hand. We owe it to the communities, and to the law-abiding officers who put their lives on the line every day, to address the serious challenges confronting too many police departments. The Division is committed to working alongside its law enforcement partners in a spirit of fairness and professionalism, to ensure that all necessary reforms are achieved and the public is effectively and honorably served.

lustification

¹ Lorie Fridell, Robert Lunney, Drew Diamond and Bruce Kubu, Racially Biased Policing: A Principled Response, Police Executive Research Forum, 68-69 (2001), http://www.policeforum.org/library/folderPath=/library/racially-biased-policing/a-principled-response/#documents.

The Civil Rights Division enforces both the criminal and civil statutes that protect the civil rights of persons in their interactions with law enforcement officers. As a result of the complexity of these matters, the lack of private right of action under Section 14141, and the cost of investigation and litigation, the Civil Rights Division plays a unique and critical role in ensuring that police practices across the United States are constitutional. CRT's unique mission within the Department also alleviates conflict of interest in the prosecution of local police departments by the U.S. Attorneys' Offices, and protects their role as partners in local enforcement.

Over the last three years, the Division has increased its overall workload in both complexity and scope while staffing ratios have dramatically reduced. The Criminal Section (CRM) maintained a robust docket of color of law cases. Allegations of police abuse and other official misconduct, which comprise the majority of complaints that CRM reviews, continue to be a high priority. In FY 2013, CRM charged 83 law enforcement officers, including police officers, deputy sheriffs, and State prison correctional officials, with using their positions to deprive individuals of their constitutional rights, such as the right to be free from unwarranted assaults and illegal arrests and searches. The number of cases that CRM has indicted has grown from a low in 2003 of 63 cases (of which 27 were police cases) to 141 in 2013 (of which 47 were police cases). From 2003 to 2013, the Section essentially doubled its case load with the same staff. In FY 2014, the number of defendants charged in this area was 10.

The Special Litigation Section's (SPL's) investigations have similarly increased in both number and scope. The Section has more active police pattern or practice investigations of law enforcement agencies now than during any other time in the Division's history. The Section has 25 active law enforcement pattern or practice cases: nine open investigations, five matters in litigation, and 11 matters that have been resolved by an agreement that SPL is enforcing.

With the combined growth in the overall docket, the increased demand for action on police misconduct matters has outstripped the Division's available resources. On average, each large, civil police investigation or enforcement matter requires 1,900 hours of attorney time in the first year of an investigation. From initiation to conclusion, these cases often take years to complete. While the workload requirements fluctuate over time, each matter requires a significant resource commitment throughout. On at least a weekly basis, community groups, public officials, or, in some cases, police leaders contact the Division asking SPL to open a pattern or practice investigation. Preliminary reviews of these matters have identified very serious concerns that would benefit from the Division's intervention.

Base Funding

| | FY | 2014 Er | nacted | | EY. | 2015 En | acted | | FY 20 | 16 Curre | nt Services |
|-----|--------------|---------|----------|-----|--------------|---------|----------|-----|--------------|----------|-------------|
| Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) |
| 71 | 52 | 71 | \$11,928 | 71 | 52 | ·.71· | \$11,928 | 71 | 52 | 71 | \$12,174 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2015 Request (\$000) | FY 2016 Net Annualization (change from 2015) (\$000) | |
|-----------------------------|---|-------------------------------------|-------------------------------|---|--|
| Attorneys (0905) | \$121 | 13 | \$1,573 | \$1,489 | |
| Investigators (010- 099) | 74 | 6 | 444 | 324 | |
| Paralegals (0900- 0999) | \$ 65 | 6 | 390 | 270 | |
| Total Personnel | | 25 | \$2,407 | \$2,083 | |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2015 Request (\$000) | FY 2016 Net Annualization (Change from 2015) (\$000) |
|------------------------|-----------|----------|----------------------------|--|
| Litigative Consultants | \$0 | 0 | \$112 | \$ 3 |

Total Request for this Item

| | | | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2016 Net Annualization (Change from 2015) (\$000) | |
|------------------|----|----|-----|----------------------|------------------------------|------------------|--|--|
| Current Services | 71 | 52 | 71 | \$12,174 | \$ 0 | \$12,174 | \$ 0 | |
| Increases | 25 | 13 | 13 | 2,407 | 112 | 2,519 | 2,086 | |
| Grand Total | 96 | 65 | 84 | \$14,581 | \$112 | \$14,693 | \$2,086 | |

Affected Crosscuts

This program increase will be reported as part the Department of Justice's Civil Rights crosscut under Other Programs

C. Protect Civil Rights for All

Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and

Enforce Federal Law

Strategic Objective 2.5: Promote and Protect Americans' Civil Rights

Budget Decision Unit(s): <u>Civil Rights Division</u>
Organizational Program: <u>Civil Rights Division</u>

Program Increase: Positions 104 Agt/Atty 50 FTE 52 Dollars \$8,762,000

Description of Item

The Department is requesting additional resources of 104 positions (50 attorneys) and \$8.7 million to strengthen the civil rights enforcement efforts that the Attorney General has identified as part of his Vulnerable People Priority Goal and for other programs that require renewed emphasis. While the requested increase would benefit all programmatic areas, it would specifically allow CRT to increase its efforts against civil rights violations associated with human trafficking, hate crimes, and enforcement of the Civil Rights of Institutionalized Persons Act (CRIPA). In addition, CRT would be able to expand opportunities for people with disabilities and broaden overall protections for equal education, equal housing, and equal employment. These are areas that the Attorney General has determined warrant specific attention and has identified as part of his Vulnerable People Priority Goal.

Support of the Department's Strategic Goals

The Attorney General's Strategic Goal 2 and Vulnerable People Priority Goal correlate directly with CRT's request to restore and strengthen civil rights enforcement. The Attorney General is strongly committed to providing civil rights protections for all people, especially those who are part of the Nation's most vulnerable populations. Increased efforts to eradicate discrimination play an integral role in DOJ's Strategic Plan.

Justification

Human Trafficking. Trafficking in humans stands among the most offensive moral scourges in America and is equivalent to a modern-day slave trade. Each year, an estimated six to eight hundred thousand victims, many of them children, are brutalized, traumatized, and isolated, leaving them bereft of hope of escape or rescue. There are unique challenges in prosecuting such investigations, as each is time and labor intensive; demanding of both specialized skills and the ability to conduct the investigations across jurisdictions and international borders.

Hate Crimes. Hate crimes enforcement is one of the Administration's and the Department's top civil rights priorities. Perpetrators of these crimes victimize not only individuals but families and even entire communities. Prosecuting persons committing these crimes has remained at the core of the Civil Rights Division since its inception in 1957. The incidence of these hate crimes continues to rise and additional resources are desperately needed to investigate and prosecute those who engage in these atrocious acts. Additionally, CRT must extend its outreach efforts to mitigate these crimes and their impacts through education, awareness, and intervention.

Institutionalized Persons. Enhanced enforcement efforts will combat abuse and neglect in institutions, protect the rights of nursing home residents and youth in juvenile detention and correctional facilities, and address the mental health needs of individuals in correctional and health care facilities. To this end, the Division will enhance significantly our law enforcement efforts by increasing the number of investigations, settlements, and cases, as well as by strengthening our monitoring of settlements to ensure compliance.

Base Funding

| | 2014 Enacted FY 2015 Enacted FY 2016 Current Services | | | | | | | | | | |
|-----|---|-----|-----------|-----|--------------|-----|-----------|-----|--------------|-----|-----------|
| Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) |
| 714 | 383 | 573 | \$144,173 | 714 | 383 | 606 | \$147,239 | 714 | 383 | 606 | \$158,977 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|-----------------------------------|---|-------------------------------------|-------------------------------|---|
| Attorneys (905) | \$101 | 50 | \$5,050 | \$3,964 |
| Civil Rights Analyst (160) | 77 | 5 | 385 | 317 |
| EO Specialist (010- 099) | 77 | 9 | 693 | 571 |
| Economist (110) | 77 | 1 | 77 | 63 |
| Statistician (1529) | 77 | 6 | 462 | 381 |
| Investigator (010- 099) | 71 | 12 | 852 | 614 |
| Personnel Specialist (010-099) | 77 | 2 | 154 | 127 |
| Budget Analyst (500- 599) | 77 | 1 | 77 | |
| Paralegal (900-998) | 52 | 10 | ` 520 | 469 |
| Clerical (300-399) | \$ 48 | 8 | 384 | 270 |
| Total Personnel | | 104 | \$8,654 | \$6,839 |

Non-Personnel Increase Cost Summary

| Non-Personne/Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) |
|------------------------|-----------|----------|----------------------------|--|
| Litigative Consultants | \$0 | 0 | \$72 | \$1 |

Total Request for this Item

| | Pos Agt/ Atty | | FTE' | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2016 Net Annualization (Change from 2015) (\$000) | |
|------------------|------------------|-----|------|----------------------|------------------------------|------------------|--|--|
| Current Services | 714 | 383 | 606 | \$158,977 | \$ 0 | \$158,977 | \$ 0 | |
| Increases | 104 | 50 | 52 | 8,654 | 72 | 8,726 | 8,726 | |
| Grand Total | 818 | 433 | 658 | \$167,631 | \$72 | \$167,703 | \$8,726 | |

Affected Crosscuts
This program increase will be reported as part the Department of Justice's Civil Rights crosscut.

D. Protect Students from Sexual Assault in Schools

Strategic Goal 2:

Prevent Crime, Protect the Rights of the American People,

and Enforce Federal Law

Strategic Objective 2.5:

Promote and Protect Americans' Civil Rights

Budget Decision Unit(s): Organizational Program:

Civil Rights Division Civil Rights Division

Program Increase: Positions 5 Agt/Atty 4 FTE 3 Dollars \$500,000

Description of Item

Program Increase requested to support the hiring of a team (Team) to coordinate and engage in enforcement, guidance, and technical assistance under Title IX of the Education Amendments of 1972 (Title IX), which prohibits discrimination on the basis of sex, including sexual assault and harassment, in schools, colleges and universities that receive federal funds.

<u>lustification</u>

This Administration has made the prevention and elimination of sex-based discrimination, specifically sexual assault and violence, one of its top priorities. With the creation of the White House Task Force to Protect Students from Sexual Assault (Task Force) and the growing public demand for the Department of Justice to use Title IX to address sexual assault on college campuses, there is a renewed awareness of the Civil Rights Division's authority to protect vulnerable populations from sexual assault. The Task Force's first report, Not Alone, highlighted the prevalence of sexual assault on campus and laid out concrete steps to address problems such as inadequate prevention and education programming; challenges in reporting and confidentiality; and the role of campus law enforcement. To fully enforce Title IX in primary and secondary schools, and institutions of higher learning, including meeting its mandate to address sexual assault against students, CRT needs additional resources.

The Educational Opportunities Section (EOS) enforces prohibitions on discrimination in public schools and institutions of higher learning on the basis of race, color, national origin, sex, disability, and religion. Because of EOS's large docket, which includes more than 200 cases and other matters involving discrimination and harassment, EOS can only dedicate approximately 10% of its enforcement time to matters involving sexual assault and/or harassment.2 Currently, EOS has seven open matters focused on sexual assault and/or sexual harassment, with only two cases on college campuses and six cases in K-12 institutions. The need for EOS to initiate more enforcement actions in this area is clear, but EOS currently lacks the staff and resources necessary to expand its efforts. Notably, resources are imperative at the investigation stage, where EOS is tasked with evaluating the scope of the problem in districts and on campuses with tens of thousands of students, as well as in the compliance monitoring phase following resolution.

In addition to its enforcement work, CRT is tasked under Executive Order 12250 with coordinating Title IX enforcement across federal agencies. CRT provides technical assistance to federal agencies as they address sexual assault and harassment matters within the context of

² While the U.S. Department of Education's Office for Civil Rights also enforces Title IX and works with schools to secure voluntary compliance with Title IX, it does not litigate cases.

Title IX. CRT also reviews policy and guidance documents issued under and/or related to Title IX. In 2000, CRT coordinated the drafting and issuance of Title IX regulations for all federal agencies except for the Department of Education. Agencies then used these regulations to combat sex-based discrimination in the activities that they funded, including education programs.

The requested program increase is critical to CRT's Title IX enforcement and coordination work. First, the program increase would support – for the first time – a team to coordinate and engage in Title IX enforcement, guidance, and technical assistance. The team would serve as a central and dedicated force to combat sexual assault and harassment, and would enable the Department to address these issues in a manner consistent with the priorities of the Administration and the nation.

A central team that can fully enforce Title IX and, simultaneously, track and monitor Title IX programs and enforcement activity across the federal government is critical. At present, however, the Department lacks the resources to fully achieve the goals identified by the Task Force. The public's recognition of the need for broader enforcement of Title IX and the Task Force's efforts to address sexual assault on campus highlight the need for a CRT team of five full-time employees with Title IX expertise.

Impact on Performance

The Team would strengthen CRT's Title IX enforcement work by reviewing and analyzing all Title IX complaints filed with CRT, by investigating significantly more cases and matters under Title IX, and by pursuing cases referred to CRT by other agencies.

In response to the nation's renewed focus on sexual assault and harassment, the number of Title IX complaints that CRT receives has increased dramatically. Even with this development, however, CRT has not been able to transition an attorney to focus exclusively on Title IX enforcement work. The program increase would provide needed resources to ensure appropriate review, investigation, and response to these complaints. Moreover, CRT could bring more actions against schools and higher education institutions for violations of Title IX. From FY 2013 to the present, CRT has only engaged in two Title IX compliance reviews for sexual assault and harassment against institutions of higher education. Robust enforcement of Title IX will protect students from sexual assault and signal to schools nationwide the importance of compliance with the requirements of Title IX.

The Division is responsible for coordinating Title IX enforcement across the U.S. Government. The Team at CRT can fulfill this obligation by: coordinating a review of all executive agencies' policies, procedures, and programs regarding Title IX; providing Title IX guidance and technical assistance to federal agencies; and reviewing Title IX-related draft guidance from federal agencies. CRT has already fielded numerous requests for assistance from agencies as part of their ongoing review of Title IX policies, procedures, and programs, but staffing and resource constraints have limited CRT's ability to respond to this growing demand for assistance. With greater resources, CRT also could update the Title IX manual, a vital resource for all federal agencies.

The Team would engage in much-needed outreach and assistance to students, families, communities, and schools to raise awareness and address inquiries regarding Title IX. Moreover, through such outreach and technical assistance, CRT will be more aware of concerns and issues arising in the field, so that CRT can help all agencies respond effectively and efficiently.

The Team would continue CRT's work with the Task Force, whose work includes drafting and reviewing model policies and guidelines that educational institutions can use to respond to and address sexual harassment and assault on campus, as well as interagency partnership and collaboration.

The program increase would support the expansion and strengthening of CRT's Title IX work. To monitor the impact of the program increase, CRT will continue to track and report new and open cases and matters, policy and guidance efforts, and outreach and technical assistance.

Base Funding

| | FY | 2014 Ei | nacted | N. P. | FY | 2015 En | acted | | FY 20 | 16 Curre | nt Services |
|-----|--------------|---------|---------|-------|--------------|---------|---------|-----|--------------|----------|-------------|
| Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) |
| 0 | 0 | 2 | \$446 | 0 | 0 | 2 | \$446 | 0 | 0 | 2 | \$446 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|---------------------------|---|-------------------------------------|-------------------------------|--|
| Attorneys - Senior (0905) | \$114 | 3 | \$342 | \$280 |
| Attorneys (0905) | 89 | 1 | 89 | 67 |
| Paralegals (0900-0999) | \$ 68 | 1 | 68 | 54 |
| Total Personnel | | 5 | \$499 | \$401 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 201 (\$000) |
|------------------------|-----------|----------|----------------------------|--|
| Litigative Consultants | \$0 | 0 | \$1 | \$1 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) |
|------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|
| Current Services | 0 | 0 | 2 | \$446 | \$0 | \$446 | \$ 0 |
| Increases | 5 | 4 | 3 | 499 | 1 | 500 | 402 |
| Grand Total | 5 | 4 | 5 | \$945 | \$1 | \$946 | \$402 |

Affected Crosscuts

This program increase will be reported as part the Department of Justice's Civil Rights crosscut under Other Programs.

E. Guarantee Voting Rights for All Americans

Strategic Goal 2:

Prevent Crime, Protect the Rights of the American People,

and Enforce Federal Law

Strategic Objective 2.5:

Promote and Protect Americans' Civil Rights

Budget Decision Unit(s): Organizational Program:

Civil Rights Division Civil Rights Division

,

Program Increase: Positions 12 Agt/Atty 8 FTE 6 Dollars \$1,200,000

Description of Item

The Civil Rights Division is requesting additional resources for enforcement of the Voting Rights Act.

Iustification

The Civil Rights Division is charged by Congress with enforcement of the federal voting rights statutes that protect the right to vote for all American citizens.

The Division's voting rights work changed significantly on June 25, 2013 when the Supreme Court, in *Shelby County v. Holder*, held that the coverage formula in Section 4(b) of the Voting Rights Act can no longer be used as a basis for subjecting jurisdictions to the preclearance requirement of Section 5 of the Voting Rights Act (VRA). As a consequence, the Division has ceased reviewing administrative submissions under Section 5.

Because of the Shelby County decision, the Division's voting rights work is necessarily shifting to greater affirmative efforts to detect and investigate voting practices that violate federal law, to more affirmative litigation to enjoin such practices, and to additional efforts to monitor elections throughout the country each year. Resources previously devoted to Section 5 reviews have been shifted to monitoring, identifying, and investigating voting practices that may violate federal law, as well as assisting with litigation challenging such practices around the country. These monitoring, investigative, and litigation efforts are very resource intensive.

The Division will place emphasis going forward on affirmative enforcement of Section 2 of the VRA, which prohibits voting practices that are racially discriminatory in purpose or effect. The Division will also continue its emphasis on the enforcement of the language minority requirements of the VRA, which require certain jurisdictions to provide ballots, voting information, and voting assistance in minority languages to affected communities.

The Division will also continue to place emphasis going forward on the enforcement of the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA), as amended in the 2009 Military and Overseas Voter Empowerment Act (MOVE). UOCAVA protects the ability of uniformed services voters and their families who are away from home, and U.S. citizens who are overseas, to register and vote absentee in federal elections. The Division seeks to monitor ballot transmission to UOCAVA voters by states all around the country in all federal elections, including special elections, primary elections, runoff elections, and general elections for federal office. This is a very resource-intensive effort to collect and analyze the relevant information from states around the country throughout the election calendar for federal elections, and to take appropriate enforcement action where needed to ensure that UOCAVA voters can cast a ballot that can be counted.

The Division also seeks to detect and address violations of the National Voter Registration Act and the Help America Vote Act. Each of these statutes set forth specific procedures for states to follow with respect to registration and voting in elections for federal office.

The requested enhancement will provide for additional attorneys and professional staff who will investigate potential violations of the federal voting rights laws and assist in preparing and bringing enforcement action to address violations.

Impact on Performance

The Attorney General has identified protecting the right to vote as one of the Department of Justice's highest priorities. The Civil Rights Division is charged by Congress with enforcement of the federal voting rights statutes that protect the right to vote for all American citizens. In practice, these statutes often ensure that the most vulnerable members of our society can vote. This includes voters such as those who are members of the uniformed services who are serving away from home, U.S. citizens residing overseas, voters with disabilities, voters who speak a language other than English, and voters who are subject to racial discrimination. The requested enhancement will support and advance the objective of protecting vulnerable members of society in the exercise of their right to vote, which is among the most fundamental of our freedoms.

Base Funding

| SHOW 50 | РY | 2014 Br | acted | | K FY | 2015 En | acted. | | FY 26 | 6 Cline | ot Services |
|---------|--------------|---------|----------|-----|--------------|---------|----------|-----|--------------|---------|-------------|
| Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) |
| 73 | 38 | 65 | \$14,921 | 73 | 38 | 65 | \$15,234 | 73 | 38 | 65 | \$15,579 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | |
|----------------------------|---|-------------------------------------|-------------------------------|--|--|
| Attorneys (0905) | \$114 | 8 | \$ 912 | \$746 | |
| Civil Rights Analyst (160) | 76 | 1 | 76 | 63 | |
| Paralegals (0900-0999) | \$ 68 | 3 | 204 | 162 | |
| Total Personnel | | 12 | \$1,192 | \$971 | |

Non-Personnel Increase Cost Summary

| Non-Personnal Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) |
|------------------------|-----------|----------|----------------------------|--|
| Litigative Consultants | \$0 | 0 | \$8 | \$8 |

'n

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) |
|------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|
| Current Services | 73 | 38 | 65 | \$15,579 | \$0 | \$15,579 | \$ 0 |
| Increases | 12 | 8 | 9 | 1,192 | 8 | 1,200 | 979 |
| Grand Total | 85 | 46 | 74 | \$16,771 | \$8 | \$16,779 | \$9 79 |

<u>Affected Crosscuts</u>
This program increase will be reported as part the Department of Justice's Civil Rights crosscut under Other Programs.

F. Ensure Equal Employment Opportunity

Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and

Enforce Federal Law

Strategic Objective 2.5: <u>Promote and Protect Americans' Civil Rights</u>

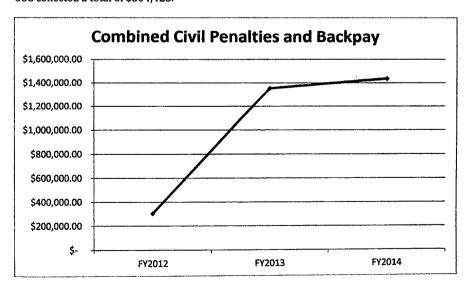
Budget Decision Unit(s): <u>Civil Rights Division</u>
Organizational Program: <u>Civil Rights Division</u>

Program Increase: Positions 3 Agt/Atty 2 FTE 2 Dollars \$305,000

Description of Item

To date, more than 570,000 employers throughout the United States use E-Verify, an Internet-based program administered by the Department of Homeland Security that allows employers to confirm an individual's employment eligibility. With an average of 1,400 new employers enrolling in E-Verify per week, E-Verify enrollment has doubled since FY 2011. This growth has caused E-Verify-related discrimination against work-authorized employees to increase at a staggering rate.

The Civil Rights Division's Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC) enforces the anti-discrimination provision of the Immigration and Nationality Act (INA). This provision prohibits employers from discriminating on the basis of national origin and citizenship or immigration status in the employment eligibility verification process, which includes the E-Verify process. In large part because of the increase in E-Verify-related enforcement work, OSC collected more than \$1.3 million in combined back pay and civil penalties in FY13, and more than \$1.4 million in combined back pay and civil penalties in FY14. As illustrated in the graph below, this represents a significant jump from FY12, during which OSC collected a total of \$304.425.



Pursuant to a Memorandum of Agreement entered into by U.S. Citizenship and Immigration Services (USCIS) within the Department of Homeland Security and OSC in 2010, USCIS has been referring to OSC an increasing number of matters involving E-Verify-related discrimination over the past two years. However, the Division is unable to investigate the vast majority of cases referred. Moreover, OSC has received an increasing number of E-Verify-related charges in recent years and has had to devote significant resources to E-Verify-related policy work and hotline calls, through which OSC staff provides assistance and information to the public regarding the INA. The additional resources requested would be used to enforce the laws that protect employees from E-verify-related discrimination and supplement its enforcement efforts with critical E-Verify policy and hotline work.

The Civil Rights Division's request includes a program enhancement of 3 positions (including 2 attorneys and 1 paralegal) and \$305,000. These resources will enable the Department to open more investigations and hold more employers accountable for violating the INA.

Support of the Department's Strategic Goals

The Division's enhancement request seeks to direct greater resources to fighting discrimination that violates the INA, including E-Verify-related discrimination, which relates directly to the Attorney General's Strategic Goal 2. This type of discrimination disproportionately affects minority, disadvantaged and immigrant populations, and increased resources are necessary to investigate, prosecute and seek redress on behalf of those who are harmed.

Iustification

The Civil Rights Division will expand civil enforcement efforts, including investigations and cases of E-verify-related discrimination, in order to protect work-authorized employees from being discriminated against in violation of the anti-discrimination provision of the INA.

Base Funding

| To a second | FY 2014 Enacted FY 2015 Enacted FY 2016 Gurrent Services | | | | | | | | | | |
|-------------|--|-----|---------|-----|--------------|-----|---------|-----|--------------|-----|---------|
| Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) |
| 11 | 7 | 8 | \$1,298 | 11 | 7 | 8 | \$1,345 | 11 | 7 | 8 | \$1,397 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of g Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 206) (\$000) |
|---------------------|---|---------------------------------------|-------------------------------|--|
| Attorneys (0905) | \$121 | 2 | \$242 | \$115 |
| Paralegal (900-998) | \$ 63 | 1 | 63 | \$45 |
| Total Personnel | | 3 | \$305 | \$161 |

Total Request for this Item

| | Pos Agt/ FTE | | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2016 Net Annualization (Change from 201! (\$000) | |
|------------------|--------------|---|-----|----------------------|------------------------------|------------------|---|--|
| Current Services | 11 | 7 | 8 | \$1,397 | \$0 | \$1,397 | \$ 0 | |
| Increases | 3 | 2 | 2 | 305 | 0 | 305 | 161 | |
| Grand Total | 14 | 9 | 10 | \$1,702 | \$0 | \$1,702 | \$161 | |

Affected Crosscuts

This program increase will be reported as part the Department of Justice's Civil Rights crosscut under Other Programs.

VI. APPENDIX

DEPARTMENT OF JUSTICE CIVIL RIGHTS DIVISION STATUTES ENFORCED

| Statute | Enforcing Section | Type of Case |
|--|----------------------|---|
| Official Misconduct, 18 U.S.C. §§ 241, 242 | CRM | Section 242 makes it a crime for any person acting under color of law—using or abusing government authority—to willfully deprive any person of rights protected by the constitution or federal law. Section 241 is the civil rights conspiracy statute, applying to color-of-law violations committed by two or more people in concert. |
| The Matthew Shepard and James Byrd, Jr., Hate Crimes Prevention Act of 2009 | CRM | The Shepard Byrd Act makes it a federal crime to willfully cause bodily injury, or attempt to do so using a dangerous weapon, because of actual or perceived race, color, religion, or national origin, and such crimes committed because of gender, sexual orientation, gender identity, or disability under certain circumstances. The Shepard-Byrd Act is the first statute allowing federal criminal prosecution of hate crimes committed because of sexual orientation or gender identity. |
| Federally Protected Activities, 18 U.S.C. § 245 | CRM | This provision makes it a crime to use or threaten to use force to willfully interfere with any person because of race, color, religion, or national origin and because a person is involved in a federally protected activity, such as public education, employment, jury service, travel, or enjoyment of public accommodations. |
| Criminal Interference with Right to Fair Housing, 18 U.S.C. § 3631 | CRM | This provision makes it a crime to use or threaten to use force to interfere with housing rights because of race, color, religion, sex, disability, familial status, or national origin. |
| Damage to Religious Property, 18 U.S.C. § 247 | CRM | This criminal statute protects religious real property from being targeted for damage because of the religious nature of the property or because of the race, color, or ethnic characteristics of the people associated with the property. The statute also criminalizes the intentional obstruction by force or threatened force of any person in the enjoyment of religious beliefs. |
| Trafficking Victims Protection Act (TVPA) | CRM | The TVPA criminalizes the use of force, fraud, or coercion to compel a person to engage in labor, services, or commercial sex. The Division also enforces a number of related criminal statutes that address forced labor and commercial sex, peonage, and involuntary servitude. |
| Freedom of Access to Clinics Entrances Act (FACE) | CRM | The FACE Act protects the exercise of free choice in obtaining reproductive health services and the exercise of First Amendment religious freedoms. The law makes it a crime to intimidate a person obtaining or providing reproductive health services or to damage or a facility for providing such services. The law also makes it a crime to damage a facility because it is a place of worship. |
| Criminal Protection for Voting Rights, 18 U.S.C. § 594 | CRM | 18 U.S.C. § 594 criminalizes the use of intimidation, threats or coercion to interfere with the right to vote in federal elections. The NVRA, 42 U.S.C. § 20511, criminalizes such interference with respect to voter registration. |
| Americans with | DRS | Title I of the Americans with Disabilities Act prohibits private |

| Disabilities Act, Title I | 1 | |
|--|-----------|---|
| Disabilities Act, Title I | | employers, state and local governments, employment agencies, and |
| | | labor unions from discriminating against qualified individuals with |
| | | disabilities in recruiting, hiring, termination, promotion, compensation, |
| | 550 | job training, and other terms, conditions, and privileges of employment. |
| Americans with | DRS | Title II of the Americans with Disabilities Act protects qualified |
| Disabilities Act, Title II | | individuals with disabilities from discrimination on the basis of |
| | | disability in services, programs, and activities provided by state and |
| | | local government entities. |
| Americans with | DRS | Title III of the Americans with Disabilities Act protects qualified |
| Disabilities Act, Title III | | individuals with disabilities from discrimination with regards to use and |
| | 1 | enjoyment of public accommodation by any person who owns, leases |
| | İ | (or leases to), or operates a place of public accommodation. "Public |
| | | accommodations" include stores, restaurants, hotels, inns, and other |
| - AND PARTY OF THE STREET, STR | | commercial spaces open to the public. |
| Rehabilitation Act of | DRS & EOS | Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion, the |
| 1973 | İ | denial of benefits, and discrimination by reason of disability in programs |
| | | or activities receiving federal funds. Section 508 requires Federal |
| | | electronic and information technology to be accessible to people with |
| | <u> </u> | disabilities, including employees and members of the public. |
| Civil Rights Act of 1964, | ELS | Title VII of the Civil Rights Act makes it unlawful to discriminate against |
| Title VII | ļ | someone on the basis of race, color, national origin, sex (including |
| |] | pregnancy) or religion. The Act also makes it unlawful to retaliate |
| | ł | against a person because the person complained about discrimination. |
| | | filed a charge of discrimination, or participated in an employment |
| | | discrimination investigation or lawsuit. |
| Uniformed Services | ELS | The Uniformed Services Employment and Reemployment Rights A |
| Employment and | į | 1994 (USERRA) seeks to ensure that servicemembers are entitled to |
| Reemployment Rights | | return to their civilian employment upon completion of their military |
| Act (USERRA) | | service. Servicemembers should be reinstated with the seniority, status, |
| | | and rate of pay that they would have obtained had they remained |
| | | continuously employed by their civilian employer. |
| Civil Rights Act of 1964, | EOS | Title IV of the Civil Rights Act prohibits discrimination on the basis of |
| Title IV | ļ | race, color, sex, religion or national origin by public elementary and |
| | | secondary schools and public institutions of higher learning. |
| Equal Education | EOS | Section 1703(f) of the EEOA requires state educational agencies and |
| Opportunities Act of | | school districts to take action to overcome language barriers that |
| 1974 (EEOA) | 1 | impede English Language Learner students from participating equally in |
| | | school districts' educational programs. |
| Individuals with | EOS | The Individuals with Disabilities in Education Act (IDEA) requires States |
| Disabilities in Education | | and local education agencies to provide free and appropriate public |
| Act (IDEA) | | education to children with disabilities. |
| Civil Rights Act of 1964, | FCS | Title VI prohibits discrimination on the basis of race, color, and national |
| Title VI | | origin in programs and activities receiving federal financial assistance. |
| Education Amendments | FCS & EOS | Title IX states that no person in the United States shall, on the basis of |
| of 1972, Title IX | | sex, be excluded from participation in, be denied the benefits of, or be |
| | | subjected to discrimination under any education program or activity |
| | | receiving federal financial assistance. |
| Civil Rights Act of 1964, | HCE | Title II prohibits discrimination in certain places of public |
| Title II | 1 | accommodation, such as hotels, restaurants, nightclubs and theate |
| Fair Housing Act (FHA) | HCE | The Fair Housing Act prohibits discrimination by direct providers |
| ran nousing act (rina) | 1 | housing, such as landlords and real estate companies as well as other |
| | l | mousing, such as landiords and real estate companies as wen as other |

| | | entities, such as municipalities, banks or other lending institutions and homeowners insurance companies whose discriminatory practices make housing unavailable to persons because of race or color, religion, sex, national origin, familial status, or disability. |
|---|--------------|--|
| Equal Credit Opportunity Act (ECOA) | НСЕ | The Equal Credit Opportunity Act (ECOA) prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age, because an applicant receives income from a public assistance program, or because an applicant has in good faith exercised any right under the Consumer Credit Protection Act. |
| Religious Land Use and Institutionalized Persons Act (RLUIPA) | HCE & SPL | The Religious Land Use and Institutionalized Persons Act (RLUIPA) prohibits local governments from adopting or enforcing land use regulations that discriminate against religious assemblies and institutions or which unjustifiably burden religious exercise. It also requires that that state and local institutions (including jails, prisons, juvenile facilities, and government institutions housing people with disabilities) not place arbitrary or unnecessary restrictions on religious practice. |
| Servicemembers Civil Relief Act (SCRA) | нсе | The Servicemembers Civil Relief Act (SCRA) provides protections in housing, credit, and taxes for military members as they enter active duty. It also temporarily suspends judicial and administrative proceedings while military personnel are on active duty. |
| Immigration and Nationality Act § 274B | OSC | This section of the Immigration and Nationality Act (INA) prohibits: 1) citizenship status discrimination in hiring, firing, or recruitment or referral for a fee; 2) national origin discrimination in hiring, firing, or recruitment or referral for a fee; 3) document abuse (unfair documentary practices) during the employment eligibility verification process; and 4) retaliation or intimidation. |
| Civil Rights of Institutionalized Persons Act (CRIPA) | SPL | The Civil Rights of Institutionalized Persons Act (CRIPA) protects the rights of people in state or local correctional facilities, nursing homes, mental health facilities and institutions for people with intellectual and developmental disabilities. |
| Violent Crime and Law Enforcement Act § 14141 | SPL | Section 14141 of the Violent Crime and Law Enforcement Act prohibits law enforcement officials or government employees involved with juvenile justice from engaging in a pattern or practice of deprivation of constitutional rights, privileges, and immunities. |
| Omnibus Crime and Safe Streets Act | SPL | The Omnibus Crime Control and Safe Streets Act of 1968 prohibits discrimination on the ground of race, color, religion, national origin, or sex by law enforcement agencies receiving federal funds. |
| Voting Rights Act | VOT | The Voting Rights Act of 1965 protects every American against racial discrimination in voting. This law also protects the voting rights of many people who have limited English skills. It stands for the principle that everyone's vote is equal, and that neither race nor language should shut any of us out of the political process. |
| Voting Accessibility for the Elderly and Handicapped Act | VOT & DRS | The Voting Accessibility for the Elderly and Handicapped Act of 1984 generally requires polling places across the United States to be physically accessible to people with disabilities for federal elections. |
| Uniformed and Overseas Citizens Voting Act (UOCAVA) | VOT | Uniformed and Overseas Citizens Voting Act (UOCAVA) requires that the states and territories allow certain U.S. citizens who are away from their homes, including members of the uniformed services and the merchant marine, their family members, and U.S. citizens who are residing outside |

| | | the country to register and vote absentee in federal elections. |
|-------------------------|------------|---|
| National Voter | VOT (civil | The National Voter Registration Act (NVRA) requires states to mal |
| Registration Act (NVRA) | portions) | voter registration opportunities for federal elections available thro |
| | | the mail and when people apply for or receive driver licenses, public |
| | <u>L</u> | assistance, disability services and other government services. |

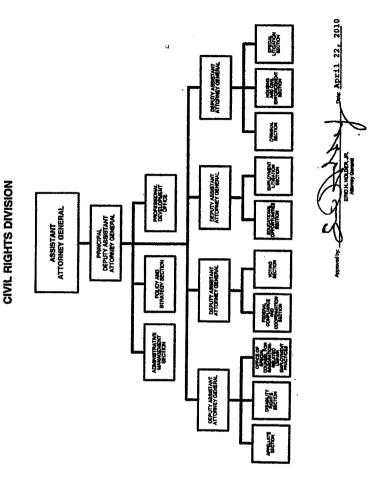


Exhibit A - Organizational Chart

5

| Summary of Requirements Christis Division Salates and Experises | | | |
|---|------------------|------------------|---------|
| (spuesnout in stelloot) | 4 | FY 2016 Received | |
| | Direct Positions | E | Amount |
| 2014 Enacised | 714 | 573 | 144,173 |
| | | | |
| 2015 Eracted | 714 | 909 | 147,239 |
| | | | |
| Base Aflistments | | | |
| Pay and Barefits | 0 | 0 | 2,045 |
| Demostly Rat and Facilities | 0 | 0 | 9,868 |
| Other Adhistments | 0 | 0 | 25 |
| Total Basa Adjustments | 0 | 0 | 11,738 |
| | 714 | 909 | 158 977 |
| Program Changes | | | |
| Increases. | | | |
| Protect Victims of Human Trafficking and Prosecute Traffickers | R | 42 | 2,788 |
| Ensure Effective and Democratically Accountable Politing | 25 | t, | 2,519 |
| Protect Civil Richis for All | 20 | 25 | 8,726 |
| Proved Shiderts from Senial Assett in Schools | ro. | 6 | 200 |
| Gunantee Voltan Richts for All Americans | 12 | 6 | 1,200 |
| Factor Fortal Fundament Organization in | 3 | 2 | 305 |
| | 173 | 91 | 16,038 |
| 2016 Table Bornard | 883 | 169 | 175,015 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

Exhibit B

ary of Requirements

B. Summary of Requirements

Summary of Requirements Civil Rights Division Salaries and Expenses (Dollars in Thousands)

| Program Activity | | 2014 Enacted | pat | • • | 2015 Enacted | rted | 2016 | Base Adj | 2016 Base Adjustments | 2016 | 2016 Current Services | Services |
|---|----------------|------------------------|---------|----------------|--------------|---------|----------------|----------|-----------------------|--------|-----------------------|----------|
| | Direct Pos. | Direct Actual Pos. FTE | Amount | Direct Pos. | Est. FTE | Amount | Direct Pos. | Est. | Amount | Direct | Est | Amount |
| Civil Rights Division | 714 | 573 | 144,173 | 714 | 909 | 147,239 | L., | 0 | 11.738 | 714 | 1 | 158 977 |
| Total Direct | 714 | 573 | 144,173 | 714 | 909 | 147,239 | 0 | 0 | 11.738 | 714 | | 158 977 |
| Balance Rescission | | | 0 | | | 0 | | | C | | | C |
| Total Direct with Rescission | | | 144,173 | | | 147,239 | | | 11.738 | | | 158 977 |
| Reimbursable FTE | | 28 | | | 52 | | | 0 | | | ğ | |
| Total Direct and Reimb. FTE | | 99 | | | 635 | | | 0 | | | 635 | - |
| *************************************** | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | <u>-</u> | 0 | | | 0 | | - | 0 | | | 0 | |
| Overtime | | 4 | | | 4 | | - | 0 | | | 2 | |
| Grand Total, FTE | | 509 | | | 639 | | | ō | | | 630 | |
| | | | | | | | | | | | | |
| | ľ | 2046 1222000 | - | | 2000 | | | | | | | |

| | ľ | 1040 | | | 2000 | | | | |
|------------------------------|--------|-----------------|--------|--------|--------------|--------|--------|--------------|---------|
| | * | ZU 10 INCRESSES | dses | | 2010 0113913 | 8913 | _ | 2016 Request | uest |
| Program Activity | Direct | Est. | Amount | Direct | Est | Amount | Direct | Ē | Amount |
| | Pos. | FIE | | Pos. | Ë | | Pos. | 111 | |
| Civit Rights Division | 179 | 91 | 16,038 | О | 0 | ° | 893 | 697 | 175.015 |
| Total Direct | 179 | 94 | 16,038 | 0 | 0 | • | 893 | | 175,015 |
| Balance Rescission | | | 0 | | | 0 | | | c |
| Total Direct with Resolssion | | | 16,038 | | | 0 | | - | 175.015 |
| Reimbursable FTE | | 0 | | | 0 | | | 29 | |
| mb. FTE | | 91 | | | 0 | | | 726 | |
| | | | | | | | | - | |
| | | | | | | | | | |
| | | | | | 0 | | | 10 | - |
| | 0 | | | | 0 | | | 4 | |
| Grand Total, FTE | | 91 | | | 0 | | | 730 | |
| | | | | | | | | | |

FY 2016 Program Increases by Decision Unit Civil Rights Division Salaries and Expenses (Dollers in Thousands)

| | Location of Description in | Ü | Civil Rights Enforcement | Enforcer | nent |
|---|--------------------------------|----------------|--------------------------|----------|--|
| Program Incréases | Narrative | Direct Pos. | Agt./ | st. FTE | Direct Agt/ Est. FTE Amount Pos. Atty. |
| Destact Victime of Human Trafficking and Descente Traffickers | Civil Rights Division, page 42 | 8 | 18 | 15 | 2,788 |
| Trough World Wildling and Domested Indian Against Delicitor | Civil Rights Division, page 46 | 25 | 13 | 13 | 2,519 |
| Claure Elective and Define advant Accountance Colonia | Civil Plotte Division nada 51 | 40+ | 20 | 52 | 8,726 |
| Froied Civil Mills for All | | ī, | A | 6 | 200 |
| Protect Students from Sexual Assault in Schools | | 15 | 00 | 9 | 1,200 |
| Guarantee Voting Rights for All Americans | : | 9 | 7 | 2 | 305 |
| Tisure Equal Employment Opportunity Total Program Increases | <u>'</u> | 179 | 32 | 91 | 16,038 |

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective
Civil Rights Division
Salaries and Expenses
(Doters in Thousands)

| Strategic Goal and Strategic Objective | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 Curr | 2016 Current Services 2016 Increases | 20161 | ncreases | 2016 To | 2016 Total Request |
|--|-------------|--------------|---------|--------------|-----------|--------------------------------------|---------|----------|---------|--------------------|
| | Direct/ | | Direct/ | Direct | Direct/ | Direct | Direct/ | Direct | Direct/ | Direct |
| | Relmb Tr | Amount | Reimb | Amount | Relmb | Amount | Reimb | Amount | Reimb | Amount |
| Goal 2 Prevent Crime, Protect the Rights of the American People, and | | | : | | 1 | | | | 2 | |
| enforce Federal Law | | | | | | | | | | |
| 2.5 Promote and protect American civil rights by preventing and | | | | | | | 1 | | | |
| prosecuting discriminatory practices | 9 | 144,173 | | | 835 | 158,977 | 9 | 16,038 | | 175.015 |
| Subtotal, Goal 2 | | | | 147,239 | 635 | 158,977 | 2 | 16,038 | 726 | 175,015 |
| TOTAL | 601 | 144,173 | 635 | 147,239 | 635 | 158,977 | 94 | 16,038 | 726 | 175,015 |

Note: Excludes Balance Rescission

Justifications for Technical and Base Adjustments
CMI rights DAMon
Salaries and Expense
(Dodan in Thorsech)

| | Pos. | Estimate FTE | Amount |
|--|------|-----------------|--------|
| Pay and Beneills | 1 | | |
| 1 02016-BERBER. This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount requesting, \$990,000, impresents The pay amounts for 34 of the facual year plus appropriate benefits (\$717,000 for pay and \$223,000 for benefits.) | | | 056 |
| 2 Agradiation of 2015 Particles. The supermaching respects the structure anounts (October Invoyth December // 19 2015 pay Increase of 1.0 percont broaded in the 2015 Pays Increases of 1.0 percont broaded in the 2015 Peaskart's Budget. The amount requested \$216,000, represents the pay amounts for 1/4 of the Tecal year plus appropriate benefits (\$115,000 for pay and \$55,000 for benefits). | | | |
| 3 Chanasa in Connensate Des. The incleased cost for one componentate day in PY 2016 continued to PY 2015 is calculated by dividing the FY 2015 estimated presonant componention 179,371,300 and systleable benefits of \$18,403,000 by 201 componention flag. | - | 1 | 37. |
| 4 Emicros Compansation Tuck The St Stort requestration and charges in payments to the Department of Labor for thjury brandle under the Federal Employee Compansation Act. | | | 7 |
| 5 Effects (Single-Intervencent February Contribution: Effects of Code 4, 2015 FV 2019) In person agree, or contribution rates of 12.5% (up from the current 11.0%, or an increase of 1.3%) and 2.28% for two endervencent personnel (up from the current 26.3%, or an increase of 2.2%). The amount requested, \$534,000, represent the lands needed to cover this tremen. | | | 33 |
| 6 <u>Health Instance</u> 206, the component a construction to Federal employees health insurance increases by 2.9 percent. Applied against the Effective January 2016, the component a construction of Federal employees health insurance increases by 2.9 percent. Applied against the 2015 selfment of \$4,201,000 the adolesced amount required is \$7,05,000. | | , | 125 |
| T Relationari, Aparty relevant contributors increase as enclained CSRS retrie and are replaced by FERS employees. Based on U.S. Aparty relevant contributors increase as enclained as the DOJ workforce will convent from CSRS to FERS at a raise of 1.3 percent per Department of Justice Agency selections, was project that the DOJ workforce will convent from CSRS to FERS at a raise of 1.3 percent per year. The requested horsess of \$48,000 is nocessary to most our increased retrement obligations as a result of this convention. | | | 4 |
| Subject Pay and Banellis | 0 | 0 | 2,045 |
| Domestic Ront and Facilities 1 Secretarial Sexicis Sex | | | |
| 7. Guard Stations. The Adulated Population of Hondard Security (DIS) Federal Protective Service changes, Justice Pretectives Service changes and other The Adulation of Hondard Security (DIS) Federal Protectives Service of Protectives Service of Protectives Service changes and other services arross the country. The repeatable Community in Republic | | | 1,238 |
| Moral Lives Experies to CSA requires all agencies to office relocations creased by the expiration of leases in P. 72016. | | | 8,362 |
| Subtoral, Domestic Rent and Facilities | 0 | ٥ | 9,663 |
| Other Adjustments 2 Security invalidations. The \$25,000 locates reflects between 10th Office of Personnel Management for security retruestigations for | | | 0 |
| employees requiring accurity clearances. | ĺ | - | 25 |
| TOTAL DIRECT BASE ADJUSTMENTS | 0 | 0 | 11,738 |

Exhibit E - Justification for Technical and Base Adjustments

Crosswalk of 2014 Availability
Civil Righis Division
Saleries and Expenses
(Dollers in Thousands)

| | | _ | Ī |) e | <u>. T</u> | - | 1 | 7 | 7 | • | 7 |
|---|--|----------------------------------|--------------------------|--------------|------------------|-----------------------------|---|------------|--|----------|------------------|
| | tual | Amount | 144 54 | ľ | | | - | | | | |
| | 2014 Actual | Direct Estim. | 15 | | 28 | 6 | | - | - | - | ENE. |
| | | Direct | | ı | | - | | | - | | |
| | Recoveries/ Refunds | Amount Direct Estim. | 345 | 345 | | | - | | - | | |
| | Reprogramming/Transfers Carryover Recoveries | Amount | | 0 | | | | - | - | - | |
| | g/Transfers | Direct Estim, Amount Pos. FTE | | 0 | | | | | The same of the sa | - | |
| 1 | กักการก | Estim. FTE | 0 | 0 | 0 | 0 | | - | 0 | 0 | 0 |
| | | Direct Pos. | 0 | ٥ | | | | 1 | | ! | |
| | Supplemental Appropriation | Amount | 0 | 0 | 0 | 901 | | | 0 | | |
| | pelai | Amount | Ì | 144,173 | | | | - | | | 1 |
| | 2014 Enacted | Direct Actual Pos. FTE | 573 | 573 | 78 | 8 | | | 0 | 4 | 605 |
| | | Direct Pos. | 714 | 714 | | | | | | | |
| | Alvitor menoral | | Civil Rights Enforcement | Total Direct | Reimbursable FTE | Total Direct and Reimb. FTE | | Other FTE: | و | Overtime | Grand Total, FTE |

G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability Civil Rights Division Salaries and Expenses (Dollars in Thousands)

| 0 | | FY 2015 Enacted | acted | | Reallocation | flon | Carryover | Rescission | × | 2015 Availability | bility |
|------------------------------|--------|-----------------|---------|----------------|---------------|--------|-----------|------------|----------------|---------------------------|---------|
| riogiani Activity | Direct | Estim. FTE | Amount | Direct Pos. | Direct Estim. | Amount | Amount | Amount | Direct Pos. | Direct Estim. Pos. FTE | Amount |
| Civil Rights Enforcement | 714 | ł | 147,239 | 0 | 0 | 1,200 | 751 | -1,172 | 714 | 909 | 148,018 |
| Total Direct | 714 | 909 | 147,239 | 0 | 0 | 1,200 | 751 | -1,172 | 714 | 909 | 148,018 |
| Balance Rescission | | | О | | | | | 0 | | | 0 |
| Total Direct with Rescission | | | 147,239 | | | 1,200 | | -1,172 | | | 148,018 |
| Reimbursable FTE | | 83 | | | | | _ | | | 29 | |
| nb. FTE | - | .635 | | | 0 | 751 | | | | 635 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| ۳ | | | | | | 0 | 0 | 0 | | 0 | |
| Overtime | _ | 4 | | | 0 | | 0 | | | 4 | |
| Grand Total, FTE | | 639 | | | 0 | | 751 | | | 639 | |

Reallocation

Funding of \$1.2M was reallocated from GLA's ALS account to Civil Rights' ALS account.

Carryover

Funds were carried over into FY 2015 from GLA's 2014 no-year account.

Balance Recission

A \$10M unobligated balance rescission was spread among the GLA components' carryover funding.

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources Civil Rights Division Salaries and Expenses (Dollars in Thousands)

| | | 2014 Actual | tual | | 2015 Planned | peu | | 2016 Request | Jest | Ē | Increase/Decrease | Crosco |
|-----------------------|--------|-------------|--------|--|--------------|--------|-------|--------------|--------|-------|-------------------|---------|
| Collections by Source | Relmb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimh | Raimh | Amount | Daimh | Doing | A 200 A |
| | Pos. | FTE | | Pos. | FTE | | Pos, | FTE | | | H H | 3000 |
| вор | 10 | 01 | 1,208 | 10 | 9 | 1,209 | l | 10 | 1226 | C | 1 | 47 |
| FBI | | | 730 | | | 733 | | | 733 | | | 376 |
| DEA | | | 170 | | - | 173 | - | - | 173 | | 1 | 0 |
| EOUSA | | | 179 | | | 180 | - | | 180 | | 0.0 | 0.0 |
| OSMS | | | 82 | | | 82 | | | 82 | : | | 0 |
| CRS | | | 21 | | | 21 | | | 21 | | | |
| 900 | | | 10 | | | 10 | | | 10 | 0 | 0 | 0 |
| OJP | | | 350 | | | 351 | | 1 | 351 | 0 | | 0 |
| CML | | | 4,395 | | | 45 | | : | 45 | | - | 0 |
| EOIR | | | 20 | | | 50 | | : | 20 | 1 | | 0.0 |
| ATF | | | 138 | | | 145 | | - | 145 | C | | 0.00 |
| ATR | | | ις. | | | 5 | | | 4. | | | 0.0 |
| 完工 | 19 | 18 | 6,800 | 19 | 19 | 6,800 | 19 | 6 | 6.800 | - | 5 6 | 0 |
| OVC/NAVC | | | 42 | | | 42 | - | | CD | | | 0.0 |
| VW/WEP | | | 10 | | | 10 | | | 10 | | 1 | 0 |
| OARM | | | 41 | | | 14 | | | 14 | 0 | 10 | 0 |
| UPSC | | | 0 | | | 0 |] | 1 | 0 | 0 | 5 | 0 |
| NDIC | | - | 0 | | | 0 | | | 0 | 0 | | 0 |
| OSN | | | 0 | And the state of t | | 0 | | | 0 | 0 | 0 | 0 |
| CFPB | - | - | 110 | : | | 111 | 1 | | 111 | 0 | 0 | 0 |
| MHO | - | | 29 | | | 67 | - | | 67 | 0 | 0 | 0 |
| UMS | | | 10 | | | 10 | | | 10 | 0 | 0 | 0 |
| Budgetary Resources | 29 | 28 | 14,391 | 29 | 82 | 10,058 | 29 | 29 | 10,075 | 0 | 0 | 17 |
| | | | | | | | | | | | | İ |

| 1 | _ | \top | ٦ | 7 | ŀ | 7 |
|---|-------------------|---------------------------------|--------------------------|--------|---------------------|---|
| | crease | Amount | | • | - | |
| | increase/Decrease | Reimb. | | õ | 2 | 5 |
| | Ĕ | Reimb. | 1 | 0 | c | |
| | nest - | Amount | 1000 | 10,075 | 10 075 | 2 |
| | 2016 Request | Reimb. FTE | 1 | 67 | 29 | |
| | | Reimb. | 1 | 67 | 29 | |
| | ned | Amount | 40.050 | 00001 | 10.058 | |
| | 2015 Planned | Reimb. Reimb. | ć | 72 | 53 | |
| | | Reimb. Pos. | 000 | , | 29 | |
| | luai | Amount | 0 683 | 2000 | Φ. | |
| | 2014 Actual | Reimb. Reimb. Pos. FTE | ac | 3 | 28 | |
| | | Reimb. Pos. | 90 | | 29 | |
| | | Obligations by Program Activity | Civil Rights Enforcement | | Budgetary Resources | |

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category
Cylf Rights Division
Salaries and Expenses
(Collers in Thousands)

| | | _ | - | - | - | - | _ | _ | _ | - | - | - | _ | _ | _ | _ | _ | _ |
|--------------|------------------------|------------------------------------|-----------------|----------------------------|--------------------------------|--|---------------------------------|-----------------|----------------|----------------------------------|--------------------------------|--------------------------------|------------------------------------|-------|---------------------------------|------------|---------------|-------|
| | Total Reimb. Pos. | 0 | 0 | 0 | 0 | ιn | 0 | 0 | 24 | 0 | 0 | 0 | 0 | 23 | 29 | 0 | 0 | 29 |
| 2016 Request | Total Direct · Pos. | 7 | 4 | 22 | 13 | 190 | æ | 10 | 478 | 131 | Ö | 6 | 18 | 893 | 893 | 0 | 0 | 893 |
| 2016 R | Program Increases | 0 | + | 9 | 2 | 39 | - | 0 | 95 | 29 | 0 | æ | 0 | 179 | . 179 | 0 | ٥ | 179 |
| | ATBs | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | ð | 0 | 0 | 0 | 0 | Ò | o | 0 |
| 2015 Enacted | Reimb. Pos. | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 24 | 0 | 0 | o | 0 | 82 | 67 | 0 | O | 29 |
| 2015 E | Olrect Pos. | 7. | e | 16 | F | 151 | 7 | 10 | 383 | 102 | 9 | n | 18 | 714 | 714 | O | 0 | 714 |
| 2014 Enacted | Relmb. Pos. | 0 | 0 | 0 | 0 | ĸΩ | 0 | 0 | 24 | 0 | Ó | Ö | 0 | 29 | 29 | 0 | 0 | 29 |
| 2014 E | Direct Pos. | 7 | 6 | 16 | 11 | 151 | 7 | 10 | 383 | 102 | 8 | r | 18 | 714 | 714 | ō | 0 | 714 |
| Category | | Miscellaneous Operations (010-099) | Economist (110) | Civil Rights Analyst (160) | Personnel Management (200-299) | Clerical and Office Services (300-399) | Accounting and Budget (500-599) | Architect (808) | Attomeys (905) | Paralegals / Other Law (900-998) | Information & Arts (1000-1099) | Mathematical Statistics (1529) | Information Technology Mgmt (2210) | Total | Headquarters (Washington, D.C.) | U.S. Field | Foreign Field | Total |

Financial Analysis of Program Changes Chil Rights Division Salaries and Expenses (Octars in Processes)

| | | | | | | | Civil R | Civil Rights Division | | | | | | |
|---|--------------------------|--|-------------------------|--|----------------|--------------------------|-------------------|---|---------|--|---------|--|-----------|-----------------------|
| Grades | Profi Human Proses | Protect Victims of Human Trafficking and Prosecute Traffickers | Ensure Dem Accoun | Ensure Effective and Democratically Accountable Policing | Protect | Protect Civil Rights for | Profect Sexual | Protect Students from Sexual Assault in Schools | Guerant | Guarantea Voting Rights for All Americans | Emaloym | Ensure Equal Employment Opportunity | Total Pro | Total Program Changes |
| | Divect Pos. | Amount | Direct Pos. | Amount | Direct Pos. | Amount | Prect Post | Amount | Direct | Amount | Direct | Amount | Duect | Amount |
| 65-15 | Di . | 1,445 | 0. | ٥ | ٦ | 0 | 3 | 433 | 1 | 1,156 | 5 | - | 50 | 9 000 |
| GS-14 | 1 | 6 | 9 | 1,559 | 8 | 6,145 | 6 | 0 | ١ | 0 | | 239 | 98 | 7,007 |
| 65-12 | 1 | 2 5 | 1 | 00 | 2,0 | 8000 | - c | 105 | 9 | - | 0 | 0 | 6 | 752 |
| 68-11 | • | 583 | 9 | 376 | 12 | 875 | Ī | 15 | | 1076 | 5 | 0 | 12 | 2,380 |
| 689 | ٥ | 0 | 6 | 311 | 0 | 603 | 0 | 0 | | | i i | | 8 5 | 2,124 |
| 68-7 | | 8 | ٥ | 0 | 20 | | 0 | i | | 1 | 6 | - - | ۶ | 3 |
| Total Positions and Annual Amount | 8 | 3,134 | 23 | 2,244 | 104 | 10,115 | 10 | 610 | - | 1 485 | 1 | 200 | 1 | 453 |
| (-) escer | - | 1,567 | 12 | | -\$2 | ! | 12 | 305 | 1 | | Ì | Si: | 2 2 | 17,835 |
| | | 2 | | | | _ | | - | | | 1 | -140 | 9 1 | 8,928 |
| Total FTEs and Personnel Compensation | \$ | 1,588 | 3 | 1,140 | 22 | 5,135 | ľ | 202 | - | 1 | | | 5/3 | |
| 12.0 Personnel Benefits | | 471 | | 388 | | 1,500 | 6 | ō | ٦ | 300 | 1 | 9 | 5 | 9,054 |
| 21.0 Travel and Transportation of Persons | | 88 | | 28 | | 283 | 0 | 15 | | - 46 | - | 3 | 5 | 2,679 |
| | j | 19 | | 80 | | S | 0 | 3 | 1 | 1 | Ī | 200 | 5 | 8 |
| 23.1 Rental Payments to GSA | | 0 | { | - | - | 0 | Î | 0 | ٥ | 0 | | | 0 | , |
| 24.0 Printing and Reproduction | | 1 | 1 | 200 | İ | 214 | 9 | 10 | 1 | 23 | | 2 | 8 | 328 |
| 25.1 Advisory and Assistance Services | | 0 | | | - | | | - | - | - | | 1 | 6 | 22 |
| Ş | 9 | 38 | - | 178 | | 3 | | 9 | 0 | 9 | - | 5 | 1 | 1 |
| 25.3 Other Goods and Services from Federal Sources 25.6 Medical Care | | 125 | 1 | 244 | | 25. | 9 | 21 | 0 | 49 | İ | 3 | 0 | 908 |
| 25.7 Operation and Maintenance of Equipment | | - | : | | į | | ٦ | - | - | | 1 | 0 | 0 | 25 |
| 28.0 Supplies and Materials | | | | 12 | 1 | 2 | - | * | 1 | | 1 | 6 | 0 | 0 |
| 31.0 Equipment | | 7 | | 429 | - | 916 | | 47 | - | 9 | İ | B | 6 | T |
| 1 | ľ | | | | | | | | | 71.7 | | 8 | 0 | 22 |

Summary of Requirements by Object Class
Civil Kights Division
Salaries and Expenses
(Dokars in Thousands)

| Object Class | | | | COLD PARTICION | ! | 1sanbay oinz | | HICI BESSELDELI BASSE |
|--|--------|---------|--------|----------------|--------|--------------|--------|-----------------------|
| | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | Ľ | | 1 | | 4 | | ; | 020 |
| 11.1 Full-Time Permanent | 519 | 64,003 | 552 | 000'02 | 643 | 80,053 | 91 | 500,01 |
| 11.3 Other than Full-Time Permanent | 55 | 4,222 | 72 | 4,900 | 2 | 4,944 | 6 | 44 |
| 11.5 Other Personnel Compensation | | 825 | | 650 | | 111 | 0 | 127 |
| Overtime | 4 | 23 | 4 | 9 | 4 | 0 | 0 | 09- |
| 11.8 Special Personal Services Payments | 0 | 158 | 0 | 224 | 0 | 224 | 0 | 0 |
| Total | 573 | 69,208 | 909 | 75,774 | 269 | 866'58 | 93 | 10,224 |
| Other Object Classes | 1 | | | | | | | |
| 12.0 Personnel Benefits | | 19,074 | | 22,132 | | 25,686 | | 3,554 |
| 13.0 Benefits for former personnel | | 21 | | 8 | | æ | | 0 |
| 21.0 Travel and Transportation of Persons | - | 3,107 | | 3,650 | | 4,150 | | 200 |
| 22.0 Transportation of Things | | 462 | | 657 | | 754 | | 97 |
| 23.1 Rental Payments to GSA | | 16,433 | | 17,743 | | 17,743 | | 0 |
| 23.2 Rental Payments to Others | | 336 | | 400 | | 1,638 | | 1,238 |
| 23.3 Communications. Utilities, and Miscellaneous Charges | | 2,598 | | 2,263 | | 2,591 | | 328 |
| 24.0 Printing and Reproduction | | 113 | | 120 | | 142 | | 22 |
| 25.1 Advisory and Assistance Services | | 1,800 | | 1,790 | | 1,827 | | 37 |
| 25.2 Other Services from Non-Federal Sources | | 16,601 | | 14,064 | | 13,775 | | -289 |
| 25.3 Other Goods and Services from Federal Sources | | 9,192 | | 8,212 | | 9,211 | | 666 |
| 25.4 Operation and Maintenance of Facilities | | 227 | | 32 | | 32 | | 0 |
| 25.6 Medical Care | | 62 | | 62 | | 87 | - | 25 |
| 25.7 Operation and Maintenance of Equipment | | 06 | | 115 | | 115 | | 0 |
| 26.0 Supplies and Materials | | 394 | | 396 | | 473 | | μ |
| 31.0 Equipment | | 4,041 | | 909 | | 2,423 | | 1,823 |
| 32.0 Land and Structures | | 0 | | 0 | | 8,362 | | 8,362 |
| Total Obligations | | 143,759 | | 148,018 | | 175,015 | | 26,997 |
| Subtract - Unobligated Balance, Start-of-Year | | 0 | | -751 | | 0 | | 751 |
| Subtract - Reallocation/Reprogramming | | 0 | | -1,200 | | 0 | | 1,200 |
| Subtract - Recoveries/Refunds | | -345 | | 0 | | 0 | | 0 |
| Add - Rescissions | | | | 1,172 | | | | -1,172 |
| Add - Unobligated End-of-Year, Available | | 751 | | 0 | i | 0 | | 0 |
| Add - Unobilgated End-of-Year, Expiring | | 8 | | 0 | | 0 | | 0 |
| Total Direct Requirements | 573 | 144,173 | 606 | 147,239 | 697 | 175,015 | 9 | 27,776 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Parmanent | 58 | - | 29 | | 58 | | 0 | |
| 23.1 Bartel Barmarle to CSA (Balmhireshla) | - | 179 | | 179 | - | 184 | - | 5 |
| 25.3 Other Goods and Services from Federal Sources - DHS Security (Reimbursable) | | 39 | | 388 | | 404 | | 16 |

Civil Rights Division

Salaries and Expenses (Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

regulations regarding criminal and civil commitment cases involving people living with HIV/AIDS, 1. Committee Report associated with the FY 2014 Consolidated Appropriations Act, page 37, additional burdens on people living with HIVAIDS and reflect contemporary understanding of and to make best practice recommendations to ensure such policies do not place unique or directs the Civil Rights Division to initiate a review of Federal and State laws, policies and HIV transmission routes and associated benefits of treatment.

The Civil Rights Division submitted the report Best Practices Guide to Reform HIV-Specific Criminal Laws to Align with Scientifically-Supported Factors on July 21, 2014.

sested Studies, Reports, and Evaluations

INTERNATIONAL CRIMINAL POLICE ORGANIZATION (INTERPOL)

INTERPOL WASHINGTON

U.S. NATIONAL CENTRAL BUREAU

U.S. DEPARTMENT OF JUSTICE (DOJ) WASHINGTON, D.C.

FY 2016 PERFORMANCE BUDGET

CONGRESSIONAL SUBMISSION

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I. Overview for INTERPOL Washington, the U.S. National Central Bureau

A. Introduction

In FY 2016, INTERPOL Washington, the U.S. National Central Bureau, requests a total of \$33,437,000, 74 FTE and 87 direct positions to prevent crime, enforce federal laws, and prevent terrorism. This request includes an Adjustment-to-Base (ATB) increase of \$1,437,000. With these resources, INTERPOL Washington will maintain its current level of services while providing additional services and funding for resources necessary to respond to the increase in transnational crime and international terrorism resulting in a greater need for international law enforcement cooperation and access to international law enforcement information.

B. Background

INTERPOL Washington, the United States National Central Bureau, is the statutorily-designated representative to the International Criminal Police Organization (INTERPOL) on behalf of the Attorney General. As such, it is the official U.S. Point of Contact in INTERPOL's world-wide, police to police communications and criminal intelligence network. INTERPOL Washington is co-managed by the U.S. Department of Justice (DOJ) and the Department of Homeland Security (DHS) pursuant to a Memorandum of Understanding that ensures a continuing commitment to the guidance and oversight of the organization and reinforces its role in effectively sharing and exchanging international criminal investigative and humanitarian assistance information. Consequently, its mission encompasses a broad spectrum of activities and responsibilities that support the effective administration of justice and security of the homeland - an end-state that fully reflects the Administration's strategic approach to combating transnational criminal threats. In carrying out these wide-ranging responsibilities, INTERPOL Washington utilizes a highly integrated, multi-sector workforce that includes analysts and agents detailed from both DOJ and DHS, as well as other federal, state local and tribal agencies, including: the FBI, DEA, U.S. Marshals Service, Immigration and Customs Enforcement, United States Citizenship and Immigration Services and the United States Secret Service, among others.

As the National Central Bureau for the United States, INTERPOL Washington is authorized unrestricted access to INTERPOL's secure, encrypted communications network, as well as its entire array of investigative databases. Populated with millions of records contributed by INTERPOL's 190 member countries, these databases contain vital investigative information on international fugitives; stolen and lost travel documents; stolen administrative documents; missing persons; unidentified bodies; images of child sexual abuse, and other matters of investigative interest. This capability facilitates law enforcement interaction in real time on investigative matters ranging from simple criminal history checks to the sharing of sensitive criminal intelligence and investigative leads targeting transnational organized crime groups.

In addition, INTERPOL Washington is exclusively responsible for securing the publication of INTERPOL Notices – a system of international lookouts or advisories used to assist law enforcement authorities in locating fugitives, identifying suspects, and other investigative purposes – on behalf of U.S. law enforcement agencies, and for ensuring that such Notices published on behalf of other member countries are entered and maintained in U.S. indices including the Federal Bureau of Investigation's (FBI) National Crime Information Center (NCIC) and the Department of Homeland Security's TECS. It also supports the exchange of

1

international humanitarian assistance requests involving such matters as threatened suicides, death notifications, and health and welfare checks on U.S. citizens overseas, as well as foreign nationals in the U.S.

Operating 24/7/365, INTERPOL Washington is the primary nexus between domestic and foreign law enforcement agencies and as such is solely dedicated and equipped to assist the more than 18,000 U.S. law enforcement agencies and their foreign counterparts in overcoming the very real cultural, linguistic, and legal barriers that complicate the exchange of criminal investigative information and support across national administrations and boundaries – including situations where there is no alternative police communication channel for U.S. authorities. Even for U.S. law enforcement agencies with a well-developed international criminal investigative presence, INTERPOL Washington's services are complementary, not competitive or duplicative.

In all instances, INTERPOL Washington serves to coordinate U.S. law enforcement actions and responses, ensuring that it is consistent with U.S. interests and law, as well as INTERPOL policies, procedures, and regulations. This includes strict adherence to Article 3 of the INTERPOL Constitution, which expressly forbids the Organization to "...undertake any intervention or activities of a political, military, religious or racial character."

C. Full Program Costs

INTERPOL Washington is one decision unit, and all requested funds must sustain operations that support DOJ's key priorities, as well as those of DHS and INTERPOL. Therefore, each performance objective is linked with the costs of critical strategic actions that necessarily reflect the diverse requirements of all three organizations. Moreover, through its on-going communications with its domestic and foreign counterparts, INTERPOL Washington continues to identify service gaps and emerging needs that will require additional investment.

The total costs include the following (Figure 1):

- Operating costs
 - o The direct costs of all outputs, and
 - o Common administrative systems
- Indirect costs
 - o Contribution of U.S. dues to INTERPOL

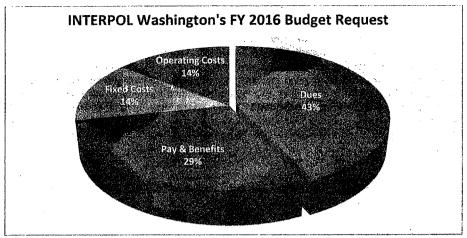


Figure 1

Both performance and resource tables define the total cost of achieving the strategies INTERPOL Washington will implement in FY 2016. Also included are the indirect costs of continuing activities, which are central to its operations.

.D. Challenges

The Administration's National Security Strategy explicitly recognizes that transnational crime is a serious and growing threat to public safety and national security. Similarly, the Worldwide Threat Assessment of the US Intelligence Community cites transnational organized crime as "...an abiding threat to US economic and national security interests..." Of particular concern, both documents point to an increasing convergence between transnational crime and terrorism. In order to combat these threats, the United States government is seeking to integrate elements from within the homeland security and national security mission spaces into a whole-of-government approach designed to disrupt, defeat, and dismantle transnational criminal and terrorist organizations. [2]

Performance Challenges

The challenges that impede progress toward achieving the strategic goals of DOJ and DHS are complex and ever-changing. Developments in technology, enforcement priorities, and shifting patterns of criminal behavior are only a few factors that impact law enforcement practices and pose challenges that demand attention. The following challenges are among those that INTERPOL Washington views as highly significant, and as having the greatest potential to impact its budget, operations, and resources.

^[1] Unclassified Statement for the Record on the Worldwide Threat Assessment of the US Intelligence Community for the Senate Select Committee on Intelligence, James R. Clapper, Director of National Intelligence, January 31, 2012 [2] National Security Strategy, p.15

External Challenges:

Balancing Reduced Funding with Increased Demand

INTERPOL Washington, as with other federal organizations throughout the entire Federal Government, continues to face funding and resource challenges. The economic environment and the subsequent impact of tightened budgets have placed pressures on all federal agencies. INTERPOL Washington is committed to the Administration's efforts to cut waste in spending and to identify opportunities to promote efficient spending. In FY 2016, INTERPOL Washington faces the challenge of responding to an increasing demand for our services while adhering to economic realities, constricted budgets, and efforts to reduce overall government spending.

The unprecedented growth of transnational criminal and terrorist organizations has created a corresponding demand for international law enforcement cooperation and timely access to law enforcement information worldwide. Consequently, INTERPOL Washington's requirement to respond to all requests for assistance from its domestic and international law enforcement partners continues to place substantial and increasing demands on its fiscal and operational resources. INTERPOL Washington anticipates that the volume of requests for assistance will continue to increase as its outreach efforts and information technology initiatives develop and take hold. Some examples are listed below:

- Increased awareness and usage of INTERPOL databases has led to significant increases in message traffic across the network resulting in increases in new cases year after year (Figure 2).
- INTERPOL Washington's aggressive outreach efforts have significantly increased availability of INTERPOL databases to domestic law enforcement agencies resulting in 56 million queries in 2014, an increase of 8.14 million queries over 2013. Additionally, in 2014, U.S. law enforcement authorities accounted for more than 366 million queries against INTERPOL databases.
- INTERPOL Washington has partnered with the National Center for Missing and
 Exploited Children (NCMEC) in an initiative to distribute investigative leads via
 INTERPOL's I-24/7 network regarding foreign hosted child pornography discovered by
 U.S. based Electronic Service Providers. Following a pilot program, INTERPOL
 Washington began full-scale distribution of investigative leads in May, 2014. To date,
 approximately 228,166 leads have been distributed to approximately 140 remaining
 INTERPOL member countries not currently serviced by a NCMEC or DHS VPN.
- INTERPOL Washington submitted over 40,000 images to the FBI "FACE" team for additional screening of INTERPOL Notices and Diffusions by facial recognition.
- INTERPOL's Headquarters in Lyon has ceased translating notices and diffusions from French and Spanish into English. As a consequence, INTERPOL Washington has absorbed the cost of translating diffusions, notices, and other INTERPOL message traffic.

4

INTERPOL Washington receives no funding from participating agencies for operating
expenses (such as guard service, telecommunication, equipment, and supply expenses)
for their detailed personnel.

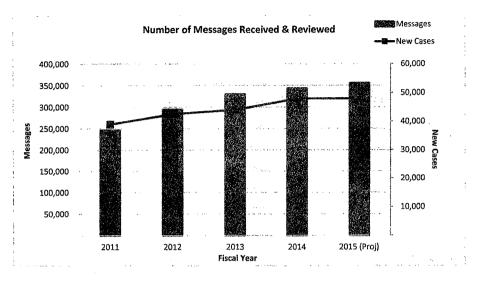


Figure 2

Funding U.S. Dues to the INTERPOL Organization

In October 2013, the INTERPOL General Assembly (GA) adopted a new model for the distribution of statutory contributions among INTERPOL member countries. This new scale incorporates the economic performance of member countries by averaging the INTERPOL scale and the United Nation's scale. The United Nation's scale includes various economic indicators including, Gross Domestic Product (GDP). Under the new dues structure, not only will the United States continue to pay the largest percentage but our contribution percentage will escalate markedly from 17.4 percent in 2014 to 19.4 percent by 2017 (Figure 3).

The U.S. dues contribution is paid in Euros (€) from INTERPOL Washington's budget, and has increased from €1.23 million in 2001 to €10.11 million or \$14.5 million USD in 2016. The estimated dues contribution, as paid in U.S. dollars in 2016 represents 43 percent of INTERPOL Washington's annual budget. Moreover, the newly adopted scale will raise the U.S. dues contribution to €10.7 million by 2017, assuming that INTERPOL's budget increases are consistent with inflationary rates. Although INTERPOL is pursuing alternative funding streams, it has indicated that it will seek additional annual increases to its budget to fund inflationary costs. The budgetary effect of these annual increases may be further compounded by the value of the U.S. dollar relative to the Euro, which impacts INTERPOL Washington's ability to pay its dues commitment at either an advantageous or disadvantageous rate of exchange.

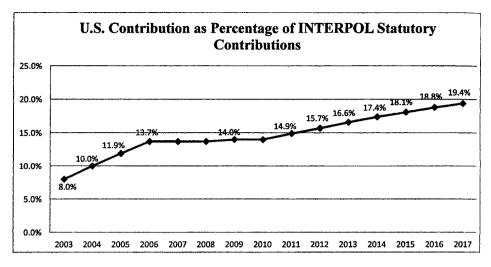


Figure 3

Internal Challenges:

INTERPOL Washington faces many internal challenges in FY 2016, primarily in regards to its analytical capacity and Information Technology (IT) infrastructure. These challenges also present INTERPOL Washington with considerable risks, such as an over-reliance on contractors in key analytical and IT positions. This practice makes INTERPOL Washington susceptible to factors such as annual contract renewals, and the challenges are exacerbated by an increase in the volume of information and data received from foreign and domestic law enforcement partners as a result of outreach efforts. This increase in volume has significantly outpaced INTERPOL Washington's analytical capabilities, resulting in costly delays and backlogs.

A foreseeable shortage of analytical and IT staff exists, as approximately 14.2 percent of INTERPOL Washington's current permanent workforce will be eligible to retire over the next three years. Another internal challenge is that 28 percent of its on-board workforce (excluding interns) is detailed from domestic law enforcement partner agencies. To mitigate the skills gap that may result from the retirement of its employees and the turnover of detailees, INTERPOL Washington must further develop the tools necessary to recruit, hire, train, and retain qualified applicants. In response to this urgent business requirement, INTERPOL Washington conducted a comprehensive assessment of its human capital and information technology program, which resulted in the publication of human capital, IT, and mission strategic plans to guide the organization through FY 2016.

E. Strategic Goals and Objectives

This request identifies specific outcome-based, strategic mission objectives that will continue to advance the mission of INTERPOL Washington. Achieving these objectives will move the

agency toward fulfilling its statutory mandate to secure greater cooperation and share information among law enforcement organizations throughout the world.

| Linking INTERPOL Washington | on to the Department of Justice's Strategic Plan |
|---|---|
| Goal #1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law | Objective 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats Objective 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong private-public partnerships, and the investigation and prosecution of cyber threat actors |
| Goal #2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law | Objective 2.1 Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers Objective 2.2 Prevent and intervene in crimes against vulnerable populations; uphold the rights of, and improve services to, America's crime victims |
| Goal #3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels | Objective 3.5 Apprehend fugitives to ensure their appearance for federal judicial proceeding or confinement |

F. Environmental Management System

INTERPOL Washington will continue to implement its agency-wide Environmental Management System. The agency has adopted a policy whereby INTERPOL Washington personnel incorporate environmental stewardship into their decision-making and day-to-day activities. The policy mandates *inter alia*:

- Incorporation of environmental management principles into planning and budget preparation.
- Promotion and encouragement for all employees to practice energy conservation, waste stream reduction, and recycling.
- Compliance with applicable federal, state, and local environmental laws and regulations.
- Identification and reporting to the agency leadership any unsafe working conditions or environmental concerns.

II. Summary of Program Changes

| Item Name | Descriptio | O | | | Page |
|--|--|------|-----|--------------------|------|
| upoli il fac | | Pos. | FTE | Dollars (\$000) | |
| Border/Transportation Security and Transnational Crime | Will authorize the additional positions necessary to handle the substantial growth in Command Center workload as a result of increased transnational crime and international terrorism | 10 | 5 | [600] | 16 |

III. Appropriations Language and Analysis of Appropriations Language

For proposed language change, please refer to the General Legal Activities Consolidated Justification.

IV. Program Activity Justification

A. INTERPOL Washington

| INTERPOL Washington | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|--------|
| 2014 Enacted | 77 | 64 | 32,000 |
| 2015 Enacted | 77 | 69 | 32,000 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 1,437 |
| 2016 Current Services | 77 | 69 | 33,437 |
| 2016 Program Increases | 10 | 5 | [600] |
| 2016 Request | 87 | 74 | 33,437 |
| Total Change 2015-2016 | 10 | 5 | 1,437 |

| INTERPOL Washington-Information Technology Breakout (of Decision Unit Total) | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|--------|
| 2014 Enacted | 5 | 4 | 2,150 |
| 2015 Enacted | 5 | 4 | 2,400. |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 0 |
| 2016 Current Services | 5 | 4 | 2,400 |
| 2016 Program Increases | 1 | .5 | 0 |
| 2016 Program Offsets | 0 | 0 | 0 |
| 2016 Request | 6 | 4.5 | 2,400 |
| Total Change 2015-2016 | 3.7 克斯·利斯 | .5 | 0 |

1. Program Description

INTERPOL is the world's largest international police organization and coordinates information sharing between its 190 member countries, providing a neutral venue where jurisdictions and mandates are interwoven to permit cooperation and assistance in combating international crime. Pursuant to its statutory authority, INTERPOL Washington, the U.S. National Central Bureau, facilitates international law enforcement cooperation by serving as a police-to-police communications and intelligence network for both American and foreign police seeking assistance in criminal investigations. In addition INTERPOL transmits information of a criminal justice, humanitarian, or other law enforcement related nature between domestic and foreign law enforcement agencies in INTERPOL member countries, and coordinates and integrates information in investigations of an international nature.

2. Performance and Resource Tables

| | | PERFORMANC | CE AND RESC | PERFORMANCE AND RESOURCES TABLE | H | | | |
|-------------------------|--------------------------------|--|--------------------------------------|---------------------------------|-------------------|---|--------------------|----------------------|
| Decision Unit | INTERPO | Decision Unit: INTERPOL Washington | | | | | | |
| Strategic Objec | tives: 1.4 Co | Strategic Objectives: 1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private | attacks through | the use of all av | railable tools, s | trong public | -privat | |
| partnerships, s | and the inves | partnerships, and the investigation and prosecution of oper three statests. 2.1 Combatt the threst incidence, and prevalence of violent to the views retained strated operations to investigate and prevalence of violent to the views retained strated to strate the residence of the violent of the violent of the violent of | er threat actors presst, and pros | ; 2.1 Combat the | s threat, incided | nce, and pre | valenc s traffi | e of violent |
| Prevent and Int | ervene in cri | Person and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to, America's crime victims; 3.5 Apprehend fugitives to ensure their appearance for federal judicial proceedings or confinement. | lons and uphole for federal ju- | d the rights of, a | ind improve se | rvices to, Ar ent. | e Lion | 's orime |
| RESOURCES | | | Target | Actual | Projected | Changes | H | Requested (Total) |
| TYPE | STRATEGIC | PERFORM ANCE | FY 2014 | 7102. | FY 2016 | Current Services Adjustments and FY 2016 Program Chances | <u> </u> | FY 2016 Request |
| | | | FTE \$000 | FTE \$000 | FTE \$000 | FTE \$000 | - | FTE \$000 |
| Program Activity | 1.4, 2.1, 2.2, & 3.6 | Exchange of international Investigative Information/ Assistance | 69 32,000 | | 69 32,000 | | | 4 |
| Performance | New cases initiated | pateitic | 43.403 | 47.934 | 44.271 | | _ | 44.713 |
| Performance | Number of TE | Number of TECS/NGC "lookouts" | 0.5 | 202.40.4 | | | \vdash | |
| Messure: | entered/updated | ted | 21,756 | 27,434 | 24,691 | | + | 25,925 |
| Performance Measure: | Number of U. | Number of U.S. requested in ERFOL Notices issued | 1,581 | 1,200 | | | | |
| Performance | Ni no neguna | Number of INTERPOL diffusions issued | 240 | 190 | | | | |
| | Number of "6 | Number of "lookouts" issued to domestic and | | | | | L | |
| Performance | foreign iaw e w anted/missi | foreign law enforcement agencies on INTERPOL w anted/missing persons and suspects within | | (| , | | | |
| Messure: | 48 hours | | 8,8/4 | 10,048 | 14,984 | | + | 15,733 |
| Performance | database que | Number of locates on rugitives obtained through database queries or lead information provided | | | | | ., | |
| Measure | by a foreign NCB | 802 | 644 | 874 | 538 | | | 592 |
| Perform ance | Number of re | Number of red notices published on U.S. | | | | * | | |
| Measure: | fugitives and | fugitives and sex offenders | 487 | 43/ | 501 | | | |
| Performance Messure: | Number of grand functives and | Number of green notices published on U.S. funitives and sex offenders | 792 | . 655 | 916 | | | |
| Performance | Arrests, extra | Arrests, extraditions, and deportations on | 158 | 183 | 472 | | - | 74.0 |
| Carcome | | The state of the s | AL -COOK LOOK INC | 20,000,000 | */1 | | | |
| Data Derinmon, v | andation, vers | beta befinded, validation, vertication, and unmanded in <u>Vertication to the control of the contr</u> | In REJUINE, Co | e mis secuon to a | ISCUSS CARA RETTI | s, data source | es, nom | the |
| Inormation to co | אופניפת, יוטיי ני | יי אייי אייי איייי איייי איייי אייי אי | וווומווים וכיויים | ווחם ווכתה התמון מוים | CICEIO HIDDONIO | S percuriance | ann m | area. |

Note: The Performance Measures for Diffusions issued, and U.S. Notices issued are discontinued in FY15. Red, and Green Notices are blank for FY16 as the USNOB plans to discontinue them. identification, through queries or lead information provided by another country, of a potential address or location of a wanted fugitive. USNCB Workload investigation's National Crime Information Center system. Both systems are checked at U.S. border entry points. By placing the entries, the USNCB is and Performance data is collected from the USNCB Envoy system and the INTERPOL General Secretariat. Data is validated through manual random sampling. A continuing data limitation is the fact that USNCB is sometimes left out of the information loop once a fuglitive is located and/or arrested by national authorities, making it difficult to track and report final outcome. The USNCB continues to make improvements to its statistical reporting. able to alert U.S. law enforcement to international wanted persons who may attempt to enter the U.S. The USNCB considers "locates" to be the TECS/NCK "Lookouts" are defined as records created by the USNCB in the Department of Homeland Security's TECS and the Federal Bureau of

| | | PERF | ORMAN | PERFORMANCE MEASURE TABLE | URE TAE | 3LE | | | • | |
|------------------------|------------------------|--|---------|---------------------------|---------|---------|--------|---------|---------|---------|
| | Decision Unit | Decision Unit: INTERPOL Washington | | | | | | | | |
| | ā. | Performance Report and | FY 2010 | FY 2011 | FY 2012 | FY 2013 | : Ad | FY 2014 | FY 2016 | FY 2016 |
| Strategic Objective | 2 | Performance Plan Largets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 1.4, 2.1, 2.2, & 3. | Performance Measure | Number of lookouts within 48 hours | 7,587 | 8,882 | 8,036 | 9,334 | 8,874 | 16.649 | 14,984 | 15,733 |
| 1.4, 2.1, 2.2, & 3. | Performance Measure | Number of INTERPOL Diffusions issued | N/A | 460 | 585 | 647 | 240 | 190 | | |
| 1.4, 2.1, 2.2, & 3. | Performance Measure | New Cases Initiated | 33,820 | 38,964 | 42,549 | 44,605 | 43,403 | 47,934 | 44,271 | 44,713 |
| 14, 2.1, 2.2, & 3. | Performance Measure | Number of US requested INTERPOL Notices | N/A | 1,272 | 1,818 | 1,436 | 1,581 | 1,200 | | |
| 1.4, 2.1, 2.2, & 3. | Performance Measure | Number of TECS/NCIC "lookouts" entered/updated | N/A | 21,165 | 20,720 | 22,495 | 21,756 | 27,434 | 24,691 | 25,925 |
| 1.4, 2.1, 2.2, & 3. | Performance Measure | Number of locates on fugitives obtained through database queries or lead information provided by a foreign NCB | 374 | 390 | 439 | 441 | 449 | 874 | 538 | 592 |
| 14, 2.1, 2.2, & 3. | Performance Measure | Number of red notices published on US fugutives and sex offenders | N/A | N/A | N/A | 473 | 487 | 437 | 501 | |
| 1.4, 2.1, 2.2, & 3. | Performance Measure | Number of green notices published on US fugitives and sex offenders | N/A | N/A | N/A | 769 | 792 | 655 | 816 | |
| 1.4, 2.1, 2.2, & 3. | OUTCOME Measure | Arrests, extradictions, and deportations on INTERPOL Notices/Diffusions with a US nexus | 143 | 146 | 165 | 145 | 168 | , | 172 | 170 |
| | N/A = Data unavaljable | liable | | | | ¥ | | £11 | | |

3. Performance, Resources, and Strategies

a. Performance Plan and Report for Outcomes

INTERPOL Washington will support DOJ's strategic priorities by executing the following functions:

- Coordinating arrangements for payment of mandatory INTERPOL member dues;
- Communicating and exchanging information between international and domestic law enforcement agencies;
- Ensuring that the interests of the United States are represented to the international law enforcement community;
- Identifying trends and patterns in international criminal activity;
- Providing leadership and expertise at global law enforcement symposia, conferences, and meetings;
- Extending access to INTERPOL data by U.S. federal, state, local, and tribal law enforcement agencies; and,
- Championing the greater use by U.S. federal, state, local, and tribal law enforcement agencies of International information and communication tools available through INTERPOL Washington.

INTERPOL Washington will continue to facilitate cooperation among foreign and domestic law enforcement by making it easier to obtain information and evidence needed to pursue fugitives and track criminal activity by leveraging authorized and existing information sharing environments.

b. Strategies to Accomplish Outcomes

INTERPOL Washington has formed strategic partnerships with U.S. law enforcement agencies that have assigned agents to INTERPOL Washington to initiate and respond to international inquiries. INTERPOL Washington further participates in such international law enforcement initiatives as: Foreign Terrorist Fighters (FTF) and Fusion Task Force (provides link analysis on terrorist groups and individuals); Human Trafficking Programs; Project Cargo Net (maritime piracy); International Stolen Motor Vehicle Program; Cultural Antiquities Program; Stolen/Lost Travel Documents Program; International Child Sexual Exploitation Program, and the INTERPOL Bioterrorism Program. The Notice and Diffusion program builds member countries' capacity to rapidly identify and arrest known and internationally wanted individuals leading to their eventual extradition, deportation or prosecution.

INTERPOL Washington will also continue to use its expertise to assist in halting international parental abductions in progress, pursue child abductors, and locate child victims.

Through INTERPOL Washington, every law enforcement agency in the United States can contact police, customs, and immigration authorities in 189 other member countries. The anticipated outcome is the reduction of crime domestically and internationally.

c. Priority Goals

The following are specific examples of how INTERPOL Washington supports the Attorney General's Priority Goals:

Priority Goal 1: "Protecting Americans from national security threat"

National Central Bureaus representing more than 40 member countries have coalesced into a dedicated Foreign Terrorist Fighter program. This program currently supports a working group an international symposia that serves as a vehicle for sharing information and best practices; a multinational fusion cell, and an analytical database populated with information contributed by and accessible to participating member countries. The criminal intelligence information contained in the database includes detailed identity particulars that are especially valuable to law enforcement and border control authorities in making determinations of the terrorist threat posed by subjects located in, or attempting to enter their respective jurisdictions.

At the start of the initiative in April 2013, there were only 12 messages or notices in the Fusion Cell's database referencing Syria foreign fighters. Since then, the INTERPOL working group has met four times providing information on foreign fighters in the form of over 1,200 messages or notices.

Member countries have begun to integrate INTERPOL's data into their respective border security and law enforcement lookout systems. As we all recognize, the sharing information on suspected foreign fighters is a critical, necessary tool to track, interdict, and hopefully prosecute suspected fighters. It is particularly paramount that transit countries receive timely information in order to interdict travelers.

Applied collectively, these resources provide a reliable platform for addressing the threat from foreign terrorist fighters by helping to monitor, deter and interdict their international movement. INTERPOL Washington is aggressively exploiting these resources in order to provide notification to other member countries and to communicate potential threats posed by individuals involved in terrorist activities. We have strategically used INTERPOL Notices to target, trace, locate and detain terrorists.

Currently, we have identified over 3,000 known terrorists who are subjects of INTERPOL Notices which include 885 suspects wanted on Red Notices that were previously unknown to the U.S. Government. Through our partnership with the FBI, this information was shared with the National Counter Terrorism Center for watch-listing. We also provided previously unknown supplemental information on 1,200 records and issued 1,005 Blue or Green notices targeting terrorism suspects. The value of this data - a large portion of which was unknown- is proof positive that the information contained within the INTERPOL system is important to the U.S. Law Enforcement and Intelligence communities and a key to continued homeland security.

Furthermore, to combat the growing threats posed by cybercrime and cyber-based attacks, INTERPOL Washington is working with INTERPOL to develop best practices and information sharing initiatives to overcome the inherent challenges to investigating, prosecuting, and disrupting cybercrime; develop capacity in its member countries; network and leverage INTERPOL's global and regional resources in support of national efforts; and increase connectivity between U.S. law enforcement and foreign authorities worldwide. In order to meet these challenges, INTERPOL Washington is actively pursuing the development of training opportunities with INTERPOL and the DOJ to improve member countries' use of the Mutual Legal Assistance Treaty (MLAT) as a critical tool in support of global efforts to combat cybercrime; developing solutions to streamline the process of obtaining and communicating Basic Subscriber Information held by U.S. service providers, and transitioning the INTERPOL

Operational Expert Group on Cybercrime, which is chaired by INTERPOL Washington, from a planning and development body to a permanent entity that will drive the organization's strategic cyber direction. Through the newly established INTERPOL Global Complex for Innovation and its Digital Crime Center, which is presently under the direction of a U.S. secondment from the FBI, INTERPOL Washington will also continue to promote the operational, technical, and investigative cyber capabilities of U.S. law enforcement and increase international cooperation in support of DOJ's National Security Priority Goal of disrupting and dismantling cyber threat actors.

Priority Goal 2: "Protecting Americans from violent crime"

INTERPOL Washington supports this priority goal by working with domestic and foreign law enforcement agencies to combat violent transnational criminal organizations and offenders. Its efforts include developing and exchanging criminal investigative information and intelligence designed to deny the illicit movement of and access to U.S. - sourced firearms, explosives, and ammunition by international traffickers, drug dealers, gang members, and terrorists. INTERPOL Washington's international data resources and communications network also support U.S. and foreign law enforcement agencies in investigating other violent offenses that include kidnapping, bank robbery, homicide, rape, and sexual assault. For example, INTERPOL Washington processes trace requests of U.S.-sourced firearms recovered or seized abroad for those member countries without electronic trace (E-Trace) capability and, through INTERPOL's secure I-24/7 network, and assists ATF's National Tracing Center with requests from member countries for assistance in tracing foreign-made firearms recovered in the U.S.

Additionally, INTERPOL Washington processes applications for Red, Blue, and Green INTERPOL Notices on subjects connected with a wide range of violent offenses. These subjects include deportees (including members of transnational criminal gangs such as MS-13) who have committed violent crimes, and members of outlaw motorcycle gangs (e.g., Hells Angels, Bandidos, Mongols, Vagos, and Outlaws). In addition to facilitating the location, capture, and removal of criminal fugitives, the publication of these notices supports the sharing of criminal intelligence and coordination of investigations and operations at a truly global level.

INTERPOL Washington also routinely facilitates emergency disclosure requests from internet service providers and online social media companies to prevent violent crimes in which serious threats of bodily harm, death threats, stalking, and extortion attempts are made using the internet, resulting in the identification, location and arrest of offenders posing a significant threat to persons and/or general public safety.

Priority Goal 4: "Protecting the most vulnerable members of society"

INTERPOL Washington provides substantial support to agency efforts to combat crimes against children. Using its exclusive authority, INTERPOL Washington has extended access to INTERPOL's online investigative resources to child sex crimes investigators from DOJ, DHS, the U.S. Postal Inspection Service, Internet Crimes Against Children (ICAC) Task Forces, and the National Center for Missing and Exploited Children (NCMEC). This access enables them to utilize INTERPOL's International Child Sexual Exploitation (ICSE) database, a system that employs sophisticated software programs to automatically extract digital information from images and compare it to stored images seized worldwide. ICSE's performance capabilities enable users to initiate investigations online, comment on shared material, apply their unique knowledge of local circumstances, and consult and collaborate with their international counterparts. To date, over 3,538 victims from more than 40 countries have been identified

utilizing this database. Identifications increasing yearly as the database capabilities are propagated throughout the domestic and international law enforcement communities by INTERPOL as well as Federal, State, local, and tribal law enforcement entities. To date, there are 328 trained ICSE users world-wide. INTERPOL Washington continues to assist with coordinating/facilitating user training to increase database usage and knowledge.

INTERPOL Washington is using its exclusive authority to issue INTERPOL Green Notices as a systematic means of alerting domestic and foreign police agencies to the presence of serious child sex offenders travelling from abroad. In this regard, INTERPOL Washington's authority now includes the ability to publish Green Notices on U.S. citizens and Legal Permanent Residents with an international nexus that fit the definition of Tier II and III sex offenders under the Sex Offender Registration and Notification Act (SORNA), 42 USC § 16911(4).1. Complementing these efforts, INTERPOL Washington has entered into a partnership with the U.S. Marshals Service's National Sex Offender Targeting Center to identify, target, and track non-compliant sex offenders that travel internationally.

INTERPOL Washington has partnered with U.S. Immigration and Customs Enforcement in support of Operation Predator to identify foreign sex offenders whose crimes make them removable from the United States. This includes child sex predators, smugglers, and traffickers, as well as individuals involved in the distribution of images of child sexual abuse via the Internet. To date, INTERPOL Washington has published nearly 6,000 Green Notices in support of this operation.

Furthermore, INTERPOL Washington currently partners with U.S. Immigration & Customs Enforcement (ICE), Homeland Security Investigations along with foreign law enforcement counterparts to assist in the identification and location of human rights violators and those formerly engaged in war crimes. INTERPOL Washington also partners with the ICE Human Trafficking and Smuggling Center to utilize INTERPOL notices and diffusions to identify subjects that are either suspected of or wanted for crimes of human trafficking and/or smuggling. Requests from domestic and foreign law enforcement counterparts are reviewed and entered into appropriate U.S. indices and are then disseminated to the INTERPOL community.

V. Program Increases by Item

Item Name: <u>Border/Transportation Security and Transnational</u>

Crime

AG Targeted Priority Options: 1 - Protecting Americans from national security threats

4 - Protecting the most vulnerable members of society

Strategic Goal: 1 – Prevent Terrorism and Promote the Nation's Security

Consistent with the Rule of Law

2 - Prevent Crime, Protect the Rights of the American

People, and enforce Federal Law

Strategic Objective: 1.1 – Prevent, disrupt, and defeat terrorist operations before

they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats. 2.1 – Combat the threat, incidence, and prevalence of violent crimes by leveraging strategic partnerships to investigate, arrest, and prosecute violent and illegal firearms traffickers 2.2 – Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to

America's crime victims

Budget Decision Unit(s): INTERPOL Washington

Organizational Program: INTERPOL Washington's Operations and Command Center

(IOCC)

Program Increase: Positions 10 Agt/Atty 0 FTE 5 Dollars [\$600,000]

Description of Item

INTERPOL Washington requests 10 positions and 5 FTE to support the Department's efforts to prevent terrorism; combat and prevent violent crimes' and protect vulnerable people. Given the significant increase in transnational crime and the risk associated with international terrorism resulting in a greater need for international law enforcement and cooperation and access to international law enforcement, INTERPOL Washington's resources are woefully inadequate to screen and detect the illicit international travel of criminals and terrorists.

Justification

The INTERPOL Washington Operations and Command Center (IOCC) operates 24 hours a day, 7 days a week, 365 days a year, responding to requests for international criminal investigative and humanitarian assistance from more than 18,000 domestic law enforcement agencies and their counterparts in 189 other INTERPOL member countries. These requests are processed via I-24/7, an encrypted virtual private network that facilitates secure, police-to-police interaction in real-time for investigative matters ranging from simple criminal history checks to health and welfare checks to the sharing of vital criminal intelligence and investigative leads targeting transnational criminals and criminal organizations. The IOCC via I-24/7 also provides access to

INTERPOL's global investigative databases, including INTERPOL's Stolen/Lost Travel Document database and the Travel Documents Associated with Notices system, a proven means of screening and detecting the illicit international travel of criminals and terrorists. With access to I-24/7, the IOCC is the lone conduit for sharing international law enforcement information regarding transnational crime and terrorism. This police-to police information sharing function is not provided by any other U.S. law enforcement agency.

In FY 2014, the IOCC received 343,320 messages or an average of 28,610 messages per month. Based on Fiscal 2014 actuals, IOCC projects to receive 355,000 messages in FY 2015 (a 3.4 % increase). These messages must be reviewed, triaged, prioritized, queried, indexed, and entered into U.S. indices. Moreover, the IOCC must translate of all incoming Spanish and French messages, as well as, translate outgoing English messages into these languages in exigent circumstances. These time-sensitive activities are particularly important for diffusions and notice cases pertaining to terrorists, international fugitives, witness, and victims. On a monthly basis in FY 2014, IOCC analysts were responsible for the review and action of over 87,000 incoming messages, opening over 3,900 new cases, and distributing in excess of 9,600 messages on existing cases.

Stolen/Lost Travel Document Database

Not only is the IOCC the designated, INTERPOL entry point for sensitive, global law enforcement information in the United States, the IOCC also processes and responds to the queries by U.S. authorities of INTERPOL databases and information services, including the Stolen/Lost Travel Document (SLTD) database. Almost immediately after the disappearance of Flight MH370, international attention was focused on INTERPOL's SLTD database. As a result of increased awareness of SLTD and recent procedural changes to address passenger safety concerns, usage of the database by U.S. authorities has increased dramatically in a matter of a couple of months in FY 2014.

The SLTD database is queried and relied upon heavily by border and transportation security elements of the Department of Homeland Security (DHS) and consular authorities of the Department of State (DoS). INTERPOL Washington assists DHS and DoS in examining all passports and travel documents presented at U.S. borders or at U.S. consulates as part of their screening processes. Prior to February 2014, DHS screened travel documents of all incoming travelers on international flights. However, on March 12, 2014, in response to passenger safety concerns raised in the aftermath of the MH370 disaster, INTERPOL Washington implemented a new procedure to assist DHS in screening all outbound international travelers as well. This new procedure has resulted in an increase in SLTD queries by DHS of over 54% in FY2014. INTERPOL Washington is currently collaborating with DHS to further expand this program and develop a capability to screen the passenger manifests against the SLTD of all foreign flights performed by U.S. air carriers operating overseas and foreign air carriers performing overflights of U.S. airspace Based on estimates provided by DHS, this additional screening process will result in 68 million new queries of SLTD each year; resulting in another increase of over 50% from our FY2014 levels and almost doubling the number of queries from our FY2013 levels.

These increased queries will necessitate an increase in the number of "hits" In 2014, U.S. law enforcement, border security, and consular authorities queried SLTD more than 286 million times through INTERPOL Washington. These 286 million queries resulted in over 37,000 "hits" against the database. While the overwhelming majority of "hits" were resolved by INTERPOL Washington administratively, a small number represented a serious, potentially criminal concern,

and were referred to the appropriate law enforcement authority for further investigation and resolution.

By extrapolating the actual increases identified in FY2014's data and annualizing it, we project processing approximately 400million queries against the SLTD, generating approximately 48,000 hits in FY2015 as a result of the procedural changes described above.

Sex Offender Travel Notification

Each year, millions of children fall prey to sexual predators. These offenders pose an ongoing and significant risk of re-engaging in sex offenses even after being released from incarceration or commitment, including by traveling internationally to locations where they may be less susceptible to detection by law enforcement authorities. In the United States, protecting the public from sex offenders is of paramount governmental concern.

In 2008, the U.S. Department of Justice convened a multi-agency working group whose purpose was to develop a comprehensive strategy for tracking registered sex offenders entering and departing the United States. To that end, in 2010 INTERPOL Washington amended its System of Records Notice (SORN) to enable it to issue Green Notices on U.S. citizens and Legal Permanent Residents who have prior convictions involving sex offenses and certain other violent crimes, and who may pose a threat to the international community.

Presently, there are an estimated 725,000 registered sex offenders in the United States. As such, it would be highly impracticable to issue Green Notices on even a small percentage of them. Consequently, INTERPOL Washington has targeted a population consisting of those sex offenders who are likely to travel internationally and who qualify as the "worst of the worst"

In addition to its use of Green Notices, INTERPOL Washington has partnered with the U.S. Marshals Service (USMS) and other federal, state, local, and tribal law enforcement agencies, INTERPOL Washington plays a key role in providing notifications to 189 other INTERPOL member countries regarding convicted sex offenders that are planning to visit or relocate, or who are being deported. INTERPOL Washington has provided more than 5,000 such notifications since 2012. This partnership also extends locating and apprehending non-compliant fugitive offenders that flee overseas and coordinating investigations of fugitive sex offenders that flee to the United States.

Just recently, INTERPOL Washington has subsequently entered into discussions with U.S. Customs and Border Protection (CBP) to screen all airline passenger manifests against the National Sex Offender Registry in furtherance of its existing traveling child sex offender notification program. These efforts when fully operational will ensure that U.S. law enforcement is providing more comprehensive information to our foreign counterparts regarding sex offender traveling internationally as well as address a recommendation made in the February 2013 GAO Report Registered Sex Offenders: Sharing More Information Will Enable Federal Agencies to Improve Notification of Sex Offenders' International Travel.

Under this new process, passenger flight information from CBP will be routinely screened against the national Sex Offender Registry database to identify traveling, convicted sex offenders. CBP will notify INTERPOL Washington, along with their current notifications to the USMS and ICE Homeland Security Investigations (HSI) of those travelers that are registered as convicted sex offenders. INTERPOL Washington will then send a secure message to the

inbound country advising of the impending travel with carbon copies to USMS, HSI, FBI and Department of State. Following the message, INTERPOL Washington will then issue a Green Notice for the convicted sex offender. This Green Notice will remain in effect for a period of five years, unless the offender is removed from the registry pursuant to legal, court action. The issue of the secure message helps foreign countries determine admissibility of the convicted sex offender. In those instances where a convicted sex offender is admitted into a country and purchases a ticket to a separate, unidentified foreign destination to possibly reoffend, the Green Notice will be in place to serve as a notification system to the ancillary inbound country.

These additional resources will allow INTERPOL Washington to issue messages and/or Green Notices 24/7/365 on traveling sex offenders. Currently, travel notifications made to INTERPOL Washington after normal business hours, weekends, and/or holidays, are triaged. Thus a delay may result in travel notifications being made *after* the convicted sex offender has already arrived in a foreign country.

INTERPOL Washington's publication of Green Notices on qualifying sex offenders to foreign countries through I-24/7 furthers those governments' interest in public safety and enhances strategies for crime detection and prevention against these offenders, including child pornographers, child sex tourists and facilitators, human smugglers, and those engaged in trafficking minors.

Impact on Performance

This initiative fully supports the Attorney General's Targeted Priority Goal 4 – Protecting the most vulnerable members of society and 1 – Protecting Americans from national security threats. INTERPOL Washington also supports the DOJ Strategic Goal 2 "Prevent Crime, Protect the Rights of the American People, and enforce Federal Law" and Objectives 2.1 – Combat the threat, incidence, and prevalence of violent crimes by leveraging strategic partnerships to investigate, arrest, and prosecute violent and illegal firearms traffickers and 2.2 "Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims."

INTERPOL Washington's lack of existing resources to address the up-surge in time-sensitive messages associated with the Stolen Lost Travel Document database and traveling sex offenders not only jeopardize the public safety and national security of the U.S. by failing to identify, locate and remove terrorists and dangerous criminals but also the effectiveness of our working relationship with the other 189 member nations of INTERPOL.

The significant increase in transnational crime and terrorism has resulted in a greater need for international law enforcement and cooperation and access to international law enforcement information. INTERPOL Washington has an exclusive role in the United States law enforcement community that is not duplicated anywhere else in the federal, state, local, or tribal levels of government. These additional resources coupled with INTERPOL Washington's unique role and existing information sharing structure will provide for the timely communication of messages and notifications about the illicit international travel of criminals, sex offenders, and terrorists.

Funding

Base Funding

| 1 188 | FY | 2014 E | nacted | O. C. F | Y 2015 | Presider | it's Budget | 类形式 | FY 20 | 16 Curre | nt Services |
|-------|------|--------|---------|---------|--------|----------|-------------|-----|-------|----------|-------------|
| Pos | Agt/ | FTE | \$(000) | Pos | Agt/ | FTE | \$(000) | Pos | Agt/ | FTE | \$(000) |
| | Atty | | | | Atty | | | İ | Atty | | |
| 28 | 0 | 28 | \$7,228 | 28 | 0 | 28 | \$6,716 | 28 | 0 | 28 | \$6,381 |

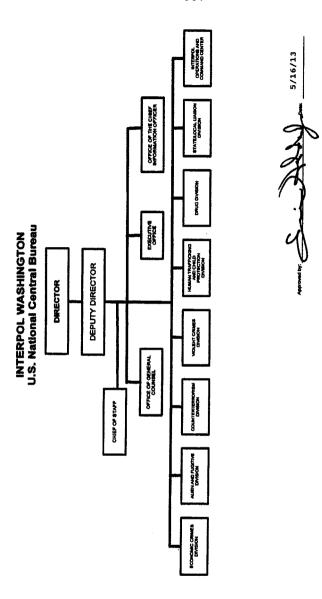
Personnel Increase Cost Summary

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|------------------------------|--|-------------------------------------|-------------------------------|---|
| Clerical and Office Services | | | | |
| (0300-0399) | \$56 | 8 | [\$447] | \$360 |
| Clerical and Office Services | | | | |
| (0300-0399) | \$97 | . 1 | [\$97] | \$45 |
| Information Technology Mgmt | | | | |
| (2210) | \$56 | 1 | [\$56] | \$ |
| Total Personnel | | 10 | [\$600] | \$450 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|
| Current Services | 28 | 0 | 28 | \$6,381 | \$0 | \$6,381 | \$0 |
| Increases | 10 | 0 | 5 | [\$600] | \$0 | [\$600] | \$450 |
| Grand Total | 38 | 0 | 33 | \$6,381 | \$0 | \$6,381 | \$450 |

A: Organizational Chart



B. Summary of Requirements

Summary of Requirements
INTERPOL Washington
Salaries and Expenses
(Dollars in Thousands)

| | | FY 2016 Request | |
|--|-------------|-----------------|--------|
| | Direct Pos. | Estimate FTE | Amount |
| ZU14 Enacted | 11 | 3 | 32,000 |
| Total 2014 Enacted | 77 | 49 | 32,000 |
| 2015 Enacted | 7.7 | 69 | 32,000 |
| Base Adjustments | | | |
| Pay and Benefits | 0 | c | 203 |
| Domestic Rent and Facilities | 0 | 0 | 130 |
| Other Adjustments | 0 | c | 100 |
| Total Base Adjustments | · C | · c | 1 437 |
| Total Technical and Base Adjustments | · C | 5 e | 4 437 |
| 2016 Current Services | 7 | 9 | 22 427 |
| Program Changes | | 3 | 101 |
| Increases: | | 1 1 2 | |
| Border/Transportation Security and Transnational Crime | 9 | v. | 16001 |
| Subtotal, Increases | 9 | S | 1009 |
| Total Program Changes | 5 | 10 | 10001 |
| 2016 Total Request | 87 | 74 | 33.437 |
| 2015 - 2016 Total Change | 9 | , LC | 1 437 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

Summary of Requirements INTERPOL Weshington Salaries and Expenses (Dollars in Thousands)

| Program Activity | Œ | FY 2014 Enacted | acted | Ē | FY 2015 Enacted | cted | FY 201 | 8 Technical an Adjustments | FY 2016 Technical and Base Adjustments | | 16 Curren | FY 2016 Current Services |
|------------------------------|--------|-----------------|--------|--------|-----------------|------------------------|--------|-------------------------------|---|--------|----------------|--------------------------|
| | Direct | Actual | Amount | Direct | Est FTE | Direct Est. FTE Amount | Direct | Est FTE | Direct Est FTE Amount | Direct | Direct Est FTE | Amount |
| INTERPOL - Washington | 77 | 2 | 32,000 | 708 | 69 | 32,000 | ros. | 0 | 1.437 | F0S. | 69 | 33.437 |
| Total Direct | 11 | 3 | 32,000 | 4 | 69 | 32,000 | 0 | | 1,437 | 11 | 69 | 33,437 |
| Batance Rescission | | | 0 | | | ٥ | | | 0 | | | P |
| Total Direct with Rescission | | | 32,000 | | | 32,000 | | | 1,437 | | | 33,437 |
| Reimbursable FTE | | 0 | | | 0 | | | ľ | | | 0 | |
| Total Direct and Relmb. FTE | | 3 | | | 69 | | | - | | | 69 | |
| - | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 0 | | | ō | | | ٥ | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 2 | | | 69 | | | 0 | | | 69 | |

| Program Activity | , | 2016 Increases | 8968 | | 2016 Offsets | ets | | 2016 Request | lest |
|------------------------------|--------|----------------|--------|--------|-----------------|--------|--------|----------------|--------|
| | Direct | Direct Est FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est FTE | Amount |
| | 8 | | | Pos. | | | Pos. | | |
| INTERPOL - Washington | 10 | 9 | [009] | 0 | 0 | 0 | 87 | 74 | 33,437 |
| Total Direct | 10 | 8 | [600] | ٥ | 0 | 0 | 87 | 74 | 33,437 |
| Balance Rescission | | | 0 | | 1 | 0 | | | |
| Total Direct with Rescission | | | 0 | | | 0 | | | 33,437 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 9 | | | 0 | | | 74 | |
| | | | | | | | | 1 | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 2 | | | 0 | | | 74 | |

Exhibit C - Program Changes by Decision Unit

Changes by Decision Unit

C, Pr

FY 2016 Program increases/Offsets by Decision Unit INTERPOL Washington Salaries and Expenses

| | | | | (Dodge | (Dollars in Thousands) | © | | | |
|------------------------------------|--|--------|-----------------------|----------|------------------------|----------|------------|-----------------|--------|
| Program increases | Location of | | INTERPOL - Washington | Washing | ton | | Total | Total increases | |
| | Description in Direct Agt/Atty. Est. FTE Amount Direct Agt.Atty. Est. FTE Amount | Direct | Agt //Affy. | Est. FTE | Amount | Direct | Agt./Atty. | Est. FTE | Amount |
| | Narrative | Pos | | | | Pos. | | | |
| Border/Transportation Security and | | 9 | 0 | un | [009] | 10 | 0 | ν. | [600] |
| Transnational Crime | | | | | | | | | |
| Total Program Increases | | 10 | 0 | w | [600] | 9 | 0 | 5 | (000) |

D. Resources by DOJ Stragetic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal and Objective INTERPOL Washington Searies and Expense (Obline in Thousand)

| Strategic Goal and Strategic Objective | FY 201 | FY 2014 Enacted | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Current FY 2016 Increases | FY 2018 | Increases | 1 | FY 2016 Offsets | FY2 | FY 2016 Total |
|--|--------------------------|------------------|--------------------------|------------------|--------------------------|-----------------------------------|--------------------------|------------------|-------------------|------------------|-------------------|---------------|
| | | | | | Se | Services | | | | | œ | Request |
| | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Relmb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb | Direct Amount | Direct & Reimb | Direct |
| Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law | | | | | | | | | | | | |
| 1.1 Prevent, disrupt, and defeat terrorist operations before they | ro. | Ó | w | 2,319 | ¥O. | 2,423 | 0 | 0 | 0 | 0 | u) | 2,423 |
| achieve a coordinated response to terrorist threats. | | | | | | | | | | | | |
| Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the | 7 | 6,493 | 4 | 7,950 | 4 | 8,238 | 0 | ō | 0 | 0 | 17 | 8,238 |
| investigation and prosecution of cyber threat actors. | • | 60,0 | | 40.765 | | | - | • | | | | |
| incoming and incom | 2 | | | 2,08 | 7 | 10,061 | 7 | 7 | 7 | 0 | 77 | 10,667 |
| Goal 2 Prevent crime, protect the rights of the American people, and enforce federal law | | | | | • | | | | | | | |
| 2.1 Combat the threat, incidence, and prevatence of violent crime by fourcement enstead, and fourcement enstead, and | 88 | 15,304 | 82 | 11,443 | 92 | 12,115 | 4 | 0 | 0 | 0 | 83 | 12,115 |
| prosecute violent offenders and illegal firearms traffickers. | | | | | | | | | | | | |
| 2.2 Prevent and intervene in crimes against vulnerable populations | 7 | 5,585 | 5 | 5,612 | 12 | 5,815 | - | 8 | 0 | 8 | - 67 | 5,815 |
| and uplied the rights of, and improve services to Arienta's crime victims. | | | | | | | | | | | | |
| Subtotal, Goal 2 | 8 | 20,869 | 37 | 17,055 | 37 | 17,930 | 3 | 0 | • | 0 | 42 | 17,830 |
| Goal 3 Ensure and support the fair, impartial, efficient, and transparent administration of justice at the federal, state, trans tribal and international levels. | | | | | | | | | | | | |
| 3.5 Apprehend fugitives to ensure their appearance for federal | 9 | 4.638 | 10 | 4.676 | 9 | 4 846 | c | - | - | ć | ţ | 970 7 |
| judicial proceedings or confinement. | | | | | ! | ! | , | • | 5 | • | | \$ |
| Subtotal, Goal 3 | ₽ | 4,638 | 9 | 4,676 | \$ | 4,846 | 0 | 0 | - | 0 | 5 | 4.846 |
| TOTAL | 3 | 32,000 | 69 | 32,000 | 69 | 33,437 | ď | 0 | - | 0 | 74 | 33.437 |

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments INTERPOL Washington Salaries and Expenses (Dollars in Thousands)

| | Direct | Estimate | Amount |
|--|--------|----------|--------|
| Pay and Benefits | Pos. | FTE | |
| ray and obtains | | | |
| 1 2016 Pav Reise This request provides for a proposed 1.3 percent pay reise to be effective in January of 2016. The amount requested \$88,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$70,000 for pay and \$16,000 for benefits.) | ٥ | 0 | 8 |
| 2 Annualization of 2015 Pay Raise | 0 | o | 11 |
| This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase of 1.0 percent included in the 2015 President's Budget. The amount requested \$19,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$13,300 for pay and \$5,700 for benefits). | | | |
| 3 Changes in Compensable Davs The increased cost for one compensable day in FY2016 compared to FY 2015 is calculated by dividing the FY 2015 estimated personnel compensation in the amount of \$7,138,000 and applicable benefits totaling \$1,384,000 by 261 compensable days. | 0 | 0 | 32 |
| 4 FERS Rate Increase Effective October 1, 2015 (FY 2019), the new agency contribution rates of 13.7% (up from the current 13.2%, or an increase of 0.5%) and 30.1% for law enforcement personnel (up from the current 28.6%, or an increase of 1.3%). The amount requested, \$28,000 represents the funds needed to cover this increase. | o | 0 | 28 |
| 5 Health Insurance Effective January 2016, the component's contribution to Federal employees' health insurance increases by 6.3% percent. Applied against the 2015 estimate of \$520,000, the additional amount required is \$33,000. | 0 | ٥ | 33 |
| 6 Retirement Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 1.3 percent per year, for both LEO and Non-LEO, based on the past 5 years of DOJ retirement data. The requested increase of \$5,000 is necessary to meet our increased retirement obligations as a result of this conversion. | 0 | 0 | ٤ |
| Subtotal, Pay and Benefits | 6 | 0 | 203 |
| Domestic Rent and Facilities | | | |
| 1 GSA Rent GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$115,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective FY 2016 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. | 0 | o | 115 |
| 2 <u>Guard Service</u> This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across the country. The requested increase of \$15,000 is required to meet these commitments. | 0 | 0 | 15 |
| Subtotal, Domestic Rent and Facilities | 0 | o | 130 |
| Other Adjustments | | | |
| INTERPOL Dues In October 2013, the INTERPOL General Assembly adopted a new model for the distribution of statutory contributions among INTERPOL member countries. Under the new dues structure, the United States will continue to pay the largest percentage, and the percentage will excalate from 17.4% to 19.4% by 2017. The 2016 contribution amount is 19.754% which is 43% of INTERPOL Weshington's annual budget. | 0 | | 1,100 |
| Security Investigations The \$4,000 increase reflects payments to the Office of Personnel Management for security reinvestigations for | o | 0 | 4 |
| employees requiring security clearances. Subtotal, Other Adjustments | 0 | ٥ | 1,104 |
| TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS | 0 | 0 | 1,437 |
| | | 1 | ., |

of 2014 Availability

Crosswalk of 2014 Availability

F. Crosswalk of 2014 Availability

INTERPOL Washington Salaries and Expenses (Dollars in Thousands)

| Program Activity | Ľ | FY 2014 Enacted | acted | Repro | Iramming | Transfers | Reprogramming/Transfers Carryover Recoveries/ | Recoveries/ | F | FY 2014 Availability | lability |
|------------------------------|--------|-----------------|--------|--------|----------|-----------|---|-------------|--------|----------------------|----------|
| | | | | | | | | Refunds | | | |
| | Direct | Direct Actual | Amount | Direct | _ | Amount | Amount | Г | Direct | Actual | Amount |
| | Pos. | FTE | | Pos. | ᆵ | | | | Pos. | ᆵ | |
| INTERPOL - Washington | 11 | 49 | 32,000 | 0 | 0 | 0 | 0 | o | 77 | g | 32.000 |
| Total Direct | 77 | 64 | 32,000 | 0 | 0 | 0 | 0 | 0 | 77 | 84 | 32,000 |
| Balance Rescission | | | 0 | | | 0 | ٥ | O | | | C |
| Total Direct with Rescission | | | 32,000 | | | 0 | 0 | 0 | | | 32.000 |
| Reimbursable FTE | | 0 | | | 0 | | | | | P | |
| Total Direct and Reimb. FTE | | 29 | | | 0 | | | | | 3 | |
| | L | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | О | | | 0 | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | | 0 | |
| Grand Total, FTE | | 79 | | | 0 | | | | | 8 | |

alk of 2015 Availability

Crosswalk of 2015 Avallability INTERPOL Washington Salaries and Expenses (Dollars in Thousands)

| Program Activity | | FY 2015 Enacted | acted | Reprog | ramming | Transfers | Reprogramming/Transfers Carryover Rescission | Rescission | FY | FY 2015 Availability | ability |
|------------------------------|--------|-----------------|--------|----------------|---------|-----------|--|------------|---------------------------|----------------------|---------|
| · · · | Direct | Direct Actual | Amount | Direct Pos. | Actual | Amount | Amount | Amount | Direct Actual Pos. FTE | Actual FTE | Amount |
| INTERPOL - Washington | 11 | 69 | 32,000 | 0 | | 0 | 0 | 0 | 11 | 69 | 32,000 |
| Total Direct | 77 | 69 | 32,000 | ٥ | 0 | 0 | 0 | 0 | 77 | 69 | 32,000 |
| Balance Rescission | | | O | | | 0 | 0 | 0 | | | 0 |
| Total Direct with Rescission | | | 32,000 | | | 0 | 0 | 0 | | | 32,000 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb. FTE | | 69 | | | 0 | | | | | 69 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | 0 | |
| Overtime | | ō | | | 0 | | | | | Ö | |
| Grand Total, FTE | | 69 | | | 0 | | | | | 69 | |

Exhibit H - Summary of Reimbursable Resources

Summary of Reimbursable Resources INTERPOL Washington Salaries and Expenses (Dollars in Thousands)

H. Summary of Reimbursable Resources

| Collections by Source | | 2014 Actual | uai | ľ | 2015 Estimate | ıate | - | 2016 Request | lest | inc | Increase/Decrease | rease |
|---------------------------------|--------|-------------|--------|--------|---------------|--------|---------------|--------------|--------|---------------|-------------------|--------|
| • | Reimb. | Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. Reimb. | Reimb. | Amount | Reimb. Reimb. | Reimb. | Amount |
| | Pos. | FTE | | Pos. | FTE | | Pos. | FTE | | Pos. | FTE | |
| U.S. Secret Service | 0 | 0 | 3 | 0 | 0 | 3 | 0 | 0 | 3 | 0 | 0 | 0 |
| Asset Forfeiture Fund | 0 | 0 | 320 | 0 | 0 | 318 | 0 | 0 | 322 | 0 | 0 | 4 |
| Department of State | 0 | 0 | 82 | 0 | 0 | 0 | 0 | o | 0 | 0 | 0 | 0 |
| Department of Treasury | 0 | 0 | 2,400 | 0 | 0 | 0 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| U.S. Marshals Services | 0 | 0 | 24 | 0 | | 20 | 0 | o | 32 | 0 | 0 | 12 |
| Budgetary Resources | • | 0 | 2,829 | 0 | 0 | 341 | 0 | 0 | 3,357 | 0 | 0 | 3,016 |
| | | | | | | | | | | | | |
| Obligations by Program Activity | | 2014Actual | lai | `` | 2015 Estimate | nate | .4 | 2016 Request | lest | 낊 | Increase/Decrease | rease |
| | Reimb. | Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. Reimb. | Reimb. | Amount | Reimb. Reimb. | Reimb. | Amount |
| | Pos. | FTE | | Pos. | FTE | | Pos. | FTE | - | Pos. | ᆵ | |
| INTERPOL - Washington | 0 | 0 | 2,829 | o | 0 | 341 | 0 | 0 | 3,357 | 0 | ō | 3,016 |
| Budgetary Resources | 0 | 0 | 2,829 | 0 | 0 | 341 | 0 | 0 | 3,357 | 0 | 0 | 3,016 |
| | | | | | | | | | | | | |

I. Detarration Permanent Posttions by Category

Detail of Permanent Positions by Category INTERPOL Washington Salaries and Expenses (Dollars in Thousands)

| Category | FY 2014 | FY 2014 Enacted | FY 2015 | FY 2016 Enacted | | Œ | FY 2016 Request | | |
|--|-------------|-------------------------------------|-------------|-----------------|------|---------|-----------------|---------------------------|--------------|
| | Direct Pos. | Direct Pos. Reimb. Pos. Direct Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct Total Reimb. | Total Reimb. |
| Clerical and Office Services (0300-0399) | 99 | 0 | 99 | 0 | ō | 8 | o | 74 | C |
| Accounting and Budget (500-599) | n | 0 | 6 | _ | 0 | 0 | 0 | 60 | 0 |
| Attorneys (905) | 2 | 0 | 2 | 0 | 0 | 0 | O | 2 | 0 |
| Information & Arts (1000-1099) | _ | 0 | _ | - | - | C | 0 | - | |
| Information Technology Mgmt (2210-2299) | 5 | 0 | 9 | 0 | 0 | . 64 | 0 | 7 | |
| Total | 11 | 0 | 77 | 0 | 0 | ₽ | 0 | 87 | 0 |
| Headquarters Washington D.C. | 77 | 0 | 77 | 0 | 0 | 10 | 0 | 87 | 0 |
| US Fields | 0 | 0 | 0 | 6 | 0 | 0 | 6 | - | 0 |
| Foreign Field | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 0 |
| Total | 77 | 0 | 77 | 0 | 0 | 9 | 0 | 87 | 0 |

Exhibit J - Financial Annuis of Program Changes

Financial Analysis of Program Changes

J. Financial Analysis of Program Changes

INTERPOL Washington Salaries and Expenses (Dollars in Thousands)

| Program Increases Direct Pos. Amount | | | | BIROLL BOOK | total Program Changes |
|---|-----------|-------------------|----------|-------------|-----------------------|
| Direct Pos. | Increases | Program Decreases | ecreases | | |
| 75-13 | Amount | Direct Pos. | Amount | Direct Pos. | Amount |
| 2 | [97] | 0 | 0 | 7 | [97] |
| 6-89 | [503] | 0 | 0 | 6 | [503] |
| Total Positions and Annual Amount 10 | [009] | 0 | 0 | 10 | [600] |
| Lapse (-) | 0 | 0 | 0 | 9- | 0 |
| 11.5 - Other personnel compensation | 0 | | 0 | | 0 |
| Total FTEs and Personnel Compensation 5 | 2 0 | 0 | 0 | 5 | 0 |
| No BOCs | 0 | | 0 | | 0 |
| Total Program Change Requests 5 | [600] | 0 | ٥ | 2 | [600] |

Summary of Reguirements by Object Class INTERPOL Washington Salaries and Expenses (Dollars in Thousands)

K. Su.,...ry of Requirements by Object Class

| Object Class | FY 20 | FY 2014 Actual | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Request | Increas | Increase/Decrease |
|---|--------|----------------|--------------|-----------------|--------|-----------------|---------|--|
| | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | FTE | | FTE | 2 | FTE | 2 | E E | The state of the s |
| 11.1 - Full-time permanent | 9 | 6,094 | 69 | 7.136 | 74 | 7.270 | 5 | 134 |
| 11.3 - Other than full-time permanent | 0 | 0 | 0 | | - | 0 | 0 | |
| 11.5 - Other personnel compensation | • | 293 | ¢ | C | · c | | | 0 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 - Special personal services payments | - | 70 | 0 | . 0 | 0 | 0 | 0 | O |
| Total | 2 | 6,387 | 69 | 7.136 | 74 | 7,270 | 2 | 134 |
| Other Object Classes | | | | | | | | |
| 12.1 - Civilian personnel benefits | | 1.848 | | 2.208 | | 2.277 | 0 | 69 |
| 13.0 - Benefits for former personnel | | 9 | | 0 | | i | 0 | 0 |
| 21.0 - Travel and transportation of persons | | 298 | | 350 | | 350 | 0 | 0 |
| 22.0 - Transportation of things | | 69 | | 84 | | 28 | 0 | 0 |
| 23.1 - Rental payments to GSA | | 3,169 | | 3,288 | | 3,418 | 0 | 130 |
| 23.2 - Rental payments to others | | 194 | | 134 | | 134 | 0 | 0 |
| 23.3 - Communications, utilities, and miscellaneous charges | | 236 | | 311 | | 311 | 0 | 0 |
| 24.0 - Printing and reproduction | | 0 | | 7 | | 7 | 0 | 0 |
| 25.1 - Advisory and assistance services | | 4,449 | | 3,447 | | 3,446 | ~ | 7 |
| 25.2 - Other services from non-federal sources | | 880 | | 573 | | 577 | _ | 4 |
| 25.3 - Other goods and services from federal sources | | 1,212 | | 877 | | 877 | 0 | 0 |
| 25.4 - Operation and maintenance of facilities | | - | | 9 | | 9 | <u></u> | 0 |
| 25.6 - Medical care | | 80 | | 7 | | 7 | 0 | 0 |
| 25.7 - Operation and maintenance of equipment | | 60 | | 55 | | 55 | 0 | 0 |
| 26.0 - Supplies and materials | | 20 | | 99 | | 65 | 0 | 6 |
| 31.0 - Equipment | | 788 | | 100 | | 100 | 0 | 0 |
| 41.0 - Grants, subsidies, and contributions | | 12,122 | | 13,352 | | 14,453 | 0 | 1,101 |
| 42.0 - Insurance claims and indemnities | | 30 | | 0 | | | 0 | 0 |
| Total Obligations | | 31,731 | | 32,000 | | 33,437 | 0 | 1,437 |
| Subtract - Unobligated Balance, Start-of-Year | | 0 | | 0 | | 0 | 0 | 0 |
| Subtract - Transfers/Reprogramming | | 0 | | 0 | | 0 | 0 | 0 |
| Subtract - Recoveries/Refunds | | 0 | | 0 | | 0 | 0 | 0 |
| Add - Unobligated End-of-Year, Available | | 0 | | 0 | | 0 | 0 | 0 |
| Add - Unobligated End-of-Year, Expiring | | 269 | | 0 | | 0 | 0 | 6 |
| Total Direct Requirements | 0 | 32,000 | 0 | 32,000 | 0 | 33,437 | 0 | 1,437 |
| Reimbursable FTE | | | | | | | | |
| Full-Lime Permanent | 5 | | - | | 5 | | <u></u> | 5 |

Exhibit K - Summary of Requirements by Object Class



ANTITRUST DIVISION

CONGRESSIONAL SUBMISSION FY 2016 PERFORMANCE BUDGET

Antitrust Division

FY 2016 Congressional Budget Submission

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| | , |

I. Overview

A. Introduction

The Antitrust Division is committed to its mission of promoting economic competition through enforcing and providing guidance on antitrust laws and principles. Its vision is an environment in which U.S. consumers receive goods and services of the highest quality at the lowest price and sound economics-based antitrust enforcement principles are applied.

The Division supports the Department's Strategic Goal II, Objective 2.6, "Protect the federal fisc and defend the interests of the United States." In recent years, the Division has aggressively pursued far-reaching criminal cartel activity and important civil matters while reviewing a large number of premerger filings, many involving complex issues and global conglomerates. Merger volume has steadily regained momentum since global economic conditions caused a downturn in 2008 and volume is projected to continue climbing in fiscal years 2015 and 2016. To administer its caseload, the Division's request includes \$164,977,000 in FY 2016, reflecting annual cost adjustments of \$2,731,000 over the FY 2015 President's Budget.

It is critical that the Division have adequate resources to keep abreast of a workload, which more and more involves large, multi-national corporations and anticompetitive behaviors that are pervasive and difficult to detect. By protecting competition across industries and geographic borders, the Division's work serves as a catalyst for economic efficiency and growth with benefits accruing to both American consumers and American businesses.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm.

- From FY 2009 through the end of FY 2014, as a result of the Division's efforts, over \$5.3 billion in criminal fines were obtained from antitrust violators.
- The Division is a key participant on the President's Financial Fraud Enforcement Task
 Force, detecting and prosecuting mortgage fraud, securities and commodities fraud, and
 illegal schemes preying on funds designated to assist in America's ongoing economic
 recovery as part of the American Recovery and Reinvestment Act. (see pg. 35)
- Intellectual property issues involving patents, copyrights, trademarks, or trade secrets
 are instrumental in the Division's work. Invention and innovation are critical in
 promoting economic growth, creating jobs, and maintaining our competitiveness in the
 global economy. Antitrust laws ensure new proprietary technologies, products, and
 services are bought, sold, traded and licensed in a competitive environment.

B. Issues, Outcomes, and Strategies

Fundamental changes continue in the business marketplace, including the expanding globalization of markets, increasing economic concentration across industries, and rapid technological change. These factors, added to the existing number and intricacy of our investigations, significantly impact the Division's overall workload. Many current and recent matters demonstrate the increasingly complex, large, and international nature of the matters encountered by the Division, as the following table and exemplars indicate.

| Enforcement Program | Major Matter Exemplars |
|---|---|
| Criminal DOJ Strategic Goal II | Financial Fraud Enforcement (see Exemplar - pg. 35) (Real Estate, Municipal Bonds and Economic Recovery) |
| Objective 2.6 | Automobile Parts (see Exemplar – pg. 39) |
| | American Airlines/US Airways (see Exemplar - pg. 42) |
| Civil Merger/Non-Merger DOJ Strategic Goal II | Bazaarvoice, Inc./PowerReviews, Inc.(see Exemplar - pg. 43) |
| Objective 2.6 | American Express, MasterCard and Visa – Credit Card Merchant Restraints (see Exemplar - pg. 45) |
| | eBooks (see Exemplar – pg. 46) |

Globalization

Corporate leaders continue to seek a global presence as an element of long-term

economic success, and more companies are transacting a significant portion of their business in countries outside of where they are located. For example, in the United States international trade (defined as exports and imports of goods and services) was \$5.2 trillion in FY 2014.

The internationalization of the business marketplace has had a direct and significant impact on antitrust enforcement in general, and specifically, on the Antitrust Division's workload. A significant number of the premerger filings received by the Division involve foreign acquirers, acquirees, major customers and competitors, and/or divestitures.

This also impacts our criminal enforcement program. The Division has witnessed a tremendous upsurge in international cartel activity in recent years. The Division places a particular emphasis on combating international cartels that target U.S. markets because of

¹United States Department of Commerce, Bureau of Economic Analysis, "U.S. International Trade in Goods and Services", http://www.bea.gov/newsreleases/international/trade/2014/pdf/tradl014.pdf, December 2014.

the breadth and magnitude of the harm that they inflict on American businesses and consumers. Of the grand juries opened through the end of FY 2014, approximately 50 percent were associated with subjects or targets located in foreign countries. Of the approximate \$10 billion in criminal antitrust fines imposed by the Division between FY 1997 and the end of FY 2014, approximately 98 percent were imposed in connection with the prosecution of international cartel activity. In addition, approximately 88 foreign defendants from France, Germany, Italy, Japan, South Korea, Taiwan, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom have served, or have been sentenced to serve, prison sentences in the United States as a result of the Division's cartel investigations.

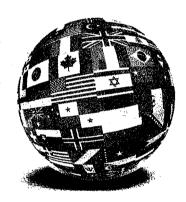
The Division's criminal enforcement program overall, including enforcement against international cartels, has resulted in an increase in criminal fines. Up until 1994, the largest corporate fine imposed for a single Sherman Act count was \$6 million. Today, fines of \$10 million or more are commonplace, including many fines in excess of \$100 million. In FY 2014, total criminal antitrust fines obtained were just over \$1.2 billion. As a result of the Division's ongoing investigation into price fixing and bid rigging in the auto parts industry, Bridgestone Corporation agreed in February 2014 to pay a \$425 million criminal fine for its role in a conspiracy to fix the prices of rubber parts sold to U.S. car manufacturers and installed in cars sold in the United States and elsewhere. The impact of these heightened penalties has been an increase in the participation of large firms in the Division's Corporate Leniency Program, bringing more and larger conspiracies to the Division's attention before they can inflict additional harm on U.S. businesses and consumers.

As discussed above, our work no longer takes place solely within the geographic borders of the U.S. In our enforcement efforts we find parties, potential evidence, and impacts abroad, all of which add complexity, and ultimately cost, to the pursuit of matters. Whether that complexity and cost results from having to collect evidence overseas or from having to undertake extensive inter-governmental negotiations in order to depose a foreign national, it makes for a very different, and generally more difficult investigatory process than would be the case if our efforts were restricted to conduct and individuals in the U.S. The markets and competitors affecting U.S. businesses and consumers are more international in scope, and the variety of languages and business cultures that the Division encounters has increased. Consequently, the Division must spend more for translators and translation software, interpreters, and communications, and Division staff must travel greater distances to reach the people and information required to conduct an investigation effectively and expend more resources to coordinate our international enforcement efforts with other countries and international organizations.

International Competition Advocacy - The Antitrust Division is actively working with international organizations to encourage the adoption, regulation, and enforcement of competition laws as worldwide consensus continues to grow that international cartel activity is pervasive and is victimizing consumers everywhere. "For the international cartels discovered during 1990-2007 with known sales, total U.S. affected sales were \$1.5 trillion. More importantly, the U.S. overcharges generated by these discovered cartels are projected to be approximately \$375 billion." The Antitrust Division's commitment to detect and prosecute international cartel activity is shared with foreign governments throughout the world, resulting in the establishment of antitrust cooperative agreements among competition law enforcement authorities across the globe. To date, the Division has entered into antitrust cooperation agreements with thirteen foreign governments – Australia, Brazil, Canada, Chile, China, Colombia, the European Union, Germany, India, Israel, Japan, Mexico and Russia.

In addition, antitrust authorities globally are becoming increasingly active in investigating and punishing cartels that adversely affect consumers. The Division is a strong advocate for effective anti-cartel enforcement around the world. As effective global cartel enforcement programs are implemented and criminal cartel penalties adopted, the overall detection of large, international cartels increases along with the

Division's ability to collect evidence critical to its enforcement efforts on behalf of American consumers. In the past decade, dozens of jurisdictions have increased penalties for cartel conduct, improved their investigative powers and introduced or revised amnesty programs. For example, Canada and Mexico have recently adopted or strengthened criminal sanctions for hard core cartel conduct. In addition, jurisdictions such as Australia, Brazil, Canada, Japan, New Zealand, and South Korea have made revisions to their cartel amnesty policies making them more consistent with the United States.

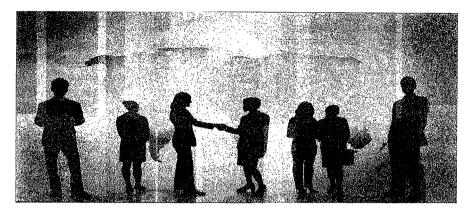


Efforts such as these help enhance global antitrust enforcement and reduce the burden on law abiding companies that operate in international markets. In addition, they promote international uniformity and help bring cartel prosecution in line with international best practices.

The Division continues to prioritize international cooperation, procedural fairness and, where appropriate, antitrust policy convergence and pursues these goals by working closely with multilateral organizations, strengthening its bilateral ties with antitrust agencies worldwide, and working with countries that are in the process of adopting antitrust laws.

Connor, John M. The United States Department of Justice Antitrust Division's Cartel Enforcement: Appraisal and Proposals. Washington, DC: American Antitrust Institute (June 2008).

In October 2001, with leadership from the Antitrust Division, the International Competition Network (ICN), comprised of competition authorities from 14 jurisdictions, was launched. The Division continues to play an important role in achieving consensus, where appropriate, among antitrust authorities on sound competition principles and also provides support for new antitrust agencies in enforcing their laws and building strong competition cultures. As of 2014, the ICN has grown to include 128 agencies from 115 jurisdictions. The 13th annual conference of the ICN was held in Marrakesh, Morocco in April 2014 where ICN members adopted new recommended practices for predatory pricing analysis and competition assessment, and approved new work product on international merger enforcement cooperation, confidentiality protections during investigations, leniency policy and digital evidence gathering.



Intellectual Property

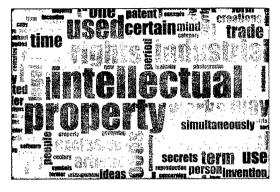
Invention and innovation are critical in promoting economic growth, creating jobs, and maintaining our competitiveness in the global economy. Intellectual property (IP) laws create exclusive rights that provide incentives for innovation. Antitrust laws ensure that new proprietary technologies, products, and services are bought, sold, traded and licensed in a competitive environment. Together, antitrust enforcement and the protection of intellectual property rights create an environment that promotes the innovation necessary for economic success. Issues involving patents, copyrights, trademarks, or trade secrets, arise in the Division's antitrust enforcement investigations, international competition advocacy, interagency initiatives, business review letters, and amicus filings in court cases. A number of these areas are highlighted below.

<u>Patent Assets in Antitrust Cases and Business Reviews</u> - The Division analyzes acquisition of significant patent assets closely to ensure competition is protected and invention and innovation are advanced. The Division also investigates allegations that companies are using their intellectual property in a way that violates the antitrust laws, and challenges those activities where appropriate.

In addition, the Division has a business review process that enables companies concerned about the legality of proposed activity under the antitrust laws to ask the Department of Justice for a statement of its current enforcement intentions with respect to that activity. After completing an investigation, the Department publishes its business review letter. This procedure provides the business community an important opportunity to receive guidance from the Department with respect to the scope, interpretation, and application of the antitrust laws to particular proposed activity. The Department has issued a number of

business reviews relating to intellectual property. Most recently, the Division analyzed a new patent licensing model developed by Intellectual Property Exchange International, Inc. (IPXI). In the past, the Division has analyzed a number of patent pooling agreements and proposed IP policies of standard-setting organizations.

International Advocacy - The Division regularly engages in international competition advocacy



projects promoting the use of sound analysis of competition complaints involving intellectual property rights in multinational fora, such as the World Intellectual Property Organization, the Organization for Economic Cooperation and Development (OECD), and the Asian Pacific Economic Cooperation, and in foreign jurisdictions, such as China.

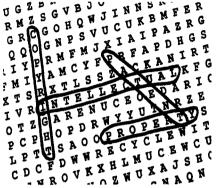
To ensure that U.S. businesses may appropriately utilize their important intellectual property rights, it is crucial that other jurisdictions approach the intersection of antitrust and intellectual property in ways that promote both competitive markets and respect for intellectual property rights. The Division devotes substantial time and effort to advocating that all jurisdictions enforce competition laws in ways that create the right incentives for innovative activity to take place. In a September 2014 speech, Assistant Attorney General for Antitrust Bill Baer expressed concern about foreign antitrust regimes that take action against IP owners "that is not necessary to remedy the actual harm to competition" and thereby "diminish incentives of existing and potential licensors to compete and innovate over the long term, depriving jurisdictions of the benefits of an innovation-based economy." The Division continues to focus on best practices to analyze the competitive impact of standard-setting activities involving intellectual property rights and of the pooling of patents. In December 2014, the Division participated in a hearing on competition, standards, and patents sponsored by the OECD Competition Committee.

<u>Interagency Initiatives</u> - The Division regularly participates in interagency activities that promote competition advocacy where antitrust and intellectual property law and policy intersect.

Patent Assertion Entities - In December 2012, the Department of Justice and the Federal Trade Commission (FTC) held a joint public workshop to explore the impact of Patent Assertion Entity (PAE) activities on innovation and competition. Along with many others in Congress, the White House, and our partner agencies, the Antitrust Division is working to better understand the impacts of PAEs, and to figure out where to draw the line between monetization of patent rights and activities that are harmful.

DOJ-PTO Policy Statement - In January 2013, the Division and the U.S. Patent & Trademark Office (PTO) issued a policy statement recommending that the U.S. International Trade Commission (ITC) undertake fact-based, case-specific

decisions regarding the enforcement of a patent essential to a standard that is encumbered by a commitment to license that patent on reasonable and non-discriminatory (RAND) or fair, reasonable, and nondiscriminatory (FRAND) terms to those implementing the standard. When appropriately taking the effect of its exclusion order remedies on competitive conditions in the U.S. economy and on U.S. consumers into



account it may be inconsistent with the public interest to issue exclusion order in cases where the infringer is acting within the scope of the patent holder's F/RAND commitment and is able, and has not refused, to license the patent on F/RAND terms. In a well-publicized matter, the U.S. Trade Representative recently cited extensively to the statement when disapproving an ITC exclusion order for the first time in over two decades.

Appellate Filings - The Division's views concerning the possibility of a government amicus brief, or the content of an amicus brief in response to an invitation from the court, are routinely sought in most intellectual property cases in the Supreme Court and some in the courts of appeals. The Division provides its views in cases that have a significant potential to affect competition and may in other ways contribute actively to the development of a brief.

Economic Concentration

Ongoing economic concentration across industries and geographic regions also increases the Division's workload. Where there is a competitive relationship between or among the goods and/or services produced by the parties, the analysis necessary for thorough merger review becomes more complex. Competitive issues and efficiency defenses are more likely to surface in such reviews, adding complexity and cost to the Division's work.

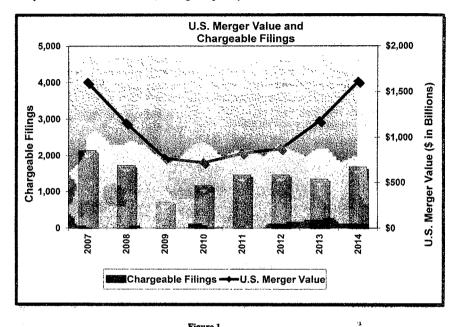


Figure 1

As shown in Figure 1, the overall economic downturn that began in calendar year 2008 resulted in a drop in merger deals in 2009 and the year finished with \$767 billion in U.S. merger value. However, merger and acquisition activity improved in calendar year 2010 and has steadily increased each year since. In calendar year 2014, worldwide merger and acquisition volume reached \$3.6 trillion, the third highest full year volume on record and U.S. volume reached its highest level on record, with an annual total of \$1.6 trillion.³

Dealogic Quarterly Reviews, Global M&A Review - Full Year 2014, http://www.dealogic.com/media/120242/dealogicm_areview_summary_fullyear2014.pdf, viewed on 1/7/2014.

Relative stability around the globe as well as moderate growth from corporations has created a level of optimism among investment bankers not seen in recent years. According to the KPMG 2015 M&A (Mergers and Acquisitions) Outlook Survey Report, U.S. companies are encouraged by low interest rates, record stock prices, improving employment numbers, and an abundance of cash. In fact, 82 percent of M&A professionals surveyed are planning at least one acquisition in 2015 ⁴

Technological Change and the Changing Face of Industry

Technological change continues to create new businesses and industries virtually overnight, and its impact on the overall economy is enormous. The emergence of new and improved technologies in robotics, transportation, wireless communications, Overthe-Top (OTT) services such as Voice over Internet Protocol (VoIP) and mobile

collaboration, biometrics and online security continues and intensifies.

We will see even more advances in technology in coming years as the telecommunications upheaval continues to transform services traditionally offered to subscribers by network operators, such as voice calls, messaging and video content delivery. Global mobile subscriptions reached close to 7.1 billion in 2014 and are expected to grow to 9.5 billion by 2020 according to the Ericsson Mobility Report, published by Ericsson in November 2014.⁵



Clearly, being 'connected' while on-the-go has become essential to the American daily lifestyle, and this connectivity demand continues to result in rapidly emerging newer and faster networks, services, applications and equipment. By 2020, it's estimated that 90 percent of people aged six years and over will have mobile phones when the number of smartphone subscriptions alone is set to reach 6.1 billion, a substantial increase over the 2.7 billion smartphone subscriptions in 2014. Mobile video traffic is set by 2020 to have increased tenfold and constitute around 55 percent of all mobile data traffic.

Nachman, Sherrie. "2015 M&A Outlook Survey Report" www.kpmg.com, December 2014, page 1, retrieved January 8, 2015. http://www.excced.kpmg.com/content/PDF/kpmg-ma-outlook-2015-web.pdf

Qureshi, Rima. "Ericsson Mobility Report - On the Pulse of the Networked Society" www.ericsson.com. November 2014, pgs. 4-6 retrieved January 7, 2015. http://www.ericsson.com/res/docs/2014/ericsson-mobility-report-november-2014.pdf

⁶ Qureshi, Rima. "Ericsson Mobility Report – On the Pulse of the Networked Society" <u>www.ericsson.com</u>, November 2014, pgs. 11-13 retrieved January 7, 2015. http://www.ericsson.com/res/docs/2014/ericsson-mobility-report-november-2014.pdf

As more consumers turn to Over-the-Top services (Internet or broadband-based services that replicate services traditionally offered to subscribers by network operators, such as messaging, voice calls and video content delivery) expanding technologies such as wireless video streaming and Voice over Internet Protocol (VoIP),



stand to grow dramatically over the next several years. According to Chetan Sharma Consulting, OTT revenue grew 433% in 2014 and OTT services are having a world-wide impact, especially in Japan and Korea.⁷

The continuing evolution of technology, as it reshapes both industries and business processes worldwide, creates new demands on the Antitrust Division. The economic paradigm is shifting so rapidly that the Division must employ new analytical tools, which allow it to respond quickly and appropriately. It must be vigilant against anticompetitive behavior in the new economy where the Internet and cutting-edge information technology may facilitate the rapid entry and dominance of emerging markets.

Technological Change and Information Flows

Technological change is occurring at a blistering pace, as evidenced by the proliferation of wireless communication enhancements; the near daily evolution of mobile handheld devices, computer components, peripherals and software; and the growing use of video teleconferencing technology to communicate globally.

As the tools of the trade become more sophisticated, there appears to be a corresponding growth in the subtlety and complexity with which prices are fixed, bids are rigged, and



market allocation schemes are devised. The increased use of electronic mail, and even faster, more direct methods of communication, such as text and instant messaging, has fostered this phenomenon. Moreover, the evolution of electronic communication results in an increase in the amount and variety of data and materials that the Antitrust Division must obtain and review in the course of an investigation. In addition to hard-copy documents, telephone logs, and other information from public

sources, including the Internet, the Division now regularly receives magnetic tapes, CD's, and computer servers containing the e-mail traffic and documents of companies under investigation.

Sharma, Chetan. "Mobile Predictions 2015", Chetan Sharma Consulting, January 1, 2015, retrieved January 8, 2015 http://www.chetansharma.com/blog/2015/01/01/mobile-predictions-2015/

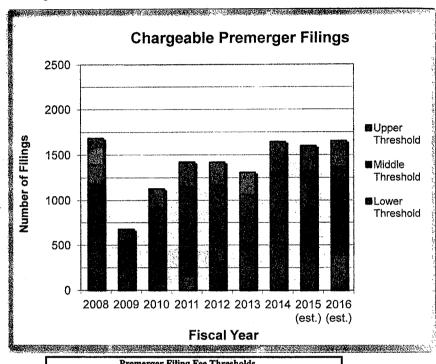
Results

While specific GPRA Performance Measures are addressed in the Decision Unit Justification section of this submission, several interesting statistics relative to the Division's performance include:

- From FY 2009 through the end of FY 2014, as a result of the Division's efforts, over \$5.3 billion in criminal fines were obtained against antitrust violators. In FY 2014 alone the Division obtained just over \$1.2 billion in criminal fines, the fifth time the Division has reached this level of obtained fines in its history.
- In the area of criminal enforcement, the Division continues to move forcefully against hard-core antitrust violations such as price-fixing, bid rigging and market allocation agreements. A significant number of our prosecutions have involved international price-fixing cartels, impacting billions of dollars in U.S. commerce. Since FY 1997, defendants have been sentenced to pay approximately \$10 billion in criminal fines to the U.S. Treasury, including more than \$6 billion just since the beginning of FY 2008.
- The Division believes that individual incarceration has a greater deterrent effect than fines alone and continues to emphasize prison terms for individuals who participate in antitrust criminal behavior. In FY 2014, as the result of Division enforcement efforts, 25 corporations and 35 individuals were sentenced due to antitrust violations. Prison sentences between FY 2000 and the end of FY 2014 were an average of approximately 22 months, close to three times the 8-month average sentence of the 1990's. Prison sentences since FY 1990 have resulted in approximately 708 years of imprisonment in cases prosecuted by the Antitrust Division, with 246 defendants sentenced to imprisonment of one year or longer.
- Coupled with the increasing frequency and duration of defendants' incarceration was a rise in monetary restitution by criminal defendants. From FY 2004 through the end of FY 2014, restitution generated by the Division was approximately \$100 million.
- Despite a workload of increasingly complex cases, the Antitrust Division has made great strides in combating anticompetitive behavior across industries and geographic borders and has saved consumers billions of dollars by ensuring a competitive and innovative marketplace. Since FY 1998, the first year for which data is available, the Division, through its efforts in all three enforcement areas merger, criminal and civil non-merger is estimated, conservatively, to have saved consumers \$41 billion.

Revenue Assumptions

Estimated FY 2015 - 2016 filings and fee revenue take into account the relative optimism of current medium-range economic forecasts. In the August 2014 update to its "Budget and Economic Outlook: 2014 to 2024", the Congressional Budget Office predicts that the economy will grow at a faster rate in 2015 than in 2014 and will continue to grow at a moderate rate for the next few years. 8



| Premerger Filing Fee Thresholds Effective Feb 20, 2015 | 5 |
|---|------------|
| Value of Transaction | Filing Fee |
| Lower: \$76.3M - <\$152.5M | \$45,000 |
| Middle: \$152.5M - <\$762.7M | \$125,000 |
| Upper: \$762.7M plus | \$280,000 |

Figure 2
(Consistent with statutory direction, pre-merger filing fee threshold amounts are adjusted annually based on the U.S. Gross Domestic Product Index and are reflected in the table above)

Based upon estimates calculated by the Congressional Budget Office and the Federal Trade Commission (FTC), fee collections of \$207 million for FY 2016 are expected. HSR filing fee revenue is collected by the FTC and divided evenly with the Antitrust Division.

⁸ "An Update to the Budget and Economic Outlook: 2014 to 2024." Congressional Budget Office, August 2014, p.1, http://www.cbo.gov/sites/default/files/45653-OutlookUpdate_2014_Aug.pdf

The Budget proposes to increase the HSR fees and index them for the percentage annual change in the gross national product. The fee proposal would also create a new merger fee category for mergers valued at over \$1 billion. Under the proposal, the fee increase would take effect in 2017 and would potentially bring in fee revenues of \$340 million.

Environmental Accountability

The Antitrust Division is mindful of responsible environmental management and has implemented processes to encourage awareness throughout the Division, including:

- Adherence to environmental standards during the procurement process to ensure products meet the recommended guidelines of the Department of Energy's energy efficiency standards, the Environmental Protection Agency's designated recovered material and bio-based products specifications, and the Department of Justice's Green Purchase Plan requirements.
- The Antitrust Division's central Washington D.C. Liberty Square building
 meets many LEED (Leadership in Energy and Environmental Design) criteria
 and includes many environmentally sound features including: zoned climate
 control for efficiencies in heating and air conditioning, motion sensored
 overhead lighting to minimize wasted energy in unoccupied space, and a
 building wide recycling program for paper, plastic, glass, and newspaper.
- The Division encourages employees to print documents only when absolutely necessary and, whenever possible, print double-sided in an effort to save paper.

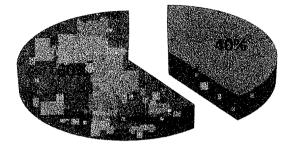
The Division will continue to implement additional programs as further guidance is received from the Department, Administration and Congress.

Summary

The Division is continually challenged by an increasingly international and complex workload that spans enforcement areas and requires considerable resources to manage. With our children destined to inherit the resulting markets, the importance of preserving economic competition in the global marketplace cannot be overstated. The threat to consumers is very real, as anticompetitive behavior leads directly to higher prices and reduced efficiency and innovation. In recognition of the importance of its mission, the Antitrust Division requests an FY 2016 budget increase of \$2,731,000 to address annual cost adjustments and a total appropriation of \$164,977,000 in support of 830 positions.

The FY 2016 Antitrust Division budget request of \$164,977,000 supports Departmental Strategic Goal II: Prevent Crime, Protect the Rights of the American People and Enforce Federal Law. The Division's criminal and civil programs are both included in Strategic Objective 2.6: "Protect the federal fisc and defend the interests of the United States."

FY2016 Total Budget Request by Strategic Goal Strategic Goal II Strategic Objective 2.6



- Strategic Objective 2.6: Criminal: \$65.991
- Strategic Objective 2.6: Civil: \$98.986

Figure 3

C. Full Program Costs

The Antitrust Division contains one Decision Unit (Antitrust). Within this Decision Unit the Division supports the Department's Strategic Goal II: "Prevent Crime, Protect the Rights of the American People and Enforce Federal Law" This Strategic Goal defines the two broad program areas:

- Criminal Enforcement
- Civil Enforcement

In recent years, approximately 40 percent of the Division's budget and expenditures can be attributed to its criminal program and approximately 60 percent of the Division's budget and expenditures can be attributed to its civil program. The FY 2016 budget request assumes this same allocation.

This budget request incorporates all costs to include mission costs related to cases and matters, mission costs related to oversight and policy, and overhead.

D. Performance Challenges

External Challenges

As detailed in the Issues, Outcomes, and Strategies section, the Antitrust Division faces many external challenges that require flexibility and adaptability in order to pursue its mission. These external challenges include:

- Globalization of the business marketplace
- · Increasing economic concentration across industries and geographic regions
- Rapid technological change

Internal Challenges

Much like its external challenges, highly unpredictable markets and economic fluctuations influence the Division's internal challenges. To accommodate these ever-changing factors, the Division must continuously and diligently ensure proper allocation and prudent use of its resources.

Information Technology (IT) Expenditures

The Antitrust Division's IT budget will continue to support several broad Information Technology areas essential to carrying out its mission. These Information Technology areas include:

- Data Storage Electronic storage and processing capability, vital to the mission of the Antitrust Division, continues to expand, growing exponentially since FY 2003, when 12 terabytes (12 trillion bytes) of capacity readily satisfied Division demands. By FY 2010 requirements surpassed 100 terabytes and the Division expects electronic analytical capacity needs to reach 745 terabytes (TB) by FY 2015 and 1016 TB by FY 2016.
- Data Security - Monitoring and effecting actions to ensure that system design, implementation, and operation address and minimize vulnerabilities to various threats to computer security, including carrying out security planning, risk analysis, contingency planning, security testing, intrusion detection, and security training.
- ➤ Litigation Support Systems - Providing litigation support technologies that encompass a wide range of services and products that help attorneys and economists acquire, organize, develop, and present evidence. Providing courtroom presentation and related training to the legal staff to develop staff courtroom skills and practice courtroom presentations using state-of-the-art technology.
- > Office Automation - Providing staff technological tools comparable to those used by opposing counsel, thereby ensuring equitable technological

capabilities in antitrust litigation. These tools are used for desktop data review and analysis, computer-based communication, the production of time-critical and sensitive legal documents, and preparing presentations and court exhibits.

- Management Information Systems - Developing, maintaining, and operating data and information systems which support management oversight, direction of work, budget, and resources of the Division. Various tracking systems help ensure timely and efficient conduct of the Division's investigations through use of automated, web-based tools.
- Telecommunications - Developing, providing, maintaining, and supporting networks and services required for voice and data communications among the Division's offices, with outside parties, and in support of federal telework objectives.
- Web Support Developing and maintaining the Division's Internet and internal ATRnet site. Posting case filings, documents and data related to cases and investigations; designing and developing new applications, providing public access to key Division information, and ensuring compliance with web standards and guidelines, including guidelines for usability and accessibility.

II. Summary of Program Changes

No program changes.

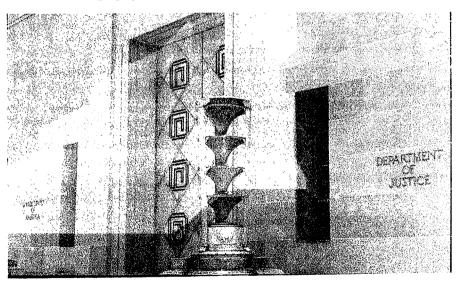
III. Appropriations Language and Analysis of Appropriations Language Appropriations Language

Salaries and Expenses, Antitrust Division

For expenses necessary for the enforcement of antitrust and kindred laws, [\$162,246,000] \$164,977,000 to remain available until expended: Provided, That, notwithstanding any other provision of law, fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection (and estimated to be [\$100,000,000] \$103,500,000 in fiscal year [2015] 2016), shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year [2015] 2016; so as to result in a final fiscal year [2015] 2016 appropriation from the general fund estimated at [\$62,246,000] \$61,477,000.

Analysis of Appropriations Language

No substantive changes proposed.



IV. Program Activity Justification

A. Decision Unit: Antitrust

| Antitrust Division | n | | |
|---|---------------------|---|------------|
| Fiscal Year 2016 Congressional B | udget Subm | ission | |
| Decision Unit Justific | ation | | ., |
| (dollars in thousands) | | () () () () () () () () () () | |
| Decision Unit: Antitrust - TOTAL | Direct Positions | Estimate : | Amount |
| 2014 Enacted | 830 | 598 | \$160,400 |
| 2015 Enacted | 830 | 654 | \$162,246 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$2,731 |
| 2016 Current Services | 830 | 654 | .\$164,977 |
| 2016 Request | 830 | 654 | \$164,977 |
| Total Change 2015 - 2016 | 0 | 0 | \$2,731 |

1. Program Description

The Antitrust Division promotes competition and protects consumers from economic harm by enforcing the Nation's antitrust laws. Free and open competition benefits consumers by ensuring lower prices and new and better products. The perception and reality among consumers and entrepreneurs that the antitrust laws will be enforced fairly and fully is critical to the economic freedom of all Americans. Vigorous competition is also critical to assure the rapid innovation that generates continued advances in our standard of living and our competitiveness in world markets.

At its highest level, the Division has two main strategies - Criminal and Civil. All of the Division's activities can be attributed to these two strategies and each strategy includes elements related to investigation, prosecution, and competition advocacy. To direct its day-to-day activities, the Division has established five supervisory Deputy Assistant Attorney General (DAAG) positions reporting directly to the Assistant Attorney General. Each of these DAAGs has oversight of a specific program including Civil Enforcement, Criminal Enforcement, Litigation, Operations, and Economic Analysis.



<u>Criminal Enforcement</u> - Within the Criminal strategy, the Antitrust Division must address the increased globalization of markets, constant technological change, and a large number of massive criminal conspiracies the Division is encountering. These matters transcend national boundaries, involve more technologically advanced and subtle forms of criminal behavior, and impact more U.S. businesses and consumers than ever before. The requirements -- whether in terms of staff time, travel and translation costs, or automated litigation support -- of fighting massive criminal conspiracies effectively is great. Matters such as the Division's ongoing investigation in the auto parts industry (page 39) exemplify the increasingly complex nature of Division workload in the criminal area and demonstrate that successful pursuit of such matters takes time and resources.

<u>Civil Enforcement</u> - Under the Civil strategy, the Division seeks to promote competition by blocking potentially anticompetitive mergers before they are consummated and pursuing non-criminal anticompetitive behavior such as group boycotts and exclusive dealing. The Division's Civil strategy seeks to maintain the competitive structure of the national economy through investigation and litigation of instances in which monopoly power is sought, attained, or maintained through anticompetitive conduct and by seeking injunctive relief against mergers and acquisitions that may tend substantially to lessen competition. The Division's Merger Review work can be divided into roughly three categories:

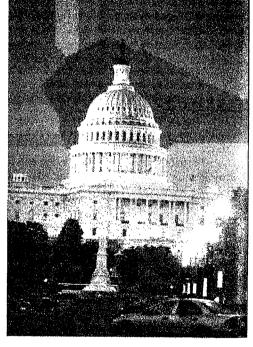
- Review of HSR transactions brought to our attention by statutorily mandated filings
- Review of non-HSR transactions (those not subject to HSR reporting thresholds); and
- Review of bank merger applications.

<u>Competition Advocacy</u> - As an advocate of competition, the Antitrust Division seeks the elimination of unnecessary regulation and the adoption of the most competitive means of achieving a sound economy through a variety of activities on the national and international stages. Areas in which the Division pursues competition advocacy initiatives include:

Regulatory Issues - The Antitrust Division actively monitors the pending actions of federal, state, and local regulatory agencies either as statutorily mandated, as in the case of telecommunication and banking markets, or through review of those agencies' dockets and industry or other publications and through personal contacts in the industries and in the agencies. Articulation of a pro-competitive position may make the difference between regulations that effectively do no antitrust harm and actively promote competitive regulatory solutions and those that may negatively impact the competitiveness of an industry. Examples of regulatory agencies before which the Division has presented an antitrust viewpoint include the Federal Communications Commission, Securities and Exchange Commission and the Federal Energy Regulatory Commission.

Review of New and Existing Laws -Given the dynamic environment in which the Antitrust Division must apply antitrust laws, refinements to existing law and enforcement policy are a constant consideration. Division staff analyzes proposed legislation and draft proposals to amend antitrust laws or other statutes affecting competition. Many of the hundreds of legislative proposals considered by the Department each year have profound impacts on competition and innovation in the U.S. economy. Because the Division is the Department's sole resource for dealing with competition issues, it significantly contributes to legislative development in areas where antitrust law may be at issue.

For example, the Division has filed numerous comments and provided



testimony before state legislatures and real estate commissions against proposed legislation and regulations that forbid buyers' brokers from rebating a portion of the sales commission to the consumer or that require consumers to buy more services from sellers' brokers than they may want, with no option to waive the extra items.

Education, Speeches, and Outreach – The Division seeks to reach the broadest audience in raising awareness of competition issues and, to do so, provides guidance through its business review program, outreach efforts to business groups and consumers, and the publication of antitrust guidelines and policy statements aimed at particular industries or issues. Division personnel routinely give speeches addressing these guidelines and policy statements to a wide variety of audiences including industry groups, professional associations, and antitrust enforcers from international, state, and local agencies.

In addition, the Division seeks opportunities to deploy its employees to serve the needs of the federal government for a broad variety of policy matters that involve competition policy to include:

- Detailing Division employees to federal agencies and other parts of the Administration and
- Actively participating in White House interagency task forces in areas such as Internet Policy Principles, standard setting, and Accountable Care Organization (ACO) implementation.

International Advocacy – The Antitrust Division continues to work toward bringing greater cooperation to international enforcement, promoting procedural fairness and transparency both at home and abroad, and achieving greater convergence, where appropriate, to the substantive antitrust standards used by agencies around the world.

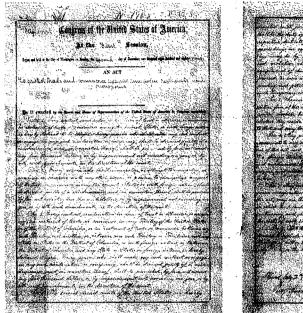


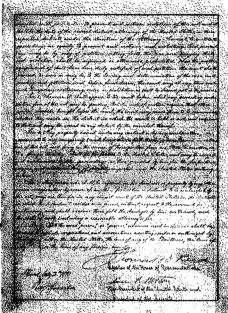
The Division pursues these goals by working closely with multilateral organizations, strengthening its bilateral ties with antitrust agencies worldwide, and working with countries that are in the process of adopting antitrust laws. One of the most notable examples of the Division's international efforts includes its participation in the International Competition Network (ICN). In April 2014, at its 13th annual conference in Marrakesh, Morocco with more

than 500 delegates and competition experts from more than 90 antitrust agencies in attendance, members adopted new recommended practices for predatory pricing analysis and competition assessment, and approved new work product on international merger enforcement cooperation, confidentiality protections during investigations, leniency policy and digital evidence gathering.

With support from the Antitrust Division, the Organization for Economic Cooperation and Development (OECD) and the International Competition Network (ICN) are assisting substantially in Division efforts to achieve a more transparent, and where appropriate, uniform worldwide application of central antitrust enforcement principles.

Laws Enforced: There are three major federal antitrust laws: the Sherman Antitrust Act (pictured below), the Clayton Act and the Federal Trade Commission Act. The Sherman Antitrust Act has stood since 1890 as the principal law expressing the United States' commitment to a free market economy. The Sherman Act outlaws all contracts, combinations and conspiracies that unreasonably restrain interstate and foreign trade. The Department of Justice alone is empowered to bring criminal prosecutions under the Sherman Act. The Clayton Act is a civil statute (carrying no criminal penalties) that was passed in 1914 and significantly amended in 1950. The Clayton Act prohibits mergers or acquisitions that are likely to lessen competition. The Federal Trade Commission Act prohibits unfair methods of competition in interstate commerce, but carries no criminal penalties.





(An Act to protect trade and commerce against unlawful restraints and monopolies ("Sherman Antitrust Act"), July 2, 1890; 51st Congress, 1st Session, Public Law #190; Record Group 11, General Records of the U.S.)

| 2. Per | 2. Performance and Resource Tables | 76 | | | | | | | | | |
|--------------------------------------|---|--------|---------------|------------|-----------|-----|---------------|---------------|--|-----|----------------------|
| Declsion | Decision Unit/Program: Antitrust | | | | | | | | | | |
| DOJ Stra | DOJ Strategic Goal II: Strategic Objective 2.6: Criminal, Civil | 2.6: 0 | Sriminal, C | Ξ | | | | | | | |
| \$ | WORKLOAD/RESOURCES | · | Target | | Actual | ā | Projected | | Changes | | Requested (Total) |
| | | L. | FY 2014 | L. | FY 2014 | ų. | FY 2015 | Adjust Pre | Current Services Adjustments and FY 2016 Program Changes | | FY 2016 Request |
| Workk | Workload - Number of HSR Transactions Received | | 1,635 | | 1,159 | | 1,635 | | 0 | | 1,635 |
| | Total Costs and FTE | FTE | 000\$ | FTE | 000\$ | FTE | \$000 | E | 000\$ | Ë | \$000 |
| | Antitrust | 654 | \$160,400 | 598 | \$155,746 | 654 | \$162,246 | | \$2,731 | 2 | \$164,977 |
| TYPE/ Strategic Objective | PERFORMANCE/RESOURCES | 11. | FY 2014 | L. | FY 2014 | L. | FY 2015 | Ct. Adjust | Current Services Adjustments and FY 2016 Program Changes | | FY 2016 Request |
| Program Activity | 1. Criminal | FTE | 2000 | FTE | 0008 | FTE | 000\$ | FTE | \$000 | FTE | \$000 |
| | | 262. | \$64,160 | 239 | \$62,298 | 262 | \$64,898 | 0 | \$1,093 | 262 | 565,991 |
| Performance Measure – Criminal | Number of Active Grand Juries | | 75 | | 72 | | 75 | | | | 75 |
| | Dollar Volume of U.S. Commerce Affected in Relevant Markets Where Pleas/Cases Favorably Resolved (\$ in millions) | | Not Projected | , | \$2,931 | Nat | Nat Projected | | Not Projected | | Not Projected |
| Program Activity | 2. Civil | г П | 2000 | 3 E | 000\$ | 37 | \$000 | FIE | 000\$ | FTE | 000\$ |
| | | 392 | \$96,240 | 359 | S93,448 | 392 | \$97,348 | | \$1,638 | 0 | \$98,986 |

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| | | Target | Actual | Projected | Changes | Requested (Total) |
|--|--|---------------|----------|---------------|---|--------------------|
| TYPE/ Strategic Objective | PERFORMANGE/RESOURCES | FY 2014 | FY 2014 | FY 2016 | Current Services Adjustments and FY 2016 Program Changes | FY 2016 Request |
| Performance Measure Merger | Number of Preliminary Inquiries Opened | 02 | 61 | 70 | 0/0 | 70 |
| Performance Measure – Civil Non-Merger | Number of Active Investigations | 0, | 34 | 70 | 0/0 | 70 |
| Performance Measure Civil Merger and Non-Merger | Performance Measure – Civil Relevant Markels for all Merger Wins and All Non-Merger and Non-Merger and Non-Merger and Non-Merger press/Gases Favorably Resolved (\$ in millions) | Not Projected | \$39,395 | Not Projected | Not Projected | Not Projected |
| Outcome Criminal, C | Outcome Criminal, Civil (Merger and Civil Non-Merger) | | | | | |
| Consumer Savings | Criminal: Total Dollar Value of Savings to U.S. Consumers (\$ in millions) | Not Projected | \$293 | Not Projected | Not Projected | Not Projected |
| | Civil: Total Civil (Merger and Non-Merger) Dolfar Value of Savings to U.S. Consumers (\$ in millions) | Not Projected | \$3,378 | Not Projected | Not Projected | Not Projected |
| Success Rates | Criminal - Percentage of Cases Favorably Resolved | %06 | 83% | %06 | 0. | %06 |
| <i>j.</i> | Civil - Percentage of Cases Favorably Resolved | 80% | 100% | 80% | o | %08 |

TABLE DATA DEFINITIONS:

Program Activity Data Definition, Validation, Verification, and Limitations:

Criminal, Civil Merger and Civil Non-Merger performance measure target adjustments for FY 2014 through FY 2016 projections are based on an analysts of FY 2005 through FY 2013 actual amounts.

Criminal Performance Measure:

During the course of the year, if the Antitrust Division subpoens individuals to, questions witnesses before, presents information to, or otherwise has contact with a grand jury for one of our investigations. It is considered an Active Grand Jury. In some instances, the Division may conduct an investigation during the course of the year, but not bring witnesses before or present evidence to the applicable grand jury. It is accurately year. For example, it may require a significant amount of investigatory time or coordination with foreign enforcement authorities to obtain critical evidence for presentiation to a grand IU.Y. Such instances are also considered Active Grand Lurses.

The **Dollar Volume of U.S. Commerce Affected** is estimated by the Antitrust Division based upon the best available information from investigative and public sources. It serves as a proxy for the oclerate effect of anticompetitive behavior. Suspect conspiracies are more extensive, than ser formally charged in an indictment, hence we believe that the Dollar Volume of U.S. Commerce Affected is an underestimate of the sclual value. In estimating the Dollar Volume of Commerce Affected in a criminal investigation, staffs include the sales of all products affected by the conspiracy.

vil Performance Measures:

Mhen a merger filing initially is received through the HSR process, or the Antitrust Division identifies a potentially anticompetitive Non-HSR merger, we develop information from the filing, the parties or we investigate further and make a determination about whether to proceed by Second Request or Civil Investigative Demand (CID), or to close the Pf. A Pi may take from a few weeks to several months to conduct. Thus a P1 is often more than a quick assessment, which is usually done when a matter is initially received or identified, and necessarily precedes a Second Request or CID Investigation. It is complainant, trade publications, and other public sources. Once we develop a sufficient factual and legal basis for further investigation, a Preliminary Inquiry (PI) may be authorized. Once authorized. a critical step in the investigatory process and the Number of Pis Opened is indicative of the Division's baseline workload. wumber of Active investigations is indicative of Division's baseline civil non-merger workload. Staff identifies and investigates alleged violations of Section 1 and 2 of the Sherman Act and Section 3 of the Clayon Act. Many times, civil non-merger investigations take more than a year to develop sufficient evidence to file a case or close the investigation. Because staff may be working on an nvestigation for more than a year, this indicator accounts for the number of investigations with hours actually reported during the fiscal year, as opposed to the number of open investigations during the

only those HSR and Non-HSR merger cases in which the Division's efforts led to a reduction in anticompetitive behavior. This indicator includes the Dollar Volume of U.S. Commerce Affected in nstances where we have counted an HSR, Non-HSR and bank merger wins. White we have used existing data sources in the Division to compile the Dollar Volume of U.S. Commerce Affected in rivestigative information and credible public sources. The volume of commerce serves as a proxy for the potential effect of possibly anticompetitive behavior. This indicator has been revised to reflect Relevant Markets for All Merger Wins, we acknowledge some limitations in our data that result in the cumulative underestimate of the value presented here. In the HSR merger and bank merger areas, we are required to review a significant number of applications, many of which are determined to pose no competitive issues. No Preliminary Inquiry is opened in these cases, but Division resources are The Dollar Volume of U.S. Commerce Affected in Relevant Markets for All Merger Wins and all Non-Merger Pleas/Cases Favorably Resolved are estimated by the Antitrust Division based upon still employed to ensure that the transactions being proposed will do no harm to the competitive environment.

In estimating the Dollar Volume of U.S. Commerce Affected in a civil non-merger case, staffs estimate an aggregate volume of commerce for each relevant domestic market affected by the anticompetitive practices or agreements are more extensive, sometimes far more extensive, than are formally charged, hence we believe that the Dollar Volume of U.S. Commerce Affected is an underestimate of the actual value.

Sufcome

t is difficult to fully or pracisely capture in a single number, or even a variety of numbers, the uttimate outcome of our Enforcement Strategy. It is not always clear just how far-reaching the effects of a competitive impact of a given conspiracy, nor can we gauge the deterrent effects of our enforcement efforts, though we and those who have written on the subject believe that such effects exist and are strong. Nonetheless, we believe that an end outcome, if not the ultimate outcome, of our work in this area is the Savings to U.S. Consumers that arise from our successful elimination and deterrence of criminal conspiracies, the protection of competition in the U.S. economy, and our deterrence of anticompetitive behavior. particular conspiracy are; it is not always possible to determine the magnitude of the price increase that relates directly to a particular conspiracy; we cannot consistently translate into numbers the

Criminal: There are two components to our estimate of consumer savings: the price effect of the conspiracy and the annual volume of commerce affected by the conspiracy. Volume of commerce is estimated based on the best available information from investigative and jubilic sources. This results in an underestimate of consumer savings, as the vast majority of conspiracies exist for well over a year. We are more limited in our ability to estimate price effect, and thus in most cases rely on the 10 percent figure in the U.S. Sentencing Guidelines Manual (November 1, 1997, Section 2R1.1; Application Note 3; page 227) as the "average gain from price-fixing" (used in distermining fines for convicted organizations) for our estimate in price fixing, bid rigging, and other criminal antituust conspiracies. Although there are significant limitations to this estimate (as with any estimate), we believe it goes a long way toward describing the outcome of our work and ties directly to our vision of an environment in which U.S. consumers receive goods and services of the highest quality at the lowest price and sound economics-based antitrust enforcement principles are applied.

with any estimate), we believe it goes a long way toward describing the outcome of our work and ties directly to our Vision of an environment in which U.S. consumers receive goods and services of the highest quality at the lowest price and sound economics-based antitrust enforcement principles are applied. The end outcome of our work in the Civil Non-Merger Enforcement Strategy is the Savings to U.S. Consumers that arise from our successful elimination and deterrence of anticompetitive behavior. There are two components to our estimate of consumer savings: the volume of commerce affected by the anticompetitive behavior and the price effect of the behavior. Volume of commerce is estimated based on the best available information from investigative and public sources, and it is it would not have been appropriate to apply that formula. For those wins, we developed conservative estimates of consumer benefits drawing on the details learned in the investigation. We note that the the roughness of our methodology, we believe our consumer savings figure to be a conservative estimate in that it attempts to measure direct consumer benefits. That is, we have not attempted to value of our successful enforcement efforts. While these effects in most matters are very large, we are unable to approach measuring them. Although there clearly are significant limitations to this estimate (as annualized and confined to U.S. commerce. We are more limited in our ability to estimate price effect, and thus rely on a conservative one percent figure for our estimate. We believe our consumer we calculated consumer savings by also using a formula that makes a realistic assumption about the oligopolistic interaction among rival firms and incorporates estimates of pre-merger market shares and of market demand elasticity. In a few merger wins, primarity vertical mergers and those in which the anticompetitive effects included predicted reductions in innovation or other special considerations. the deterrent effects (where our challenge to or expression of concern about a specific proposed or actual transaction prevents future, similarly-objectionable transactions in other markets and industries) Divil. Our estimates of consumer savings derive initially from our best measurement of volume of commerce in the relevant markets with which we were concerned. For the majority of merger matters, volume of commerce component of the calculation is estimated based on the best available information from investigative and public sources, and it is annualized and confined to U.S. commerce. savings figure to be a very conservative estimate.

rate in the outcomes for those situations. The Success Rate for Criminal Matters was calculated using the following formula: the denominator includes the sum total of the following: (1) all cases filed in The numerator includes only those cases from the denominator that resulted in guilty pleas or convictions at trial, subtracting those cases that resulted in acquitals, directed vertices, or the dismissal of charges. Cases are defined here as every individual or corporation charged by either information or indictment. Note that these statistics do not include cases that are pending, such as pending indictments of foreign nationals who remain fugitives in our international cartel prosecutions. This measure is part of a consolidated DOJ littleating component data element and actual The Success Rate for Criminal Matters provides an overall view of the Division's record, looking at situations where the Division determines there to be anticompetitive issues and noting our 'success the given fiscal year in which there was either a guilty plea, conviction at trial, acquittal at trial, directed verdict, dismissal of charges or other final disposition of the matter in the same fiscal year, plus (2) cases filed in prior years in which there was either a guilty plea, conviction at trial, acquittal at trial, directed verdict, dismissal of charges or other final disposition of the matter in the given fiscal year. performance is reported as a consolidated measure in the Annual Performance Report/Annual Performance Plan.

The Success Rate for Civil Matters includes:

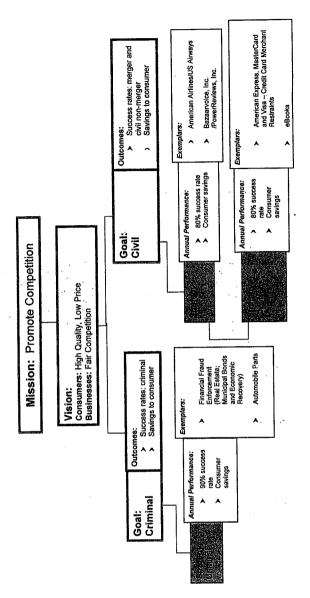
Assuccess ratee in the outcomes for those situations. A success in this context may be any one of the positive outcomes that includes the Number of Mergers Abandoned Due to Division Actions Before Compulsory Process Initiated, Number of Mergers Abandoned Due to Division Actions After Compulsory Process Initiated Without Case Filed, Number of Mergers "Fixed First" without Case Filed, Number of Mergers Casses Filled with Consent Decree, Number of Merger Cases Filed but Resolved Prior to Conclusion of Trial, and Number of Merger Cases Litigated Successfully to Judgment with No Pending Appeals. This measure is part of a consolidated DOJ litigating component data element and actual performance is reported as a consolidated measure in the Annual Performance Number of Merger "Successes" (Challenges provides an overall view of the Division's record, looking at situations where the Division determines there to be anticompetitive issues and noting our Report/Annual Performance Plan.

Attorney General (AAG) has authorized the filing of a complaint; the subject or target of an investigation has been informed that the staff is recommending that a complaint be filed, and the subject informed that the staff has serious concerns about the practice, and the subject or target changes its practices in a way that causes the matter to be closed before the staff makes a recommendation to file a complaint. This measure is part of a consolidated DOJ litigating component data element and actual performance is reported as a consolidated measure in Matters Challenged Where the Division Expressed Concern include those in which: a complaint has been filed; the subject or target of an investigation has been informed that the Assistant or target changes its practices in a way that causes the matter to be closed before the AAG makes a decision whether to file a complaint, or the subject or target of an investigation has been the Annual Performance Report/Annual Performance Plan.

| Performance Measure: Performance Measure: Criminal Criminal Performance Measure: Mumber of Active Grand Juries Dollar Volume of U.S. Commerce Affecte Markets Where Pleas/Cases Favorably Fmillions) Number of Preliminary Inquiries Opened Civil Merger | cted in Relevant ly Resolved (\$ in | FY 2010 Actual 168 \$502 \$64 61 | FY 2011 Actual 141 52,486.4 | FY 2012 | FY 2013 | FY 2014 | 44 | FY 2015 | |
|--|---|----------------------------------|--------------------------------------|-----------|----------|------------------|----------|------------------|------------------|
| e e e e | icted in Relevant ly Rasolved (\$ in | \$502 \$4 | FY 2011 Actual 141 52,486.4 | FY 2012 | FY 2013 | FY 20* | 4 | FY 2015 | |
| | Grand Juries Grand Juries J.S. Commerce Affected in Relevant aas/Casses Favorably Resolved (\$ in nary Inquiries Opened | \$502 \$4 | Actual 141 \$2,486.4 | Actual | | | | | FY2016 |
| | Grand Juries S. Commerce Affected in Relevant aas/Cases Favorably Resolved (\$ in nary Inquiries Opened | \$502 \$502 | 141 | Actual | Actual | Target | Actual | Target | Target |
| | J.S. Commerce Affected in Relevant pas/Cases Favorably Resolved (\$ in nary Inquiries Opened | \$502 | \$2,486.4 | 87 | 75 | . 75 | 72 | 75 | 75 |
| | nary Inquiries Opened | 64 | A | \$4,469 | \$2,296 | Not Projected | \$2,931 | Not Projected | Not Projected |
| The second secon | | 61 | 06 | 74 | 64 | 70 | 61 | 70 | 02 |
| Performance Measure: Number of Active Investigations | nvestigations | ; | 20 | 46 | 38 | 70 | 34 | 7.0 | 0/ |
| Performance Measure: Dollar Volume of U.S. Co Civil (Merger and Non-Markets for all Merger W Merger) | Dollar Volume of U.S. Commerce Affected in Relevant Markets for all Merger Wins and All Non-Merger Pleas/Cases Favorably Resolved (5 in millions) | \$8,114 | \$129,069 | \$437,410 | \$46,457 | Not Projected | \$39,395 | Not Projected | Not Projected |
| Outcome Measure: Criminal - Total Dollar V | Criminal - Total Dollar Value of Savings to U.S. Consumers (\$ in millions) | \$50.2 | \$248.6 | \$447 | \$230 | Not Projected | \$293 | Not Projected | Not Projected |
| Outcome Measure: Civil (Merger and Non-Consumer Savings - Civil Savings to U.S. Consumer | Civil (Merger and Non-Merger) - Total Dollar Value ./f Savings to U.S. Consumers (\$ in millions) | \$186.7 | \$1431.1 | \$8,965.6 | 606\$ | Not Projected | \$3,378 | Not Projected | Not Projected |
| Outcome Measure: Success Criminal - Percentage | Criminal - Percentage of cases favorably resolved | %86 | %26 | %26 | 100% | %06 | %86 | %06 | %06 |
| Outcome Measure: Success Rate - Civil (Merger and Non- Civil - Percentage of ca | Civil - Percentage of cases favorably resolved | 100% | %86 | 100% | %06 | %08 | 100% | %08 | 80% |

3. Performance Measurement Framework

Antitrust Division, Department of Justice Performance Measurement Framework FY 2016



4. Performance, Resources, and Strategies

The Antitrust Decision Unit contributes to the Department's Strategic Goal II: "Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law" Within this Goal, the Decision Unit's resources specifically address Strategic Objective 2.6: "Protect the federal fisc and defend the interests of the United States"

a. Performance Plan and Report for Outcomes

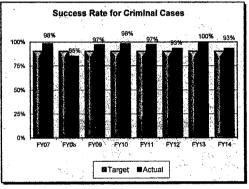
Prosecute International Price Fixing Cartels

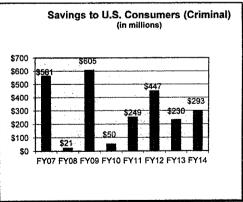
The charts below illustrate the Criminal Outcome Performance Measures for the Antitrust Decision Unit, to include: Success Rate for Antitrust Criminal Cases and Savings to U.S. Consumers (as a result of the Antitrust Division's criminal enforcement efforts). It is the Division's goal to achieve a successful outcome in every case it tries. The Antitrust Division has been aggressive in its pursuit of criminal anticompetitive behavior.

In the criminal enforcement area, the Division continues to provide economic benefits to U.S. consumers and businesses in the form of lower prices and enhanced product selection by dismantling international private cartels and restricting other criminal anticompetitive activity.

In FY 2014, the Division successfully resolved 93 percent of criminal matters. This measure is a consolidated measure shared with all other litigating components within the Department. As a whole, the Department exceeded its target by successfully resolving 92 percent of its cases. The Division expects to meet or exceed its goals for FY 2015 through FY 2016.

The estimated value of consumer savings generated by the Division's criminal efforts is contingent upon the size and scope of the matters resolved each year and thus varies significantly.





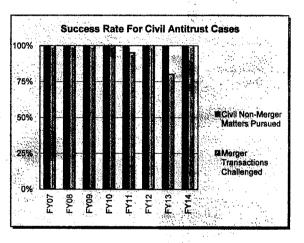
Civil Enforcement

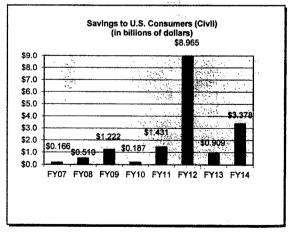
The charts below illustrate the Civil Outcome Performance Measures for the Antitrust Decision Unit, to include: Success Rate for Civil Antitrust Cases and Savings to U.S. Consumers (as a result of the Antitrust Division's Civil enforcement efforts).

The success rate for civil <u>non-merger</u> matters includes investigations in which business practices were changed after the investigation was initiated, a case was filed with consent decree, or a case was filed and litigated successfully. The Division's success in preventing anticompetitive behavior in the civil non-merger area has been notable. The Division successfully resolved every matter it challenged in FY 2014 and expects to meet or exceed its goals for FY 2015 through FY 2016.

The success rate for merger transactions challenged includes mergers that are abandoned, fixed before a complaint is filed, filed as cases with consent decrees, filed as cases but settled prior to litigation, or filed and litigated successfully. Many times, merger matters involve complex anticompetitive behavior and large, multinational corporations and require significant resources to review. The Division's Civil Merger Program successfully resolved 100 percent of the matters it challenged in FY 2014 and expects to meet or exceed its goals. for FY 2015 and FY 2016.

The estimated value of consumer savings generated by the Division's civil enforcement efforts in any given year depends upon the size and scope of the matters proposed and resolved and thus varies considerably. Targeted levels of performance are not projected for this indicator.







b. Strategies to Accomplish Outcomes

Prosecute International Price Fixing Cartels

Utilizing geographically dispersed regional offices and two sections in Washington, DC, the Antitrust Division deters private cartel behavior by investigating and challenging violations of Section 1 of the Sherman Act, including such <u>per se</u> (in and of themselves, clearly illegal) violations as price fixing, bid rigging, and horizontal customer and territorial allocations. Wide ranges of investigatory techniques are used to detect collusion and bid rigging, including joint investigations with the FBI and grand jury investigations. When businesses are found actively to be engaged in bid rigging, price fixing, and other market allocation schemes that negatively affect U.S. consumers and businesses (no matter where the illegal activity may be taking place), the Division pursues criminal investigations and prosecutions.

The global reach of modern cartels and their significant effects on U.S. consumers highlights the critical importance of international advocacy and coordination efforts. Increased cooperation and assistance from foreign governments continues to enhance the Division's ability to detect and prosecute international cartel activity. In addition, the Division's Individual and Corporate Leniency Programs, revised in recent years for greater effectiveness, have proven critical in uncovering criminal antitrust violations. Greater time and resources are devoted to investigation-related travel and translation, given the increasingly international operating environment of the criminal conspiracies being encountered. In all instances, if the Division ultimately detects market collusion and successfully prosecutes, the Division may obtain criminal fines and injunctive relief.

Civil Enforcement

The Division's Civil strategy is comprised of two key activities - Merger Review and Civil Non-Merger work. Six Washington, DC sections and two regional offices participate in the Division's civil work. This activity serves to maintain the competitive



structure of the national economy through investigation and litigation of instances in which monopoly power is sought, attained, or maintained through anticompetitive conduct and by seeking injunctive relief against mergers and acquisitions that may tend substantially to lessen competition.

Section 7 of the Clayton Act, as amended by the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR), requires certain enterprises that plan to merge or to enter into acquisition transactions to notify the Antitrust Division and the Federal Trade Commission (FTC) of their intention and to submit certain information. These HSR premerger notifications provide advance notice of potentially anticompetitive transactions and allow the Division to identify and block such transactions before they are consummated. HSR premerger reviews are conducted under statutorily mandated time frames. This workload is not discretionary; it results from the number of premerger filings we receive.

The number of merger transactions reviewed includes all HSR filings the Division receives and, also, reviews of proposed or consummated mergers that are below HSR filing thresholds but which present possible anti-competitive issues. HSR and non-HSR transactions may be investigated and prosecuted under Section 7 of the Clayton Act, or under Sections 1 and 2 of the Sherman Act. Referrals for non-HSR matters come from both outside the Division, via competitors or consumers, and from within the Division, based on staff knowledge of industries and information about current events.

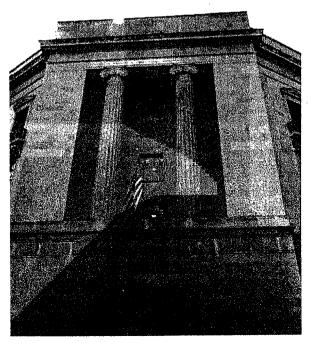
Bank merger applications, brought to the Division's attention statutorily via the Bank Merger Act, the Bank Holding Company Act, the Home Owners Loan Act, and the Bridge Bank Section of the Federal Deposit Insurance Act, are reviewed through a somewhat different process.

The majority of the Division's Civil Non-Merger work is performed by four litigating sections in Washington, DC, although other Washington sections and some regional offices provide support as necessary. Our Civil Non-Merger activities pick up, to some degree, where the Antitrust Division's Criminal strategy leaves off, pursuing matters under Section 1 of the Sherman Act in instances in which the allegedly illegal behavior falls outside bid rigging, price fixing, and market allocation schemes, the areas traditionally covered by criminal prosecutory processes. Other behavior, such as group boycotts or exclusive dealing arrangements, that constitutes a "...contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce..." is also illegal under Section 1 of the Sherman Act. It is typically prosecuted through the Division's Civil Non-Merger Enforcement Strategy.

A distinction between the Criminal and Civil Non-Merger activities is that conduct prosecuted through the Criminal strategy is considered a per se violation of the law, whereas conduct reviewed under the Civil Non-Merger activity may constitute a per se violation of the law or may be brought using a rule-of-reason analysis. Per se violations are violations considered so clearly anticompetitive that the Division must prove only that they occurred. Violations brought under a rule-of-reason analysis, on the other hand, are those that may or may not, depending on the factual situation, be illegal. In these instances, the Division must not only prove that the violation occurred, but must also demonstrate that the violation resulted in anticompetitive effects. In addition to pursuing matters under Section 1 of the Sherman Act, the Division's Civil Non-Merger component also prosecutes violations of Section 2 of the Sherman Act, which prohibits monopolization and attempted monopolization, and Section 3 of the Clayton Act, which prohibits tying. Tying is an agreement by a party to sell one product on the condition that the buyer also purchase a different or tied product, or at least agree that he will not purchase that tied product from any other supplier. Whether addressing matters under Sections 1 or 2 of the Sherman Act or Section 3 of the Clayton Act, our Civil Non-Merger enforcement activities rely upon civil compulsory process to investigate the alleged violation.

c. Priority Goals

The Antitrust Division contributes to the FY 2014-2015 Priority Goal, "Reduce financial and healthcare fraud." In order to efficiently and effectively drive those investigations to resolution, by September 30, 2015, the Department of Justice will reduce by 3 percent, the number of financial and healthcare fraud investigations pending longer than 2 years.



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5. Exemplars - Criminal

A. Financial Fraud Enforcement

Introduction and Background

Rigorous enforcement of the Sherman Antitrust Act, which authorizes the Antitrust Division to bring criminal prosecutions against those that are involved in conspiracies with competitors to fix prices, rig bids, or allocate customers, territories, markets, or sales or production volumes, is a critical component of the Department's overall battle against financial fraud. Indeed, in FY 2014, the Division filed 45 criminal cases and obtained over \$1.2 billion in criminal fines. In these cases, 18 corporations and 44 individuals were charged, and courts imposed 21 jail terms totaling 16,534 days of jail time. These



cases and the underlying investigations were brought in a range of key industries, including real estate, auto parts, and financial services, to name a few.

Because of the importance of criminal antitrust enforcement to the fight against financial fraud, the Antitrust Division has played, and continues to play, a prominent role in the President's Financial Fraud Enforcement Task Force, Exec. Order No. 13519, 74 Fed. Reg. 60, 123 (Nov. 17, 2009). In

particular, the Division is a key contributor to the efforts of the Task Force to detect and prosecute mortgage frauds, securities and commodities frauds, and frauds preying on funds dedicated to assist in the economic recovery pursuant to the American Recovery and Reinvestment Act.

Mortgage and Foreclosure Fraud

Since the beginning of calendar year 2011, the Antitrust Division has identified a pattern of collusive schemes among real estate speculators aimed at eliminating competition at

real estate foreclosure auctions around the country. Instead of competitively bidding at public auctions for foreclosed properties, groups of real estate speculators work together to keep prices at public foreclosure auctions artificially low by paying each other to refrain from bidding or holding unofficial "knockoff" auctions among themselves. While the country continues to face unprecedented home foreclosure rates, the collusion taking place at public auctions on the steps of courthouses and municipal buildings around the country is artificially driving down foreclosed home prices and enriching the colluding real estate speculators at the expense of homeowners, municipalities and lending institutions. The impact of these

collusive schemes is far-reaching because they negatively affect home prices in the neighborhoods where the foreclosed properties are located. Similar collusive conduct has

also been detected among bidders for public tax liens.

To combat this anticompetitive epidemic, the Antitrust Division, in conjunction with the FBI, developed a Real Estate Foreclosure Initiative. The initiative includes outreach and training efforts designed to raise awareness of the investigative community and public about bid rigging and fraud at real estate foreclosure and tax lien auctions. The initiative also includes information sharing and coordinated enforcement efforts with our law enforcement partners meant to facilitate the identification, investigation, and prosecution of bid-rigging and collusive conduct at public auctions.

As of January 2015, as a result of the Division's efforts, 92 defendants have pleaded guilty to real estate foreclosure and tax liens conspiracies across the United States that suppress and restrain competition in ways that harm our communities and already-financially distressed homeowners. Additionally, two individuals have been convicted after trial and another 26 defendants have been indicted and await trial. The Division is coordinating its initiative through the Mortgage Fraud Working Group of the Financial Fraud Enforcement Task Force.

Securities and Commodities Fraud

The Antitrust Division has also been integral to the Department's efforts to combat securities, commodities, and corporate and investment frauds. These so called "Wall Street" frauds are at the root of many of the problems that have plagued the nation's markets, businesses and consumers, and continue to act as a drag on the nation's ability to sustain a full economic recovery.

Of particular note are the Financial Fraud Enforcement Task Force's prosecutions involving manipulation of benchmark interest rates which undermined financial markets worldwide, directly affecting the rates referenced by financial products held by and on behalf of companies and investors around the world.

LIBOR (London Interbank Offered Rate) — One of these benchmark interest rates, LIBOR, serves as the primary benchmark for short-term interest rates

globally and is used as a reference rate for many interest rate contracts, mortgages, credit cards, student loans and other consumer lending products. The Antitrust Division's investigation of LIBOR manipulation, pursued jointly with the Criminal Division, has resulted in deferred prosecution agreements with three banks (the Royal Bank of Scotland, Rabobank and Lloyds Banking Group), charges filed against RBS Securities Japan, indictments or informations filed against six former traders, two of whom have pleaded guilty, and criminal complaints filed against three former brokers and two former traders, all for their roles in manipulating LIBOR and related benchmark interest rates.

The Division has obtained \$561 million in criminal fines and penalties in this ongoing investigation, and the total of global criminal and regulatory fines, penalties and disgorgement obtained by authorities is over \$3.7 billion.

The broader investigation relating to LIBOR and other benchmark rates has benefited from a wide-ranging cooperative effort among various enforcement agencies both in the United States and abroad. The FBI, SEC, the Commodity Futures Trading Commission, the U.K. Financial Conduct Authority and Serious Fraud Office, the Japanese Ministry of Justice, the Japan Financial Services Agency, the Swiss Financial Market Supervisory Authority, the Dutch Public Prosecution Service, and the Dutch Central Bank have played a major role in the LIBOR investigation.

Municipal Bonds — Another key effort are the investigations by the Division and other federal agencies of criminal conspiracies involving bid-rigging in the municipal bond



investments market. The schemes under investigation involve unlawful agreements to manipulate the bidding process on municipal investment and related contracts – financial instruments which were used to invest the proceeds of, or manage the risks associated with, bond issuances by municipalities and other public entities. Critical municipal infrastructure, like roads, schools, and other projects, are supported by the bonds affected by these crimes.

As of January 2015, the Division's ongoing investigation has resulted in criminal charges against

20 former executives of various financial services companies and one corporation. Seventeen of the 20 executives charged have pleaded guilty or were convicted at trial.

The investigation has also produced numerous resolutions with large financial institutions implicated in the schemes, including JPMorgan Chase, UBS AG, Wachovia Bank N.A., Bank of America, and GE Funding Capital Market Services, Inc. These financial institutions have agreed to pay a combined total of nearly \$750 million in restitution, penalties and disgorgement to federal and state agencies for their roles in the conduct.

The Division is coordinating its municipal bonds investigation and other efforts in the financial services industries with other members of the Securities, Commodities and Investment Fraud Working Group of the Financial Fraud Enforcement Task Force.

Foreign Exchange Rates — In 2014, the Division continued to pursue anticompetitive conduct in the financial services sector. We are playing a leading role in an investigation into the global manipulation of foreign exchange rates. This investigation is being pursued jointly with the Criminal Division and the conduct has also been scrutinized by a variety of U.S. and foreign regulators and prosecutors. Civil penalties have been imposed by enforcement authorities such as the Office of the Comptroller of the Currency who fined Bank of America, Citigroup, and JP Morgan Chase a total of \$950 million in November 2014. In addition, the Commodity Futures Trading Commission and the

United Kingdom's Financial Conduct Authority imposed penalties totaling over \$1.4 billion and \$1.7 billion, respectively, on five banks including Citibank, HSBC, JPMorgan Chase, Royal Bank of Scotland and UBS. The investigation is ongoing, and as Attorney General Holder said in November 2014, the Department is anticipating reaching the beginning stages of resolution relatively soon:

Economic Recovery Fraud

With the passage of the American Recovery and Reinvestment Act of 2009, signed by President Obama in February 2009, the Division's role to uphold the American public's expectation that our nation's \$787 billion investment in economic recovery will not fall victim to fraud and other illegal activity was clearly evident. Accordingly, within one month of the Recovery Act becoming Public Law, the Antitrust Division launched an "Economic Recovery Initiative" to assist in ensuring successful results from implementation of the Recovery Act.

The Economic Recovery Initiative represents the Antitrust Division's commitment to assist federal, state, and local agencies receiving Recovery Act funds to ensure that measures are in place to protect procurement and program funding processes from bidrigging and other fraudulent conduct, as well as to ensure that those who seek to corrupt the competitive bidding process are prosecuted to the fullest extent of the law. A principal aim of the Initiative is training government officials to prevent, detect, and report efforts by parties to unlawfully profit from stimulus awards before those awards are made and taxpayer money is wasted. This focus reflects the Antitrust Division's experience from investigating and prosecuting fraud that the potential risk of collusion and fraud relating to lucrative government contracts is dramatically minimized when an early and strong emphasis is placed on prevention and detection. Another cornerstone of the Initiative is promoting holistic enforcement of Recovery Act frauds – that is, ensuring that enforcement in this area not be limited to merely criminal and/or civil prosecution, but also includes potential administrative action and suspension and debarment measures.

The Division's Initiative remains a central part of the efforts of the Recovery Act, Procurement, and Grant Fraud Working Group of the Financial Fraud Enforcement Task Force. This Working Group, which is co-chaired by the Assistant Attorney General for the Antitrust Division, is responsible for coordinating a national strategy to draw on all the resources and expertise of the Department, as well as other partner agencies, regulatory authorities, and Inspectors General throughout the Executive Branch, to ensure that taxpayer funds are safeguarded from fraud and abuse and that the Recovery Act effort is conducted in an open, competitive, and non-discriminatory manner.

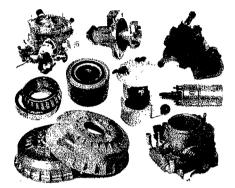
B. Automobile Parts Investigation

Introduction

In an investigation spanning three continents and involving the Federal Bureau of Investigation (FBI), the European Union, Canada's Competition Bureau, the Japanese Fair Trade Commission, and the Korean Fair Trade Commission, the Antitrust Division is investigating the alleged illegal business practices of major automobile parts suppliers. Initially, the investigation centered primarily on wire harnesses used in auto bodies and related products but later expanded into numerous other automobile parts. This

investigation and the resulting penalties impact American automobile manufacturing companies and many foreign producers.

The automobile parts investigation is the largest criminal investigation the Antitrust Division has ever pursued, both in terms of its scope and the potential volume of commerce affected by the alleged illegal conduct. The ongoing cartel investigation of price-fixing and bidrigging in the automobile parts industry



has yielded charges against 32 companies and 49 individuals and over \$2.4 billion in criminal fines in the investigation thus far. More than a dozen of the foreign national executives charged have submitted to U.S. jurisdictions and agreed to serve prison sentences in the United States – two of whom agreed to serve two years in prison—the longest prison terms imposed on foreign nationals voluntarily submitting to U.S. jurisdiction for an antitrust violation.

Background and Investigation

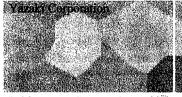
Though the Division's investigation initially examined just "wire harnesses" that are the distribution system of cables and connectors that carry electronic information through the car, the investigation expanded to include alternators, starters, air flow meters, valve timing control devices, fuel injection components, ignition coils, electronic throttle bodies, motor generators, instrument panel clusters, electronic control units, heater control panels, various sensors, seatbelts, airbags, hoses, and steering wheels, among other parts.

The Antitrust Division is investigating whether the auto parts companies that provide component parts to vehicle manufacturers such as Chrysler, Ford, General Motors, Honda and Toyota participated in illegal anti-competitive cartel conduct, with some suspected activity dating back to 2000. Specific charges to date include market allocation, price-fixing and bid-rigging conspiracies.

In some cases, conspirators that have plead guilty to-date carried out the conspiracies by agreeing during meetings and conversations to allocate the supply of the automobile products on a model-by-model basis and to coordinate price adjustments requested by automobile manufacturers in the United States and elsewhere. They sold the auto parts to manufacturers at non-competitive, rigged and fixed prices and monitored the prices to make sure those involved in the conspiracies adhered to the agreed upon bid-rigging and price-fixing schemes.

Results

Individual corporate fines in excess of \$50 million and the associated jail sentences for corporate executives in the auto parts investigation since the beginning of FY 2011 include:



Bridgestone Corporation

Purukawa Electric Company Lidi

Hitachi Automotive Systems, Ltd.

Missubish Electric Comporation

Mitsuba Corporation

Iteki Composition

DENSO Corporation

- \$470 million—the second largest criminal fine ever for an antitrust violation
- Wire harnesses and related products, instrument panel clusters, fuel senders.
- 6 executives ranging from 14 months to 2 vers
- \$425 million
- Anti-vibration rubber parts
- \$200 million
- Wire harnesses and related products
- 3 executives ranging from one year and one day to 18 months
- \$195 million
- Starter motors, alternators, and other products
- \$190 million*
- Starter motors, alternators, ignition coils,
- \$135 million
- Windshield wiper systems and other products
- 1 executive, 13 months
- \$103 million
- Bearings, steering assemblies
- \$78 million
- Electronic control units and heater control panels
- 4 executives ranging from one year and one day to 16 months



NGK Spark Plug Co., Ltd.

- A \$4.3715 million
 - Seatbelts
 - 5 executives ranging from 14 months (a. 19 months)
 - \$52 million
 - Spark plugs, oxygen and air fuel ratio sensors

Conclusion

The criminal activity associated with the automobile parts investigation had a significant impact on automotive manufacturers in the United States, some of which had been occurring for at least a decade. The conduct also potentially affected commerce on a global scale in other markets where automobiles are manufactured and/or sold.

Criminal antitrust enforcement remains a top priority of the Antitrust Division. The automobile parts investigation continues and additional fines and jail sentences are expected to follow. The importance of rooting out this type of illegal criminal conduct cannot be overstated as it negatively impacts the United States economy and results in higher prices for consumers and businesses.

6. Exemplars - Civil

A. American Airlines / US Airways

Introduction

As airlines increase fares and raise fees, the Antitrust Division continues to pay very close attention to potential antitrust violations in the airline industry in order to protect American consumers. In 2012, business and leisure airline travelers spent more than \$70

billion on airfare for travel throughout the United States – a sizable portion of the U.S. economy.

Early in 2013 US Airways Group, Inc. and American Airlines' parent corporation, AMR Corp., proposed an \$11 billion merger of the two airlines, resulting in the world's largest airline. In August 2013 the Antitrust Division (joined by



several plaintiff states), filed an antitrust lawsuit to challenge the proposed merger, stating that it would substantially lessen competition for commercial air travel in local markets throughout the United States and result in passengers paying higher airfares and receiving less service.

Background

As alleged in the Complaint, this merger would combine two of the four major "legacy" carriers, leaving "New American," Delta, and United as the remaining major national network carriers. The merger would make it easier for these remaining legacy airlines to cooperate – rather than compete – on price and service, reduce head-to-head competition between U.S. Airways and American on numerous non-stop and connecting routes, and entrench the merged airline as the dominant carrier at Washington Reagan National Airport, where it would control 69 percent of the take-off and landing slots.

In contrast to the legacy carriers, other carriers (commonly referred to as "LCCs") such as Southwest Airlines ("Southwest"), JetBlue Airways ("JetBlue"), and Virgin America, have less extensive networks and tend to focus more heavily on lower fares and other value propositions. For example, Southwest carries the most domestic passengers of any airline, however, its route network is limited compared to the four current legacy carriers, especially to significant business-oriented markets. Although the LCCs serve fewer destinations than the legacy airlines, they generally offer important competition on the routes that they do serve.

Conclusion

In November 2013, to settle the merger challenge, the Division announced that it would require US Airways and American Airlines to divest slots and gates at seven key airports in order to enhance system-wide competition. The divested slots and gates would pass to low cost carrier airlines such as JetBlue and Southwest, resulting in more choices and more competitive airfares for consumers. The merged airline, known as American Airlines Group, Inc., became official in December 2013.

The divestitures required by the decree were made during the first half of calendar year 2014, increasing the presence of low cost carrier airlines at Boston Logan International, Chicago O'Hare International, Dallas Love Field, Los Angeles International, Miami International, New York LaGuardia International and Ronald Reagan Washington National airports. The low cost carriers that acquired the divested assets have already increased service at these airports and are expected to begin additional service in the near future.

The access to key airports made possible by the divestitures is creating network opportunities for the purchasing carriers that would otherwise have been out of reach for the foreseeable future. Those opportunities will provide increased incentives for those carriers to invest in new capacity and expand into additional markets. Moreover, the settlement not only prevents the increased dominance of US Airways at Reagan National, it provides for expanded competition at this airport.

By challenging this merger and requiring divestitures, the ability of low cost carrier airlines to compete has been greatly enhanced, and is expected to ultimately save consumers millions of dollars in lower airfares and ancillary fees.

B. Bazaarvoice, Inc. / PowerReviews, Inc.

Introduction

American consumers continue to rely more and more on technological tools when making purchasing decisions. To ensure that appropriate competition exists in the online marketplace, the Antitrust Division makes a concerted effort to monitor merger activity among high tech companies, investigating those mergers which appear to violate antitrust law.

In June 2012 Bazaarvoice, Inc., the dominant commercial supplier of product ratings and reviews platforms in the U.S., acquired PowerReviews, Inc., its closest rival. Consumergenerated product ratings and reviews are a ubiquitous part of the online shopping experience and are displayed on retailers' and manufacturers' websites. This feature allows consumers to read feedback from authentic product owners before making a purchasing decision. This content is also a valuable asset for retailers and manufacturers because it can increase sales, decrease product returns and provide valuable data about consumer preferences and behaviors.

Background

Bazaarvoice's acquisition of PowerReviews was not required to be reported under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, which requires companies to notify and provide information to the Division and Federal Trade Commission before consummating certain acquisitions.

The Division began its investigation shortly after the transaction closed and in January 2013 filed a civil antitrust lawsuit in the Northern District of California stating that the \$168.2 million transaction substantially lessened competition in the market for product ratings and reviews platforms in the U.S., resulting in higher prices and diminished innovation. The Division's lawsuit sought to restore the competition that was extinguished by the transaction.

The complaint alleged that before the merger transaction took place, PowerReviews was an aggressive price competitor and Bazaarvoice routinely responded to competitive pressure from PowerReviews. As a result of the competition between Bazaarvoice and PowerReviews, many retailers and manufacturers received substantial price discounts. As the complaint described, Bazaarvoice sought to stem competition through the acquisition of PowerReviews.

Conclusion

The three week trial began in September 2013. In January 2014, the U.S. District Court for the Northern District of California sided with the Division in finding that Bazaarvoice violated Section 7 of the Clayton Act by acquiring PowerReviews. On April 24, 2014, the Division and Bazaarvoice filed with the court a proposed Final Judgment that would remedy Bazaarvoice's illegal acquisition of PowerReviews. The proposed remedy required Bazaarvoice to sell all of the PowerReviews assets to a divestiture buyer and contained other provisions to fully restore competition in the provision of online product ratings and reviews. Bazaarvoice completed the divestiture and on December 2, 2014, the Court entered the Final Judgment, terminating the contested phase of this litigation.

C. Non-Merger: American Express, MasterCard, and Visa: Credit Card Merchant Restraints

Introduction

In 2009, consumers used credit and charge cards issued by American Express, MasterCard, and Visa to make more than \$1.7 trillion in purchases. Merchants paid these three companies an estimated \$35 billion in acceptance costs or 'swipe fees'. A swipe fee is paid every time a credit card is used and merchants must agree to certain rules, or restraints, in order to accept the cards for payment.



In October 2010, the Antitrust Division and seven states (Connecticut, Iowa, Maryland, Michigan, Missouri, Ohio, and Texas) filed a complaint against American Express, MasterCard, and Visa (the defendants) to prevent them from imposing on merchants certain restraints that insulate the defendants from competition in violation of the Sherman Act.

Background

The three defendants provide network services for general purpose credit and charge cards. They operate the infrastructure necessary to authorize, settle, and clear payments made with their cards. Millions of merchants around the United States that accept these cards are consumers of network services.

According to the complaint, American Express, MasterCard and Visa maintained rules that prohibited merchants from encouraging consumers to use lower-cost payment methods when making purchases. For example, the rules prohibited merchants from offering discounts or other incentives to consumers in order to encourage them to pay with credit cards that cost the merchant less to accept. Ultimately, these rules result in consumers paying more for their purchases and increase merchants' costs of doing business.

These restraints allow the defendants to maintain high prices for network services with confidence that no competitor will take away significant transaction volume through competition in the form of merchant discounts or benefits to customers that use lower cost payment options. The defendants' prices for network services to merchants are therefore higher than they would be without the restraints. Because the restraints result in higher merchant costs, and merchants pass these costs on to consumers, retail prices are higher generally for consumers.

Settlement with Visa and MasterCard

At the time of the complaint, the Division filed a settlement agreement with Visa and MasterCard. The final judgment generally prohibits Visa and MasterCard from enforcing any rule or agreement that prevents merchants from offering customers a discount for using a particular card for payment, expressing a preference for the use of a particular

card, promoting a particular card, or communicating to customers the estimated costs incurred by the merchant when a customer pays with a particular card.

In July 2011, the Court accepted the final judgment, agreeing that the Division had demonstrated that "the Proposed Final Judgment furthers the public interest by removing the anticompetitive impact of Visa's and MasterCard's anti-steering rules"

Continued Litigation with American Express

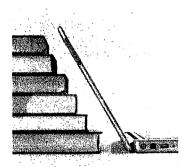
Defendant American Express chose not to be a party to the settlement, and the litigation against it has continued. Discovery and other pretrial process took place over 2010-2014. In May 2014, the court rejected defendant's request to throw out the case on legal grounds. During July-August 2014, the court conducted a six-week trial; the court's decision is pending.

D. Non Merger: eBooks

Introduction

On April 11, 2012, the Department filed a civil antitrust lawsuit in the U.S. District Court for the Southern District of New York against Apple and five of the six major U.S. trade book publishers – Hachette Book Group (USA), HarperCollins Publishers L.L.C., Holtzbrinck Publishers LLC, which does business as Macmillan, Penguin Group (USA) Inc. and Simon & Schuster Inc. – for conspiring to end e-book retailers' freedom to compete on price by taking control of pricing from e-book retailers and substantially increasing the prices that consumers paid for e-books.

At the same time that it filed the lawsuit, the Department reached settlements with three of the publishers—Hachette, HarperCollins and Simon & Schuster. The two remaining publishers, Penguin and Macmillan, settled with the Department during discovery. Apple proceeded to trial, where the Department was joined by 33 states prosecuting parallel state claims.



Background

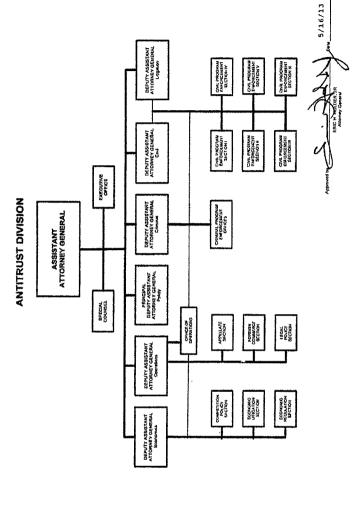
In close collaboration with state attorneys general and the European Commission's Directorate General for Competition, the Department uncovered compelling evidence that the publishers' fear of the digital world led them to conspire with each other to raise retail prices and slow consumers' migration to e-books. Apple assisted and orchestrated the publishers' efforts, in exchange for a guaranteed 30 percent margin and protection from having to compete against Amazon on price. As a result, on the day that Apple began selling its iPad with iBookstore capability, the prices that consumers paid for the publisher defendants' e-books shot up at all outlets—by 30-

50 percent for the most popular titles.

Conclusion

In a 160-page opinion issued following a June 2013 trial, the court found that "the Publisher Defendants conspired with each other to eliminate retail price competition in order to raise e-book prices, and that Apple played a central role in facilitating and executing that conspiracy" in violation of Section 1 of the Sherman Act. The court noted that the Department made that showing "not just by a preponderance of evidence" but rather "through compelling direct and circumstantial evidence."

The publisher settlements ensured that e-book retailers again would be able to compete on price, with consumers enjoying markedly lower e-book prices as a result. The injunction ultimately ordered against Apple, assuming it is upheld on appeal, will serve to enhance and safeguard that relief. In addition, the states secured well over \$150 million in consumer damages from the publishers and will secure \$400 million more from Apple if the liability verdict is upheld (substantially less if the case is remanded and nothing if the verdict is reversed).



A. Orgali Jonal Chart

B. S. .. nary of Requirements

Summary of Requirements

Antitrust Division Salarles and Expenses (Dollars in Thousands)

| | | , 0000 | |
|--------------------------------------|-------------|----------------|---------|
| | | rizulo Request | |
| | Direct Pos. | Estimate FTE | Amount |
| 2014 Enacted ^{//} | [830] | 298 | 160,400 |
| Total 2014 Enacted | [830] | 298 | 160,400 |
| 2015 Enacted | [830] | 654 | 162.246 |
| 2015 Balance Rescission | , | 0 | -6,000 |
| Total 2015 Enacted | [830] | 654 | 156,246 |
| Technical Adjustments | | | |
| Restoration of Rescission - ATR | 0 | 0 | 000'9 |
| Total Technical Adjustments | 0 | 6 | 6.000 |
| Base Adjustments | | | • |
| Pay and Benefits | Ó | 0 | 2.062 |
| Domestic Rent and Facilities | 0 | 0 | 667 |
| Other Adjustments | 0 | 0 | 2 |
| Total Base Adjustments | 0 | 0 | 2,731 |
| Total Technical and Base Adjustments | 0 | 0 | 8,731 |
| 2016 Current Services | [830] | 654 | 164,977 |
| 2016 Total Request | [830] | 654 | 164,977 |
| 2015 - 2016 Total Change | 0 | 0 | 8,731 |

FY 2014 FTE is actual "

Summary of Requirements Antitrust Division Salaries and Expenses (Collare In Thousands)

| | _ | _ | 7 | 1 | lö | T | т | Т | 1 | т. | т | T | Т |
|-------------------------------|------------------------|------|--------------------|--------------|--------------------|------------------------------|------------------|-----------------------------|---|------------|------|----------|------------------|
| FY 2016 Current Services | Amount | | 164.977 | 164.977 | | 164.977 | | | | | | | |
| 16 Curren | Direct Est. FTE | | 654 | 654 | | | 0 | 654 | | | c | 0 | 654 |
| 1 | Direct | Pos. | [830] | [830] | | | | | | | | | |
| FY 2016 Technical and Base | Direct Est FTE Amount | | 2,731 | 2,731 | 9.000 | 8,731 | | | | | | | |
| 8 Technical an Adjustments | Est. FTE | | 0 | 0 | | | 0 | 0 | | | 0 | 0 | 0 |
| FY 201 | Direct | Pos. | 0 | 0 | | | | | | | | | |
| acted | Direct Est. FTE Amount | | 162,246 | 162,246 | -8,000 | 156,246 | | | | | | | |
| FY 2015 Enacted | Est. FTE | | 654 | 654 | | | 0 | 654 | | | 0 | 0 | 654 |
| i. | Direct | Pos. | [830] | [830] | | | | | | | | | |
| acted | Amount | | 160,400 | 160,400 | 0 | 180,400 | | | | | | | |
| FY 2014 Enacted | Actual | H | 598 | 598 | | | 0 | 598 | | | 0 | 0 | 598 |
| Œ | Direct | Pos. | [830] | [830] | | | | | | | | | |
| Program Activity | | | Antitrust Division | Total Direct | Balance Rescission | Total Direct with Rescission | Reimbursable FTE | Total Direct and Reimb. FTE | | Other FTE: | LEAP | Overtime | Grand Total, FTE |

| Program Activity | | 2016 Increases | ases | | 2016 Offsets | ets | | 2016 Request | uest |
|------------------------------|--------|-----------------|--------|--------|-----------------|--------|--------|-----------------|---------|
| | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | | | Pos | | | Pos. | | |
| Antitrust Division | 0 | 0 | O | 0 | 0 | O | [830] | 654 | 164,97 |
| Total Direct | 0 | 0 | 0 | 0 | 0 | 0 | [830] | 654 | 164,977 |
| Balance Rescission | | | O | | | 0 | | | |
| Total Direct with Rescission | | | 0 | | | 0 | | | 164,977 |
| Reimbursable FTE | | 0 | | | 0 | | | O | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 654 | |
| | | | | | | | | | |
| Other FTE. | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 0 | | | 0 | | | 654 | |

D. Resources by DOJ Stragatic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal and Objective Anlitust Division Salaries and Expenses (Dollers in Thousands)

| Strategic Goal and Strategic Objective | FY 2014 | FY 2014 Enacted | FY 204 | FY 2015 Enacted | FY 201 | FY 2016 Current | FY 2016 | FY 2016 Increases FY 2016 Offsets | FY 201 | 6 Offsets | FY 20 | -Y 2016 Total |
|---|--------------------------|------------------|--------------------------|------------------|-------------------|------------------|-------------------|-----------------------------------|-------------------|-----------|-------------------|------------------|
| | | | | | ñ | Services | | | | | œ œ | Request |
| | Direct & Reimb FTF | Direct Amount | Direct & Reimb FTF | Direct Amount | Direct & Relmb | Direct Amount | Direct & Reimb | Diract | Direct & Relmb | Direct | Direct & Reimb | Direct Amount |
| Goal 2 Prevent orime, protect the rights of the American people, | | | | | | | | | | | 2 | |
| 2.6 Fortest the federal fisc and defend the interests of the United | 598 | 160,400 | 654 | 162,248 | 654 | 164,977 | 0 | 0 | 0 | 0 | 924 | 164,977 |
| Subtotal, Goal 2 | 598 | 160,400 | 654 | 162,246 | 654 | 164,977 | 6 | 0 | | 0 | 654 | 164,977 |
| TOTAL | | 598 160,400 | 654 | 654 162.245 | 654 | 154 977 | c | • | 6 | | 198 | 770 101 |

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments Antitust Division Salaries and Expenses (Dollars in Thousands)

| Ь | | Direct | Estimate | Amount |
|--|--|--------|----------|--------|
| | | Pos. | FTE | |
| ــــــــــــــــــــــــــــــــــــــ | Technical Adjustments | | | |
| _=_ | 1 Restoration of Rescission - ATR | 0 | 0 | 900 |
| | Subtotal, Technical Adjustments | 0 | ò | 6,000 |
| ı | Pay and Benefits | | | |
| - | 1 2016 Pay Raise_1,3% | 0 | 0 | 95) |
| | This request provides for a proposed 1.3 percent pay reise to be effective in January of 2016. The amount requested, \$927,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$702,000). | | | |
| ···· | for pay and \$225,000 for benefits.) | Ċ | 0 | 23 |
| <u> </u> | | , | , | |
| | percent included in the 2015 President's Budget. The amount requested \$233,000, represent the pay amounts for 114 of the ferral user plus appropriate banefle. \$437,000 for pay and \$55,000 for banefle.) | | | |
| | 3 Chandes in Compensable Days | 6 | 0 | 338 |
| | The increased cost for one compensable day in FY 2016 compared to FY 2015 is calculated by dividing the FY2015 estimated bescorned compensation in the amount of \$77,182,000 and applicable benefits totaling | | | |
| _ | \$15,631,000 by 261 compensable days. | | | |
| <u> </u> | 4 Employees Compensation Fund | 0 | 0 | • |
| | The 34,235 fequest relieds anticipated changes in payments to the Department of Lador for injury benefits under the Federal Employee Compensation Act. | | • | |
| | 5 FERS Rate Increase | 0 | 0 | 30 |
| | Effective Octob1 1, 2015 (FY 2016), the new agency contribution rates are 13.7% (up from the current 13.2%, or an increase of 0.5%) and 30.1% for law enforcement personnel (up from the current 28.8%, or an increase of | | | |
| _ | 1.3%). The amount requested, \$301,000, represents the funds needed to cover this increase. | | | |
| _ | 6 Heath Insurance | o | 0 | 66 |
| | Effective January 2010, the components contribution to redute entiringees, required its A195,000. percent. Applied against the 2015 estimate of \$4,239,000, the additional amount required is \$195,000. | | | |
| | 7 Retrement | 0 | 0 | 4 |
| | Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS | | | |
| | convert from CSRS to FERS at a rate of 0.8 percent per year, for both LEO and Non-LEO, based on the past 5 | - | | |
| | years of DOJ relirement data. The requested increase of \$46,000 is necessary to meet our increased relirement | | | |
| | obligations as a result of this conversion. Subtotal, Pay and Bonefits | - | 0 | 2,06 |
| | | | | |

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments Antirust Division Salaties and Expenses (Dolass in Thousands)

| ٦ | 9 | | 89 | 12 | T | 7 | 7 | Ξ |
|------|--|--|---|--|-------------------|--|-----------------------------|---|
| | 599 | | | 299 | | | | 8,731 |
| FTE | . 6 | | 0 | • | | 0 | • | ٥ |
| Pos. | 6 | | 6 | • | | 0 | 7 | 0 |
| | Domestic Rent and Facilities 1 GSA Rent | GSA Will continue to change rentul rates that specialment be changed to commercial tentural for equivalent space and related services. The requested increase of \$589,000 is required to meet our commitment to GSA. The costs associated with GSA tent were derived through the use of an automated system, which uses the blast irreminay deals, including rate increases to be effective FY 2017 for each building currently occupied. Department of Justice components, as well as the costs of new space to be accupied. | 2 Quard Service This Includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across the country. The requested increase of \$69,000 is required to meet these commitments. | Subtotal, Domostic Rent end Facilities | Other Adjustments | 1 SPERIOR INVESTIGATIONS THE \$2,000 increase reflects payments to the Office of Personnol Management for security reinvestigations for employees requiring security clearances. | Subtotel, Other Adjustments | TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS |

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability

Antitrust Division Salaries and Expenses (Dollers In Thousends)

| Program Activity | _ | FY 2014 Enacted | acted | Repro | ramming | /Transfers | Carryover | Reprogramming/Transfers Carryover Recoveries/ | ŀ | FY 2014 Availability | llability |
|------------------------------|--------|-----------------|---------|--------|---------|------------|-----------|---|--------|----------------------|-----------|
| | | | | | | | | Refunds | | | 1 |
| | Direct | Actual | Amount | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount |
| | Pos. | FTE | | Pos. | Ħ | | | | Pos | - | |
| Antitrust Division | (088) | 298 | 160,400 | 0 | 0 | Ö | 8,914 | 2.792 | į | L | 172.106 |
| Total Direct | [830] | 869 | 160,400 | 0 | 0 | 0 | 8,914 | 2.792 | | | |
| Balance Rescission | | | O | | | 0 | C | C | l | L | l |
| Total Direct with Rescission | | | 160,400 | | | 0 | 8.914 | 2.792 | | | 172 10B |
| Reimbursable FTE | | 0 | | | 0 | | | | | C | |
| Total Direct and Reimb, FTE | | 598 | | | 0 | | | | | 598 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | | | |
| Grand Total, FTE | | 598 | | | c | | | | | FOR | |

Reprogramming/Transfers:

Carryover:

FY 2013 funds were carried over from the 15X0319 account. The Division brought forward \$8,914 from prior years' salaries and expenses funding and \$0 was made available for obligation in FY 2014.

Recoveries/Refunds: As of September 30, 2014, ATR recoveries total \$2,792, of which \$0 was made available in FY 2014.

G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability

Antitrust Division Salaries and Expenses (Dollars in Thousands)

172,606 1**72,606** -6,000 166,606 Amount FY 2015 Availability 654 654 55 Actual FTE [830] Direct Pos. Recoveries/ Refunds Amount 10,360 10,360 10,360 Carryover Amount 0000 Reprogramming/Transfers Amount Actual 밆 Direct Pos. -6,000 156,246 162,246 162,246 Amount FY 2015 Enacted 654 654 654 Actual Щ [830] Direct Pos. Total Direct and Reimb. FTE Total Direct with Rescission Program Activity Reimbursable FTE Grand Total, FTE Antilrust Division Other FTE: LEAP FTE Balance Rescission Overtime otal Direct

Reprogramming/Transfers:

Carryover:

FY 2014 funds were carried over from the 15X0319 account. The Division brought forward \$10,360 from prior years' salaries and expenses funding and \$0 was made available for obligation in FY 2015.

Recoveries/Refunds:

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources

Antitrust Division Salaries and Expenses (Dollars in Thousands)

| Collections by Source | | 2014 Actual | nal | 2 | 2015 Estimate | nate | | 2016 Request | nest | lnc | Increase/Decrease | rease |
|----------------------------------|--------|-------------|--------|--------|---------------|--------|--------|---------------|--------|---------------|-------------------|--------|
| | Reimb | Reimb Reimb | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. Reimb. | Reimb. | Amount |
| | Pos. | H H | | Pas. | FTE | | Pos. | FTE | | Pos. | ᆵ | |
| Civit Division | 0 | 0 | 19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Department of Justice (Justice | 0 | 0 | 3,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Management Division) | | | | | | | | | | | | |
| Environment and Natural Resource | 0 | 0 | 150 | 0 | 0 | 200 | 0 | 0 | 200 | 0 | 0 | 0 |
| Division | | | | | | | | | | | | |
| Federal Trade Commission | 0 | 0 | 56 | 0 | 0 | 0 | Ó | 0 | 0 | 0 | 0 | 0 |
| Office of Attorney | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Recruitment/Management | | | | | | | | | | | | |
| Budgetary Resources | 0 | 0 | 3,596 | 0 | 0 | 200 | 0 | 0 | 200 | 0 | ٥ | 0 |
| | | | | | | | | | | | | |
| Obligations by Program Activity | | 2014Actual | lai | 2 | 2015 Estimate | nate | | 2016 Request | lest | lnc | Increase/Decrease | rease |
| , | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount |
| | Pos, | Ë | | Pos. | E. | | Pos. | FTE | | Pos | FTE | |
| Antitrust Division | 0 | 0 | 3,596 | 0 | 0 | 200 | 0 | 0 | 200 | 0 | O | 0 |
| Budgetary Resources | 0 | 0 | 3,596 | 0 | 0 | 200 | 0 | 0 | 200 | 0 | 0 | 0 |
| | | | | | | | | | | | | |

| Obligations by Program Activity | | 2014Actual | ler | , | 2015 Estimate | nate | | 2016 Request | uest | ıı | ncrease/Decrease | rease | |
|---------------------------------|--------|---------------|--------|--------|---------------|----------------------|--------|--------------|--------|--------|------------------|--------|---|
| | Reimb. | teimb. Reimb. | Amount | Reimb. | Reimb. | Reimb. Reimb. Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | _ |
| | Pos, | HE. | | Pos. | ᆵ | | Pos. | FTE | | Pos | Ш | | |
| Antitrust Division | 0 | ō | 3,596 | 0 | 0 | 200 | 0 | 0 | 200 | 0 | 0 | 0 | _ |
| Budgetary Resources | 0 | 0 | 3,596 | 0 | 0 | 200 | 0 | 0 | 200 | 0 | 0 | ō | _ |

1. Detail of Permanent Positions by Calegory

Detail of Permanent Positions by Category

Antitrust Division Salaries and Expenses (Dollars in Thousands)

| Category | FY 2014 | FY 2014 Enacted | FY 2015 | FY 2015 Enacted | | i. | FY 2016 Request | | |
|---|-------------|-----------------|-------------|-----------------|------|-----------|-----------------|--------------|--------------|
| | Direct Pos. | Reimb. Pos. | Direct Pas. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Reimb. |
| | | | | | | Increases | Offsets | Pos | Pos. |
| Security Specialists (080) | <u>(5)</u> | 0 | (6) | 0 | 0 | 0 | 0 | [3] | O |
| Social Science, Psychology, Welfare (0100-0199) | [60] | 0 | [60] | ٥ | 0 | 0 | 0 | [60] | 0 |
| (0000 0000) | 3 | (| ; | | ' | | | | |
| Personnel Management (UZUU-UZDU) | | 5 | [11] | 6 | 0 | 0 | 0 | [1] | Ö |
| Clerical and Office Services (0300-0399) | [138] | 0 | [138] | 0 | 0 | 0 | 0 | [138] | 0 |
| Accounting and Budget (500-599) | 6 | 0 | 6 | 0 | 0 | 0 | 0 | [6] | 0 |
| Paralegals / Other Law (900-998) | [180] | 0 | [180] | 6 | 0 | 0 | ٥ | [180] | 0 |
| Attorneys (905) | (380) | 6 | [380] | 6 | ٥ | 0 | 0 | [380] | 0 |
| Business & Industry (1100-1199) | ত | O | 2 | ō | 0 | 0 | 0 | <u>.</u> | 0 |
| Library (1400-1499) | (3) | 0 | 6 | 6 | • | 0 | 0 | <u> </u> | 0 |
| Mathematics and Statistics Group | [6] | 0 | [6] | 0 | ٥ | ٥ | 0 | ල් ල | 0 |
| Information Technology Mgmt (2210-2299) | [32] | 0 | [32] | Ö | 0 | 0 | 0 | [32] | 0 |
| Total | [830] | 0 | [830] | 0 | 0 | 0 | 0 | 18301 | 0 |
| Headquarters Washington D.C. | [645] | 0 | [672] | ٥ | 0 | 0 | 0 | [672] | 0 |
| US Fields | (185) | 0 | [158] | 0 | ٥ | 0 | 0 | 1158 | 0 |
| Foreign Fleld | 0 | 0 | , | 0 | 0 | 0 | Ó | 0 | 0 |
| Total | 18301 | 0 | 18301 | 0 | - | 0 | o | (8301 | G |

Summary of Requirements by Object Class

K. Summary of Requirements by Object Class

Antitrust Division Salaries and Expenses (Dollars in Thousands)

1,516 10,360 990 500 26 546 -10,360 -7,629 2.731 Increase/Decrease Amount Direct 10,500 1,026 22,046 1,800 800 22,567 200 1,200 30,000 250 866,67 700 300 100 100 8 8 200 50 67,622 64,977 164,977 FY 2016 Request Amount 7 0 Direct 654 1,000 1,800 40,360 2,500 10,000 77,882 21,900 1,200 8 용 000 90, 66,632 250 172,606 -10,360 162,246 FY 2015 Enacted Amount 354 0 Direct 19,874 1,879 2,298 3,112 -8,914 -2,792 16,360 62,132 253 71,448 21,850 435 29,291 629 1,333 55,746 160,400 Amount FY 2014 Actual Ad. FTE 000 598 598 Total Total Obligations **Total Direct Requirements** 23.3 - Communications, utilities, and miscellaneous charges 25.3 - Other goods and services from federal sources 25.7 - Operation and maintenance of equipment 25.2 - Other services from non-federal sources 25.4 - Operation and maintenance of facilities Subtract - Unobligated Balance, Start-of-Year 11.8 - Special personal services payments 21.0 - Travel and transportation of persons Object Class 25.1 - Advisory and assistance services 42.0 - Insurance claims and indemnities Add - Unobligated End-of-Year, Available Add - Unobligated End-of-Year, Expiring 11.5 - Other personnel compensation 11.3 - Other than full-time permanent Subtract - Transfers/Reprogramming 13.0 - Benefits for former personnel 12.1 - Civilian personnel benefits 23.2 - Rental payments to others 24.0 - Printing and reproduction 23.1 - Rental payments to GSA 22.0 - Transportation of things Other Compensation Subtract - Recoveries/Refunds 26.0 - Supplies and materials 11.1 - Full-time permanent 32.0 - Land and structures Other Object Classes Full-Time Permanent 25.6 - Medical care Overtime Reimbursable FTE 31.0 - Equipment

Exhibit K - Summary of Requirements by Object Class

UNITED STATES DEPARTMENT OF JUSTICE

UNITED STATES ATTORNEYS

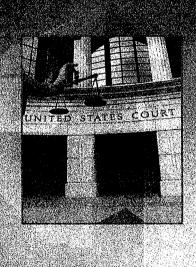


FY 2016 PERFORMANCE BUDGET CONGRESSIONAL SUBMISSION

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I. Overview of the United States Attorneys

A. Introduction

The United States Attorneys' mission as the nation's principal litigators supports three of the Department of Justice's strategic goals - (1) to prevent terrorism and promote the nation's security consistent with the rule of law, (2) to prevent crime, protect the rights of the American people, and enforce federal law, and (3) ensure and support the fair, impartial, efficient, and transparent administration of justice at the federal, state, local, tribal and international levels. In FY 2016, the United States Attorneys' request \$2,032,216,000 and 10,851 positions, of which 5,544 are attorneys. The budget request includes the following program increases: \$15,000,000 to expand prevention, and reentry programs associated with the Smart on Crime initiative; \$10,000,000 and 94 positions for the Smart on Crime initiative; \$6,086,000 and 60 positions (including 30 attorneys) to combat cybercrime; and \$6,940,000 and 60 positions (including 60 attorneys) for civil rights prosecutions.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the internet using the internet address: http://www.justice.gov/02organizations/bpp.htm.

The United States Attorneys serve as the nation's principal litigators. In response to the mandates of the Constitution that required establishment of a system of federal courts, Congress enacted the Judiciary Act of 1789 directing the President to appoint, in each federal district, "a person learned in the law to act as an attorney for the United States." Before 1870, the United States Attorneys acted independently, but since then they have worked under the direction of the U.S. Department of Justice.

There are 94 United States Attorneys' offices (USAOs) located throughout the United States, Puerto Rico, the Virgin Islands. Guam, and the Northern Mariana Islands. The 93 United States Attorneys (Guam and the Northern Mariana Islands are under the direction of a single United States Attorney) are appointed by, and serve at the discretion of, the President of the United States, with the advice and consent of the United States Senate. The map on page 3 depicts the current district and branch office locations of each United States Attorney's Office.

The United States Attorneys report to the Attorney General through the Deputy Attorney General. Each United States 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; and the handling of criminal and civil appellate cases before United States Courts of Appeals. The United States Attorneys and Assistant United States Attorneys (AUSAs) represent the interests of the United States in cities, towns, and communities across the country. Through their hard work and dedication, justice is served throughout the nation.

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The USAOs conduct most of the trial work in which the United States is a party. Although caseloads vary by districts, each USAO has a diverse docket of cases and a mix of simple and complex litigation. Each United States Attorney exercises wide discretion in the use of his or her resources to further local priorities and serve community needs. The USAOs also play a key role in the development and implementation of the Department's Smart on Crime initiative. a comprehensive review of the criminal justice system.

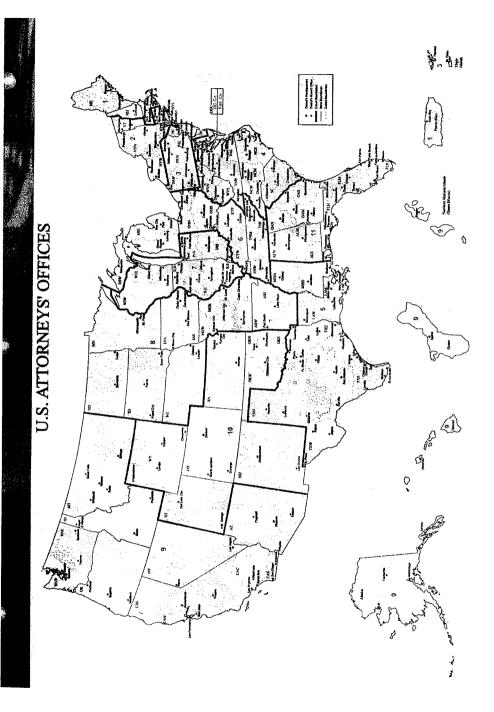
The Attorney General's Advisory Committee of United States Attorneys
United States Attorneys provide advice and counsel to the Attorney General and senior policy
leadership through the Attorney General's Advisory Committee (AGAC) and its various
subcommittees and working groups. The AGAC was established in 1973, to give United States
Attorneys a voice in Department policies and to advise the Attorney General. The Committee is
comprised of approximately 19 members, including 16 United States Attorneys, a Criminal
Chief, a Civil Chief, and an Appellate Chief. The Committee members meet regularly with the
Deputy Attorney General and Attorney General, and represent various federal judicial circuits,
and offices. The AGAC has subcommittees and working groups to address the Administration's
priorities.

The subcommittees include:

- · Border and Immigration Law Enforcement
- · Civil Rights
- · Criminal Practice Subcommittee
- Cyber/Intellectual Property
- LECC/Victim/Community Issues
- · Native American Issues
- Office Management and Budget
- Terrorism/National Security
- Violent and Organized Crime
- White Collar/Fraud

The working groups include:

- Administrative Officers
- Appellate Chiefs
- · Child Exploitation and Obscenity
- Civil Chiefs
- · Controlled Substances and Asset Forfeiture
- · Criminal Chiefs
- Domestic Terrorism
- Environmental Issues
- Forensic Science
- Health Care Fraud
- Local Government Coordination
- Medical Marijuana
- Security
- · Service Members and Veterans Rights





Executive Office for the United States Attorneys

In 1953, Attorney General Order No. 8-53 established the Executive Office for United States Attorneys (EOUSA) to "provide general executive assistance and supervision to the offices of the United States Attorneys." One of the original directives instructed EOUSA to "serve as liaison, coordinator, and expediter with respect to the Offices of the United States Attorneys, and between these offices and other elements of the Department [of Justice]." Under the guidance of the Director of EOUSA, the staffs provide the 94 United States Attorneys' offices with general executive assistance and supervision; policy guidance; administrative management direction and oversight; operational support; and coordination with other components of the Department and other federal agencies. EOUSA's responsibilities encompass legal, budgetary, administrative, and personnel services, as well as continuing legal education. EOUSA provides support and assistance to approximately 11,600 employees in 250 staffed offices throughout the country. See Exhibit A for an organization chart of EOUSA. As depicted in the organization chart, specific offices and functions of EOUSA fall under the Director of EOUSA. EOUSA also has two Deputy Directors.

The following three program/functional areas fall under the direction of the Director: Resource Management and Planning, Information Technology, and Human Resources. The responsibilities of these program areas are outlined below:

The Chief Financial Officer (CFO) has responsibility for the following staffs: the Resource Management and Planning Staff (RMP); the Facilities and Support Services (FASS) Staff; and the Acquisitions Staff. The Resource Management and Planning Staff (RMP) is responsible for budget formulation, budget execution, financial management, audit reviews, and the detailee program. The CFO is a key advisor to the Director of EOUSA. The CFO also provides the Director of EOUSA with expert advice on an annual budget of approximately \$2 billion, full-time equivalent (FTE) allocations, and reimbursable agreements with the Department and other federal agencies. The RMP staff compiles resource needs and formulates an annual budget submission for presentation to the Department, the Office of Management and Budget (OMB), and Congress. It also manages the day-to-day financial operations through daily contact with the USAOs and through review of regular accountability reports. An internal Audit and Review Staff participates in evaluating internal controls in the USAOs and is also responsible for preparing districts for the annual independent federal financial audit. The Detailee Program Staff initiates and coordinates all detail assignments, both internal and external to our community. The Financial Systems Support Group (FSSG) provides financial systems support and expertise to the USAOs on all Departmental and EOUSA automated financial and accounting systems. RMP also develops performance measures for the United States Attorneys in accordance with the Government Performance and Results Act (GPRA) and coordinates quarterly status reporting and program assessments. The FASS Staff provides direct support and oversight of all USAOs in the areas of real property management, including space acquisition, relocation, design, repair, and management of rent payments. Support services include forms management, printing, and mail metering. The Acquisitions Staff supports both EOUSA



and the USAOs by issuing contracts for supplies/services nationwide in compliance with applicable federal, departmental, and other regulations, polices, and procedures.

- The Chief Information Officer (CIO) is responsible for providing advice and assistance to the Director of EOUSA and the senior staff to ensure that Information Technology (IT) is acquired and managed according to Department and EOUSA policies and procedures. The CIO directs and manages the following staffs: The Case Management Staff provides case management systems. The Office Automation Staff supports the purchase and installation of computer systems, equipment and software, maintenance of hardware and software, and end-user training. The Telecommunications and Technology Development Staff provides administrative and technical support to the USAOs in all telecommunications activities. including voice, data and video. The Information Security Staff ensures the confidentiality, integrity, and availability of information and information systems to best support the mission of the United States Attorneys. The Records Information Management Staff coordinates and oversees electronic records and document management capabilities of all USAOs. The Enterprise Voice-over Internet Protocol (EVoIP) Staff implements and maintains the next generation telephone service/system that integrates into the computer system, creating a more effective method of communication to maximize return on investment and contribute to the mission statement of the United States Attorneys organization at approximately 250 sites worldwide.
- The Human Resources Staff assists EOUSA and the USAOs by providing employment services in such areas as position classifications, staffing, compensation, employee benefits, performance management, pre-employment security, and employee assistance. Staff members are responsible for policy, guidance, personnel actions, training, resources, and initiatives related to these programs and activities. The Security Programs Staff provides security program support for the USAOs, including policy and procedural assistance, training, education and awareness efforts, and emergency and contingency planning.

The Deputy Director and Counsel to the Director oversees the Office of Legal and Victim. Programs; the Strategic Communications Staff; the Data Integrity and Analysis Staff and the Evaluation and Review Staff. The functions of these units are outlined below:

• The Office of Legal and Victim Programs (OLVP) includes four staffs: Asset Recovery, White Collar and Civil Litigation, Victim-Witness and Indian, Violent and Cyber Crimes. The Asset Recovery Staff (ARS) supports the collection and enforcement efforts of district financial litigation programs, asset forfeiture programs and bankruptcy. ARS assists in the development of financial litigation policy, development and implementation of procedures and programs, and provides liaison functions within the Department and with outside agencies. The White Collar and Civil Litigation Staff (WCCL) provides guidance and support to the USAOs in the areas of health care fraud, white collar crime and civil defensive litigation and assist in the development of national policies and initiatives. In addition, WCCL coordinates the activities of the Affirmative Civil Enforcement Program, which uses civil statutes for federal law enforcement efforts in fighting economic fraud.



The Victim-Witness Staff (VWS) provides guidance and support for personnel in the USAOs who handle victim notification, explain to victims the criminal justice process, prepare victims and witnesses for testimony and allocution, coordinate and accompany victims and witnesses to court proceedings, and provide victims with service referrals and emergency assistance. Victims' rights have taken on new importance since the passage of the Crime Victims' Rights Act of 2004, which provided victims with enumerated rights and, for the first time at the federal level, the mechanisms to enforce their rights. Victims are now playing a more central role in the criminal process and exercising their rights in greater numbers than ever before. In addition, the VWS provides guidance and support to the USAOs in both civil and criminal Civil Rights issues. The Indian, Violent and Cyber Crimes Staff (IVCC) provides guidance and support to the USAOs in the areas of Native American issues, computer crime and intellectual property, immigration and border security, violent crime and gangs, and narcoties. The staff also provides management support for Project Safe Neighborhoods and Project Safe Childhood.

- The Strategic Communications Staff (SCS) supports EOUSA and the USAOs in the areas of external and internal communications, digital engagement, and multimedia, and conducts the EOUSA awards program. Working closely with the Department's Office of Public Affairs, SCS provides support on public affairs and media issues related to the United States Attorneys' offices. SCS also manages digital engagement at EOUSA, which provides web content and social media management, development, and support for EOUSA and the USAOs; and multimedia support, through photography, audio/visual productions, and graphic design. In coordination with the Department's Programs & Events Office, SCS also administers the EOUSA awards program, which provides a forum to nominate EOUSA and USAO employees for internal and external awards such as the Attorney General's Awards.
- The Data Integrity and Analysis Staff is the primary source of statistical information and analysis for EOUSA. The staff provides data and analysis to EOUSA allowing them to



respond to requests from, the Department, the White House, Congress, and the public. The staff also provides the United States Attorneys' community comprehensive quarterly analysis of work-year, caseload and workload information and produces the United States Attorneys' Annual Statistical Report. During FY 2014, the Data Analysis Staff responded to 7,555 requests for statistical, narrative and analytical information. In FY 2016, the United States Attorneys' community will continue to assess data analysis capabilities to identify cost-effective crime

reduction strategies.

Evaluation and Review Staff: EOUSA is required under 28 C.F.R. Part 0.22 to evaluate the
performance of the USAOs, to make appropriate reports, and to take corrective actions if
necessary. An evaluation program enables EOUSA to fulfill this responsibility. In meeting

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these regulatory and statutory requirements, the evaluation program provides on-site management assistance to United States Attorneys, as well as a forum for evaluators and the office being evaluated to share information and innovative ideas. The feedback provided to EOUSA and the Department assists in planning improvements to USAO operations.

The **Deputy Director for Legal Management** provides managerial guidance to the following offices and staffs:

• The Office of Legal Education (OLE) develops, conducts, and authorizes the training of all federal legal personnel. OLE coordinates legal education and attorney training for the Department of Justice, other federal departments and agencies, as well as state and local law enforcement. OLE is a separate decision unit of the budget and its functions and mission, which are largely completed at the National Advocacy Center (NAC) in Columbia, South Carolina, are discussed in greater detail in Section IV.



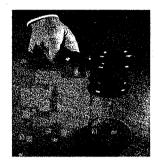
- The Freedom of Information and Privacy Act (FOIA) Staff processes all FOIA and
 Privacy Act requests for records located throughout EOUSA and the USAOs, provides legal
 guidance to the USAOs concerning FOIA/Privacy Act issues, represents them in
 administrative appeals, and assists AUSAs and Department of Justice attorneys in litigation
 in federal courts by providing draft pleadings and preparing legal documents.
- The Equal Employment Opportunity and Diversity Management (EEO/DM) Staff
 which provides centralized leadership, coordination, and evaluation of all equal employment
 efforts within EOUSA and the USAOs is comprised of two components Complaint
 Processing and Affirmative Employment/ Special Emphasis Programs. The EEO mission
 supports the USAOs and EOUSA by providing timely and impartial customer service in the
 areas of conflict resolution; EEO complaint processing; civil rights policy development and
 training; language assistance plans; and diversity management through training, outreach,
 and recruitment.
- The General Counsel's Office (GCO) provides advice to the USAOs and EOUSA on a
 broad array of legal and ethical issues. The GCO provides guidance to USAOs and EOUSA
 personnel regarding ethics and standards of conduct matters including conflicts of interest,
 recusals, outside activities, gifts and financial disclosures. allegations of misconduct,
 personnel legal issues, discovery requests and compliance with subpoenas. The GCO is also
 responsible for the employee relations programs of EOUSA and the USAOs.

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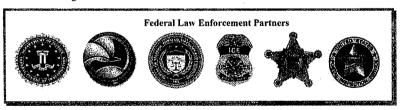


CRIMINAL PROSECUTIONS

The USAOs investigate and prosecute the vast majority of criminal cases brought by the federal government — representing an incredibly diverse workload. The types of cases include international and domestic terrorism; immigration; child exploitation and obscenity; firearms and violent crime; identity theft; public corruption; procurement, securities and mortgage fraud; gangs and organized crime; drug enforcement; human trafficking; and criminal civil rights. Many of these cases involve multiple defendants and are extremely complex. The nature of today's crimes has required the United States Attorneys to become conversant in a wide range of fields, such as banking and health care, computer technology, securities, foreign cultures and languages, and manufacturing processes affected by environmental and other federal regulations.



The United States Attorneys receive most of their criminal referrals, or "matters," from federal investigative agencies, including the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the United States Immigration and Customs Enforcement (ICE), the United States Secret Service, and the United States Postal Inspection Service. The USAOs also receive criminal matters from state and local investigative agencies, as well as violations reported by private citizens. Following careful consideration of each criminal matter, the United States Attorneys decide the appropriateness of bringing criminal charges and, when deemed appropriate, initiate prosecution. Except for misdemeanor offenses and instances in which an alleged offender waives the right to a grand jury indictment, the United States Attorneys present evidence against an alleged offender to a grand jury. The grand jury then decides whether to return an indictment and, if so, the United States Attorney then presents the criminal charges in open court at the defendant's arraignment.





Although historically a large number of criminal defendants have pled guilty prior to trial, a United States Attorney must always fully investigate the crime, prepare the charging document, and be ready to go to trial. Careful and consistent preparation for trial minimizes the risk of dismissal for noncompliance with the Speedy Trial Act and strengthens the government's position in negotiations with defense counsel for a guilty plea. Pre-trial discovery practice also strengthens the government's position. When a defendant does not plead guilty, a trial is necessary. The United States Attorney then presents factual evidence to the jury, or to the judge in a non-jury (bench) trial. If the defendant is convicted, the United States Attorney must prepare and present evidence at the defendant's sentencing hearing and defend the conviction at post-trial hearings and on appeal. The USAOs handle most criminal appeals at the intermediate appellate level. After filing an appellate brief, the United States Attorney may be required to participate in oral argument before a United States Court of Appeals. If there is a further appeal, the United States Attorney may be called upon to assist the Solicitor General in preparing the case for review by the United States Supreme Court.

CIVIL LITIGATION

The United States Attorneys initiate civil actions, referred to as affirmative litigation, to assert and protect the United States' interests. They also defend the United States' interests in lawsuits filed against the government, referred to as defensive civil litigation. In other civil cases, the United States is a third party, creditor, or intervener, such as representing the government's interests in bankruptcy actions.

Examples of affirmative litigation include civil actions brought to: enforce the nation's environmental, admiralty, and civil rights laws; recoup money and recover damages resulting from federal program and other fraud; enforce administrative summonses; and forfeit assets seized by federal, state, and local law enforcement.

Defensive litigation includes actions seeking monetary damages for alleged torts, contract violations, and discrimination by the United States, its agents and its employees. It also includes defending: suits challenging government administrative actions, including Social Security disability determinations; habeas corpus petitions; and constitutional challenges to statutes and other federal policies. The USAOs represent and defend the government in its many roles – as employer, regulator, law enforcer, medical care provider, revenue collector, contractor, procurer, property owner, judicial and correctional systems managers, and administrator of federal benefits. When the United States is sued, the Department of Justice must be its legal representative.

Civil defensive work is unique because it is non-discretionary and non-delegable. Unlike criminal matters, civil defensive cases cannot be declined to manage or reduce an office's caseload. All cases filed against the United States, its agencies, and employees in their official capacities must be defended.



CRIMINAL AND CIVIL APPEALS

Appeals are generally time-consuming, requiring a thorough review of the entire record in the case, the filing of a brief and reply brief, and, in many cases, participation in oral argument before the Court of Appeals in the city where the circuit is based. Furthermore, the complexity of appellate work and the time required to handle that work increases when convictions are based on complex facts, such as those commonly found in cases involving drug trafficking, organized crime, financial and mortgage fraud, and public corruption. The appellate workload of the United States Attorneys fluctuates due to appeals and post-sentencing motions prompted by Supreme Court rulings, legislative changes, and amendments to the United States Sentencing Guidelines (Guidelines). For example, in FY 2008, the Guidelines were amended to increase the amount of crack cocaine needed to trigger higher offense levels.

CRIMINAL AND CIVIL DEBT COLLECTION

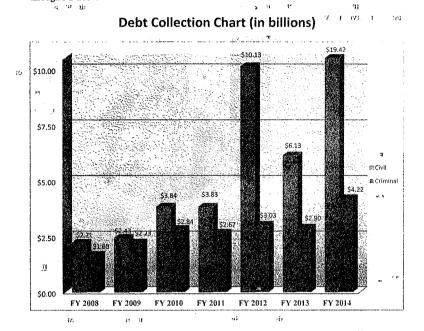
The USAOs are responsible for collecting both criminal and civil debt for the federal government. Each USAO has a Financial Litigation Unit (FLU) responsible for criminal and civil debt collection activities as well as an Affirmative Civil Enforcement staff devoted to civil debt collection.

Debts are incurred by a criminal defendant when the defendant is sentenced by the court. These debts may be in the form of restitution to crime victims, fines imposed by the court, special assessments on each criminal conviction count, costs of prosecution and other costs, or forfeitures of appearance bonds. Interest may also be collected in certain cases. When restitution is ordered, the USAOs are involved in collecting federal restitution payments, or restitution which is owed to the United States, and in collecting non-federal restitution, or that which is owed to private individuals and entities. As a result of the Mandatory Victims Restitution Act (MVRA), courts must impose monetary restitution orders in all violent crimes and most property crimes, regardless of a defendant's ability to pay restitution. United States Attorneys are required to enforce restitution orders on behalf of all federal crime victims.

The United States Attorneys are also the legal representatives for other federal agencies to pursue repayment of debts. For example, when federal agencies lend money and the recipients default on repayment, or when federal agencies have paid on guaranteed loans that have not been repaid as provided for in the lending agreement, the United States Attorneys pursue repayment of the debt. The Departments of Agriculture, Education, Health and Human Services, Housing and Urban Development, Transportation, Veterans Affairs, and the Small Business Administration are some of these client agencies. The United States Attorneys file suit to obtain judgments to collect debts, foreclose on real property, compel physicians to repay or fulfill their commitment to the Public Health Service in return for education grants, sue to set aside fraudulent transfers of property which could be used to satisfy defaulted loans, and manage debtor repayment schedules.



The table below illustrates the significant amount of debts collected each year from FY 2008 through FY 2014.



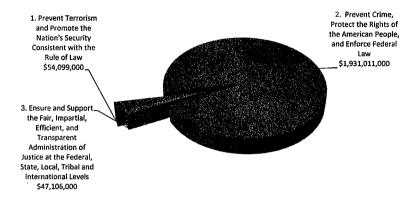
In FY 2014, the USAOs collected \$23.6 billion in criminal and civil debts. Of the total debts collected, USAOs recovered (1) \$4.2 billion in criminal debts; and (2) \$19.4 billion in civil debts. The United States Attorneys' FY 2014 collection efforts, handled by a very small percentage of the total workforce, returned to the Treasury over twelve times the \$1.94 billion appropriated in the FY 2014 budget for the entire United States Attorneys' community.



B. Issues, Outcomes, and Strategies

The following chart and descriptions are a brief summary of the Department's Strategic Goals and Objectives in which the United States Attorneys play a role.

FY 2016 Total Request by DOJ Strategic Goal



DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law (\$54,099,000)

- Prosecute those involved in terrorist acts (1.2).
- Combat cyber-based threats and attacks through the use of all available tools, strong
 public-private partnership, and the investigation and prosecution of cyber threat
 actors (1.4).

DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law (\$1,931,011,000)

- Combat the threat, incidence, and prevalence of violent crime by leveraging strategic
 partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms
 traffickers (2.1).
- Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims (2.2).
- Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs (2.3).



- Investigate and prosecute corruption, economic crimes, and transnational organized crime (2.4).
- Promote and protect American civil rights by preventing and prosecuting discriminatory practices (2.5).
- Protect the federal fisc and defend the interests of the United States (2.6).

<u>DOJ Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels (\$47,106,000)</u>

- Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors, and defenders, through innovative leadership and programs (3.1).
- Reform and strengthen America's criminal justice system by targeting only the most serious offenses for federal prosecution, expanding the use of diversion programs, and aiding inmates in reentering society (3:4).
- Strengthen the government-to-government relationship between tribes and the United States, improve public safety in Indian Country, and honor treaty and trust responsibilities through consistent, coordinated policies, activities, and litigation (3.8).

USAO Success Story

- Combatting Violent and Organized Crime -

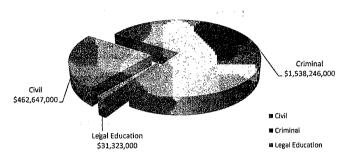
The United States Attorney's Office for the District of Massachusetts successfully brought to justice James J. "Whitey" Bulger, a notorious mob boss whose Winter Hill Gang terrorized South Boston and its surrounding areas during hie 1970s and '80s. In order to generate money and maintain dominance over other criminal enterprises. Bulger and his associates engaged in numerous illegal activities stehr as logistraking, extortion of local business owners and bookmakers, trafficking of nardottes and firearms, and murder. Bulger, and associates under his direction, used violence, threats, and intimidation to carry out these illegal activities. Bulger was responsible for the murders of at least 11 victims. Fearing an impending indictment in 1994. Bulger fled Massachusetts. After more than 16 years on the run, he was finally apprehended in California in 2011. After a two-month trial, on August 23, 2013, a jury found Bulger guilty of racketeering conspiracy and numerous racketeering acts of murder, extortion, narcottes distribution, money laundering, and possession of firearms including machineguns. At his sentencing on November 14, 2013, U.S. District Court Judge Denise J. Casper sentenced Bulger to two consecutive life terms plus five years, and \$19.5 million in restitution, During the sentencing ficearing, Judge Casper fold Bulger. "The scope, the callousness, the depravity of your crimes, is almost unfathomable."



C. Full Program Costs

The United States Attorneys' \$2,032,216,000 budget request for FY 2016 is divided into three decision units: criminal, civil. and legal education.

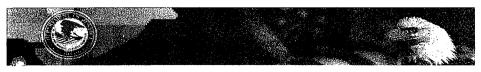
FY 2016 Budget Request by Decision Unit



Some programs, as well as management and administration costs, cross decision units. The performance and resource tables for each decision unit reflect the total costs of achieving the strategies that the United States Attorneys will employ in FY 2016. The various resource and performance charts incorporate the costs of lower level strategies which also contribute to the achievement of objectives, but which may not be highlighted in detail in order to provide a concise narrative. Also included are the indirect costs of continuing activities, which are central to the operations of each decision unit. This request will fund the United States Attorneys' role in supporting the Department's Strategic Plan. We will continue to provide federal leadership in preventing and controlling crime and seeking just punishment of those guilty of unlawful behavior.

D. Performance Challenges

The challenges that impede progress toward the achievement of agency goals are complex and ever-changing. National security continues to be our highest priority. In addition, the current economic climate requires that the United States Attorneys' community to continue to focus attention on financial fraud, including corporate fraud, securities fraud, and mortgage fraud. Technological developments and criminal behavior are factors that broadly impact law enforcement practices and pose challenges that demand attention.



External Challenges

The United States Attorneys, as with other agencies throughout the entire federal government, continue to face external challenges.

Coordination activities with federal, state, and local agencies involve non-traditional roles for AUSAs and present challenges as we continue to lead efforts in areas such as combating terrorism, financial and mortgage fraud, border enforcement, gun violence reduction, disrupting and dismantling drug organizations, and child exploitation. In FY 2016, the United States Attorneys will continue to expand community outreach and engagement efforts.

In addition, the economy and emerging criminal activities present external challenges. Downturns in the economy often correlate with increases in criminal activity, especially financial fraud. Fraud schemes, which have become more sophisticated over time, are continually evolving as a result of technological changes and in response to law enforcement efforts. The USAOs and their investigative partners must identify developing trends in economic crime and technology and adapt accordingly.

USAO Success Story - Indian Country -

Over the last four and one-half years, United States Attorneys' offices with responsibility for Indian County prosecutions have seen their caseload of prosecutions for crimes committed on tribal lands increase. increase shows the fruits of our labor since the Department of Justice implemented the Indian Country Law Enforcement Initiative in January 2010. The districts focused on fully. leveraging vital partnerships with tribal, local. and state agencies to address violent crime and victimization in tribal communities. The increase in prosecutions of Indian Country crime is the direct result of the many initiatives led by United States Attorney's Offices across the country, including strategies that place federal prosecutors on the reservations on a frequent basis to enhance criminal investigations and communication.

There have been a number of issues recently that have demonstrated the challenges facing the USAOs. With the events in Ferguson, Missouri, and New York City, the United States Attorneys have been called on to address potential civil rights issues at local law enforcement agencies with whom they must partner with every day to prosecute cases. In other cities, such as Cleveland, the Department is addressing "pattern and practice" civil rights violations. In addition, the USAOs have had to develop protocols, procedures and relationships to address the surge of immigration of unaccompanied alien children entering the country illegally from Central and South America. Changing conditions as a result of the President's Executive Order on immigration will also impact United States Attorney immigration priorities. Finally, with the resulting backlash from the exposure of NSA surveillance of U.S. citizens, the tech industry has created significant obstacles to the effective investigation of crime involving computers, cell phones and other devices, such as advanced encryption and the disclosure of subpoenas provided to internet service providers. These challenges require the United States Attorney's offices to maintain a flexible and adaptable workforce to address both local issues with national implications, as well as national priorities.



We will continue to focus on areas within our spheres of influence and control, concentrating on coordination efforts with federal, state, tribal, and local agencies, and ensuring that our workforce is trained for emerging and complex issues.

Internal Challenges

One internal challenge to the United States Attorneys' community is keeping the workforce flexible and adaptable. Over the past few years, terrorism, financial and mortgage fraud, violent crime and gangs, immigration, internet-related crime, and child exploitation have emerged as important national priorities. As technology increases the pace at which criminal activity changes, we must ensure that our workforce is trained and equipped to respond. Training is provided through the Office of Legal Education to ensure that attorneys and support staff have the necessary expertise in these areas. In addition, regular review and monitoring of case work, resources, technology, and other needs are essential to continued responsiveness.



II. Summary of Program Changes

In FY 2016, the United States Attorneys' budget request is \$2,032,216,000, which includes the following program changes: 214 positions (including 90 attorneys), 107 FTE, and \$38,026,000 in program increases; and \$4,673,000 in program offsets. The following program changes are outlined in the chart below:

| 200 | | | | | |
|--|---|------|-----|---------|------|
| Item Name | Description | | | | Page |
| | | | | Dollars | |
| | Porpose | Pos. | FTE | (\$000) | |
| 14 - 7 14 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - | These resources will allow the 94 | | | | į |
| Expand Prevention | districts to develop programs that are | | | 4 | |
| and Reentry | specifically tailored to addressing the | | | | |
| Programs | pressing needs of their communities. | 0 | 0 | 15,000 | 45 |
| | Being smart on crime is ensuring that | | | | |
| | every district has a dedicated | | | | |
| | Prevention and Reentry Coordinator | | | | ! |
| D | to work hand-in-hand with law | | | 11 | |
| Prevention and | enforcement, the courts, and | | | | |
| Reentry | community partners to promote a fair | | | | |
| Coordinators | equitable justice system. | 94 | 47 | 10,000 | 50 |
| | These resources will support the | | | | |
| | investigation and prosecution of | | | | |
| | cyber threats, and provide the training | | | | |
| | on cybercrime and digital evidence | | | | |
| 0.3 | needed for USAOs to be able to | | | | |
| Cybercrime Prosecutions | analyze and present digital evidence | | | | |
| Prosecutions | across all types of criminal cases. | 60 | 30 | 6,086 | 54 |
| Citati Diaka | These resources will support civil and | | | | |
| Civil Rights Prosecutions | criminal civil rights prosecutions in | | | | |
| rrosecutions | the USAOs. | 60 | 30 | 6,940 | 63 |
| Program and/or | Program and administrative | | | | |
| Administrative | reductions to be identified once funds | | | | |
| Savings | are appropriated. | 0 | 0 | -4,678 | 70 |
| TOTAL | | 214 | 105 | 22.252 | |
| IUIAL | | 214 | 107 | 33,353 | I |



III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, including intergovernmental and cooperative agreements, [\$1,960,000,000] \$2,032,216,000: Provided, That of the total amount appropriated, not to exceed \$7,200 shall be available for official reception and representation expenses: Provided further, That not to exceed \$25,000,000 shall remain available until expended [Provided further. That each United States Attorney shall establish or participate in a United States Attorney-led task force on human trafficking].

Analysis

The FY 2016 request proposes to delete language requiring each United States Attorney to establish or participate in a United States Attorney-led human trafficking task force. The United States Attorneys have established task forces and remain committed to enforcing Anti-Human Trafficking Laws.



IV. Program Activity Justification

A. Criminal

| Criminal Litigation | Direct Pos. | Estimated FTE | Amount |
|---|----------------|------------------|---------------|
| 2014 Enacted | 8,093 | 6,959 | 1,464,362,000 |
| 2015 Enacted | 8,105 | 7,438 | 1,473,799,000 |
| Adjustments to Base and Technical Adjustments | 0 | 6 | 33,779,000 |
| 2016 Current Services | 8,105 | 7,444 | 1,507,578,000 |
| 2016 Program Increases | 178 | 89 | 33,966,000 |
| 2016 Program Decrease | . 0 | 0 | -3,298,000 |
| 2016 Request | 8,283 | 7,533 | 1,538,246,000 |
| Total Change 2015-2016 | 178 | 95 | 64,447,000 |

| Criminal Litigation Information Technology Breakout | Perm. Pos. | FTE | Amount |
|--|---------------|-----|-------------|
| 2014 Enacted | 344 | 344 | 121,990,000 |
| 2015 Enacted | 344 | 344 | 121,441,000 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 6,919,000 |
| 2016 Current Services | 344 | 344 | 128,360,000 |
| 2016 Request | 344 | 344 | 128,360,000 |
| Total Change 2015-2016 | 0 | 0 | 6,919,000 |

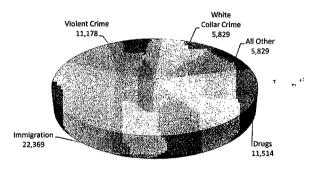


1. Program Description-Criminal Program Activity

The USAOs investigate and prosecute the vast majority of criminal cases brought by the federal government. Criminal caseloads include: cases in international and domestic terrorism, immigration and border security, firearms and gangs, child exploitation and obscenity, complex fraud (including health care fraud, financial and mortgage fraud and computer fraud), environmental crime, public corruption, organized crime, drug enforcement, civil rights violations, human trafficking and cases involving multiple defendants and international organizations.

The USAOs receive most of their criminal referrals, or "matters," from federal investigative agencies or become aware of criminal activities in the course of investigating or prosecuting other cases. They also receive criminal matters from state and local investigative agencies, as well as those reported to the USAOs by citizens. After careful consideration of each criminal matter, the United States Attorney decides the appropriateness of bringing criminal charges and initiates prosecution.

Criminal Workload FY 2014 Felony Cases Filed - 56,218



During FY 2014, the USAOs filed 56,218 felony criminal cases against 74,379 defendants in United States District Court. The number of new cases filed decreased by approximately more than ten percent from FY 2008 to FY 2014 – declining from 63,042 cases to 56,218. A total of 59,555 cases against 80,174 defendants were closed during FY 2014. Of the 80,174 defendants whose cases were closed, 92.8 percent or 74,392, either pled guilty or were found guilty. Of these, 59,401 received prison sentences, and 126 guilty defendants received sentences of life imprisonment. The rate of convicted defendants who received prison sentences has been approximately 80 percent over the last five years.



USAO Success Story & Border and Immigration

In December of 2015. Espiridion Pablo Madrigal, of Mexico, was sentenced to ten and one-half years. Abel Doncel de la Tarre Gonzalez, of Mexico, was sentenced to seven years, and Luis Bretado-Arapetti also of Mexico, was sentenced to six years in prison for their role in a Justinger taking and human smuggling case. All three had been indicted on June 12, 2013 on charges of hostage taking, conspiracy to commit hostage taking, and using, carrying and brandishing a firearm during and in relation to a crime of violence. The prosecution was handled by the USAO in the District of Arizonax.

USAO Success Story

in June 2014, the Western District of Pennsylvania orchestrated the disruption of the Gameover Zeus bothet. Gameover Zeus bathet an extremely sophisticated type of ingligare designed to steal banking and other credentials from the computers it infects. Unknown to their rightful owners, the infected computers also secretly become part of a global network of compromised computers known as a "bothet" a powerful online tool that cyber criminals can itse for numerous criminal purposes besides stealing confidential information from the infected machines themselves. Security researchers estimated that between 500,000 and one million computers worldwide were infected with Gameover Zeus, and that approximately 25 percent of the infected computers were located in the United States. The FBI estimated that Gameover Zeus was responsible for more than \$100 million in losses. The operation required a multi-national law enforcement effort.

| | | PERF | ORMAN | CE AND | RESOUR | PERFORMANCE AND RESOURCES TABLE | 31.E | | | | | |
|---|---|---|-------|-----------|--------|---------------------------------|-------|-----------|--------------------------------------|---|---------|-------------------|
| Decision Un | Decision Unit: Criminal | | | | | | | | | | | |
| RESOURCES | S | | 12 | Target | Ac | Actual | Proj | Projected | Cha | Changes | Reques | Requested (Total) |
| | | | ΕÝ | FY 2014 | ΡY | FY 2014 | FY | FY 2015 | Current Adjustm FY 2016 Gha | Current Services Adjustments and FY 2016 Program Changes | FY 2011 | FY 2016 Request |
| | | | FTE | \$000 | ᆵ | \$000 | 718 | \$000 | FTE | 000\$ | FTE | 000\$ |
| Total Costs and FTE (reimbursable FTE are i | and FTE FTE are included | Total Costs and FTE reinbursable costs are reimbursable costs are | 7,432 | 1,464,362 | 696'9 | 6,959 1,464,362 | 7,438 | 1,473,799 | 96 | 64,447 | 7,533 | 1,538,246 |
| pracketed and | bracketed and not included in the total) | ne total) | 1,136 | [254,206] | 1,095 | [239,206] | 1,136 | [269,175] | | ٥ | 1,136 | [269,175] |
| ТҮРЕ | STRATEGIC | PERFORMANCE | FY | FY 2014 | À | FY 2014 | FY | FY 2015 | Current Adjustm FY 2016 Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | | | | | | | | | | | |
| Program Activity | 1.2 | Terrorism/Terrorist-Related | 345 | 51,056 | | | 345 | 51,056 | 0 | 0 | 345 | 51,056 |
| Performance Measure: Output | 2.1,2.2,2.3,2.4, 2.5,2.6,3.1,3.4, 3.8 | Number of Cases - Defendants Handled | 49 | 181,606 | 186 | 188,272 | 181 | 181,606 | | | 18: | 181,606 |
| Performance Measure: Efficiency | 2.1,2.2,2.3,2,4, 2.5,2.6,3.1,3.4, 3.8 | Total Defendants Terminated | 06 | 90,461 | 80 | 80,174 | 6 | 90.461 | | | 6 | 90.461 |
| Performance Measure: Outcome | 2.1,2.2,2.3,2.4, 2.5,2.6,3.1,3.4, 3.8 | | 83 | 83,860 | 74 | 74,392 | 83 | 83,860 | | | 8 | 83,860 |
| Performance Measure: Outcome | 2.1,2.2,2.3,2.4, 2.5,2.6,3.1,3.4, 3.8 | 21,22,23,24, 2.5,2.6,31,3.4, Percentage of Cases Favorably 3.8 Resolved | 06 | %00.06 | 26 | 92.65%- | 90. | %00.06 | | u. | 96 | %00.06 |

cases include hoax and financing cases, as well as the traditional domestic and international terrorism cases. Terrorism-related cases involve national securly/critical infrastructure, which Verification, Verification, and Limitations. Data is collected from the USA-5 monthly Resource Summary Report System, which summarizes the use of personnel resources are prosecuted against defendants whose cuminal conduct may or may on the letronist-related, but whose conduct affects national security or exposes critical infrastructure to potential terroist exploitation. You tole that the number of terroist convictions does not relict the range of prosecutional work performed by USAOs that results in disruption of terroist activity, and other variety that does not result in crimial prosecutions because of intelligence gathering and other national security considerations. clerks in each district. Attorneys and support personnel are responsible for ensuring that local procedures are followed for maintaining the integrity of the data in the system. Terrorism allocated to USAOs. Data is also taken from the United States Attorneys' central Case Management System, which contains district information including criminal matters, cases, and appeals. The USAOs are required to submit bi-annually case data certifications to EOUSA. The data is reviewed by knowledgeable personnel such as supervisory attorneys and legal

| | | PERF | PERFORMANCE MEASURE TABLE | E MEASI | JRE TABI | щ | | | | |
|---|-------------------------|---|---------------------------|---------|----------|---------|------------|---------|--------|---------|
| | Decision Unit: Criminal | Criminal | | | | | | | | |
| · | Performance F | Performance Report and Performance Plan Targets | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | | FY 2016 |
| Strategic Objective | | • | Actual | Actual | Actual | Actual | Target Act | Target | - | Target |
| 1.2;2.1,2.2,2.3,2.4, 2.5,2.6;3.1, 3,4, 3.8 | Performance Measure | Total Defendants Terminaled | 88,369 | 90,461 | 87,709 | 82,092 | 90,461 | 06 | 90,461 | 90,461 |
| 1.2;2.1,2.2,2.3,2.4, 2.5;2.6;3.1, 3.4, 3.8 | Performance Measure | Total Defendants Guilty | 81,934 | 83,360 | 80,963 | 75,718 | 83,860 = 3 | 83, | 83,860 | 83,860 |
| 1.2;2.1,2.2,2.3,2.4, 2.5,2.6;3.1, 3.4, 3.8 | OUTCOME Measure | Percentage of Cases Favorably Resolved | 92.7% | 92.7% | 92.0% | . 92.0% | 90.0% | | %0:06 | 90.0% |
| | N/A = Data unavailable | able | | | | | | | | |



3. Performance, Resources, and Strategies

The Criminal Decision Unit contributes to the following Department's Strategic Goals:

Goal I: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law. Within this goal, the decision unit's resources address the Department's Strategic Objective: 1.2 - Prosecute those involved in terrorist acts; 1.4 - Combat cyber-based threat and attacks through the use of all available tools. strong public-private partnership, and the investigation and prosecution of cyber threat actors.

Goal II: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. Within this goal, the decision unit's resources address six of the Department's Strategic Objectives: 2.1 - Combat the threat, incidence, and prevalence of violent crime; 2.2 - Prevent, and intervene in crimes against vulnerable populations; uphold the rights of, and improve services to, America's crime victims; 2.3 - Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs: 2.4 - Combat corruption, economic crimes, and international organized crime; 2.5 - Promote and protect Americans' civil rights; and 2.6 - Protect the federal fise and defend the interests of the United States.

Goal III: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels. Within this goal, the decision unit's resources address the Department's Strategic Objectives: 3.1 - Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors, and defenders, through innovative leadership and programs; 3.4 - Reform and strengthen America's criminal justice system by targeting only the most serious offenses for federal prosecution, expanding the use of diversion programs, and aiding inmates in reentering society; 3.8 - Strengthen the government-to-government relationship between tribes and the United States, improve public safety in Indian Country, and honor treaty and trust responsibilities through consistent, coordinated policies, activities, and litigation.

a. Performance Plan and Report for Outcomes

In the criminal area, the performance measure for the United States Attorneys is the percentage of criminal cases favorably resolved.

The United States Attorneys play a vital role in the development and implementation of the Department's Smart on Crime initiative, a comprehensive review of the criminal justice system in order to identify reforms that would ensure federal laws are enforced more fairly and efficiently. Smart on Crime directs USAOs to address crime in the full context in which it occurs. This requires USAOs to take some degree of responsibility not only for criminal prosecution, but for prevention, reentry, diversion, and community outreach and engagement of all kinds. Criminal prosecutions, of course, are and will remain the backbone of USAO activity. Successful federal investigations and prosecutions bring justice to victims and a sense of stability and security to the communities affected by crime. It is from this core work that the stature of



the USAO within the community and the United States Attorney's "convening authority" flows. But USAO efforts directed solely at case prosecution miss the larger context of crime and thus miss the opportunity to more comprehensively prevent future crime. USAO prevention, reentry, and community engagement efforts, when joined with coordinated and targeted prosecutions, can be extremely effective in improving public safety, building trust in law enforcement, and reducing recidivism over the longer term.

Currently, each USAO has designated a Prevention and Reentry Coordinator. For all but one USAO, the Coordinator position is a collateral duty, requiring the incumbent to attend to prevention, reentry, diversion, outreach or other such duties in addition to his or her other full time job obligations. The FY 2016 enhancement request would provide USAOs with the resources to hire new personnel to undertake the role of a dedicated Prevention and Reentry Coordinator, and provide USAOs with the necessary resources to implement Smart on Crime without exhausting other office resources.

Despite their currently limited resources, United States Attorneys have already begun to undertake this work as an important element of their larger public safety and community outreach mission. Their efforts have been both varied and widespread, as described below. These efforts could be greatly expanded with the requested additional resources.

- In November 2013 the USAO in Cleveland, OH hosted a summit of key community
 leaders to comprehensively address the heroin epidemic in Northern Ohio. Participants
 included the Cleveland Clinic and other health care providers, county government
 officials, the State Boards of Health and Pharmacy, and local, state, and federal
 prosecutors and law enforcement agencies. The summit resulted in a community action
 plan that calls for an education campaign to warn citizens of the dangers of heroin
 addiction and its connection to prescription drug abuse.
- In October 2013, the United States Attorney's Office in the Northern District of Alabama
 and the North Alabama Reentry Council sponsored a "Smart on Crime" reentry policy
 summit at Samford University focusing on identifying ways to lower prison population
 and criminal justice costs as well as reduce recidivism in Alabama. Prison overcrowding
 is a crisis in Alabama, and the summit gave local, state, and federal leaders a chance to
 discuss real ways to ease the crisis.
- In the Eastern District of Pennsylvania the United States Attorney's Office hosted a
 meeting of key federal, state, and local leaders concerned with improving reentry and
 reducing recidivism in Philadelphia. That initial meeting grew into the Philadelphia
 Reentry Coalition, which is now comprised of over 20 organizations, including federal,
 state, and local law enforcement, prison, and probation officials, prosecutors, defenders,
 academics, and non-profit organizations.
- In the Central District of Illinois the USAO is the key player in the Pretrial Alternatives to Detention Initiative (PADI), a ground breaking program that for years was the first of its kind. The program is designed for defendants with substance abuse issues. The USAO refers a potential candidate to the Probation Office, which in turn consults with a substance abuse provider, and together they evaluate the candidate to ensure that he or she has a legitimate substance abuse problem. Once a defendant is selected for the program,



he enters a period of personalized supervision by the Probation Office that is overseen by the court and members of the team, including the USAO, the Federal Public Defender and U.S. Probation/Pretrial. Upon successful completion of supervision, the defendant may expect one of a number of results that range from dismissal of the charges to a non-custodial sentence.

The new Smart on Crime resources are thus essential to providing USAOs the ability to develop or expand the type of efforts described above. Additional resources for this critical work will ensure that these efforts become institutionalized within the USAOs.

Financial industry fraud has shaken the world's confidence in the United States financial system. Losses in financial fraud cases have ranged from millions of dollars to billions of dollars. Mortgage fraud and foreclosure rescue scams routinely involve millions of dollars in losses and multiple defendants, including mortgage brokers, real estate agents, appraisers, closing agents, and false buyers and sellers who receive kickbacks. Since FY 2010, the number of financial and mortgage fraud cases filed and pending has remained high. These complex cases are resource intensive and often take years to resolve. Efforts to combat financial and mortgage fraud will continue to play a key role not only in ensuring that those who have engaged in fraudulent activities will be held accountable for their illegal conduct, but in deterring future fraudulent conduct and in recovering funds for fraud victims. In FY 2014, cases involving 74,392 defendants were favorably resolved, resulting in 92.7 percent criminal cases favorably resolved. This outcome surpassed the 90 percent goal by more than two percent.

USAO Success Story - National Security -

In the Eastern District of Pennsylvania, defendant Siarhei Baltutski, of the Republic of Belarus, was sentenced to 15 years in prison for conspiring to violate the Arms, Export Control Act and related charges. Baltutski organized a network of buyers in the United States to obtain and illegally export to Belarus high-tech military hardware such as Scorpion Thermal Weapon Sights. ThOR 2 Thermal Imaging Scopes, Thermal-Eye Renegade 320's, and other night-vision targeting devices. During the course of the conspiracy. Baltutski and his associates illegally exported hundreds of those items. Baltutski then arranged for hundreds of thousands of dollars to be secretly wired, via offshore shell companies, to purchase these items, to pay for shipping, and to pay his network of buyers.



b. Strategies to Accomplish Outcomes

In FY 2016, the United States Attorneys will continue to place a high priority on prosecution related to national security as well as address other important priorities such as financial and mortgage fraud, identity theft, immigration, child exploitation, violent crime and gangs, cybercrime and intellectual property, and drug trafficking.

The United States Attorneys are adjusting to the increased use of technology in the practice of law. While technology provides a means to increase productivity with existing resources, some USAO personnel have difficulty transitioning to new technological solutions. As criminal cases are increasingly "electronic" – meaning that technology plays a major role in areas such as electronic case filing and e-discovery, technical training and hiring employees with the appropriate skill sets are critical to the successful furtherance of our mission.

Other strategies include:

- · Regular reviews and monitoring of case and workload data.
- Leveraging technology to improve efficiency and enhance information flow organizationwide and with our partners.
- Continue to look at operational efficiencies in order to preserve human capital which is our most valuable resource.
- Continue to address emerging training needs through the Office of Legal Education.



c. Priority Goals

The United States Attorneys contribute to two priority goals:

Financial Fraud and Healthcare Fraud: Protect the American people from financial and healthcare fraud: In order to reduce financial and healthcare fraud, by September 30, 2015, the Department will reduce by 3 percent over FY 2013 levels, the number of financial and healthcare fraud investigations pending longer than 2 years to efficiently and effectively drive those investigations to resolution.

<u>Vulnerable People</u>: Protect vulnerable populations by increasing the number of investigations and litigation matters concerning child exploitation, human trafficking, and non-compliant sex offenders; and by improving programs to prevent victimization, identify victims, and provide services.

By September 30, 2015, by working with federal, state, local, and tribal partners, the Department will protect potential victims from abuse and exploitation through one set of key indicators:

 Open litigation matters concerning sexual exploitation of children and human trafficking (5 percent increase over baseline).

The United States Attorneys' progress regarding these two goals is reported quarterly to the Department.

USAO Success Story - Child Exploitation Prosecution -

Steven Mazer is a 27 year-old former babysitter and karate instructor. Mazer sexually assaulted and graped two toddlers in 2005, and did the same to another toddler in 2009. The county prosecution's office declined prosecution due to the lack of physical evidence and the inability of the minor victims to testify. The United States Attorney's Office in the Eastern District of Pennsylvania began investigating Mazer and obtained a search warrant for his residence in 2012, From a camera memory card in the residence. Homeland-Security Investigations forensies team-recovered a deleted video of Mazer raping two more toddler victims. Mazer was charged and arrested, and later pleaded guilty to two counts of producing child pornography. In July 2014, at the sentencing hearing parents of four of Mazer's minor victims provided impact statements detailing the horrific and lasting impact of Mazer's crimes on their children and families. Mazer was sentenced to 60 years in prison.



B. Civil

| Civil Litigation | Perm. Pos. | FTE | Amount |
|---|---------------|-------|-------------|
| 2014 Enacted | 2,478 | 2,130 | 448,000,000 |
| 2015 Enacted | 2,479 | 2,277 | 446,440,000 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 13,461,000 |
| 2016 Current Services | 2,479 | 2,277 | 459,901,000 |
| 2016 Program Increases | 36 | 18 | 4,060,000 |
| 2016 Program Decrease | 0 | 0 | -1,314,000 |
| 2016 Request | 2,515 | 2,295 | 462,647,000 |
| Total Change 2015-2016 | 36 | 18 | 16,203,000 |

| Civil Litigation Information Technology Breakout | Perm. Pos. | FTE | Amount |
|---|---------------|-----|------------|
| 2014 Enacted | 95 | 95 | 32,843,000 |
| 2015 Enacted | 95 | 95 | 32,696,000 |
| Adjustments to Base | 0 | 0 | 497,000 |
| 2016 Current Services | 95 | 95 | 34,558,000 |
| 2015 Request | 95 | 95 | 34,558,000 |
| Total Change 2015-2016 | | 0 | T,862,600 |



1. Program Description-Civil Program Activity

Civil litigation pursued by the United States Attorneys falls into two basic categories: (1) affirmative civil litigation, in which the United States is the plaintiff; and (2) defensive civil litigation, in which the United States is the defendant. Affirmative civil litigation cases are actions taken by United States Attorneys to assert and protect the government's interests. They include such issues as the enforcement of the nation's environmental, admiralty, and civil rights laws, as well as the recovery of damages sustained by the government through fraud. United States Attorneys also use affirmative civil litigation to recoup money owed and recover damages sustained by the government. Defensive civil litigation includes actions seeking monetary damages for alleged torts, contract violations, and alleged discrimination by the United States, its agencies and employees. The United States Attorneys may also be called upon to represent the United States in cases which are not clearly defined as either affirmative or defensive civil litigation, but in which the government has an interest, such as bankruptcy cases in which the United States attorneys have some discretion in deciding which affirmative civil cases they will pursue, they must defend the government in all defensive civil litigation.

Affirmative civil cases can return substantial monies to the federal Treasury. In FY 2014, the USAOs collected \$19.4 billion in civil debts, which is several times more than the United States Attorneys' budget. The following cases are examples of the United States Attorneys' affirmative civil successes in FY 2014:

- In November 2013, JPMorgan agreed to pay \$13 billion the largest settlement with a single entity in American history - to resolve federal and state civil claims arising out of the packaging, marketing, sale and issuance of residential mortgage-backed securities (RMBS) by JPMorgan, Bear Stearns and Washington Mutual prior to January 1, 2009. As part of the settlement, JPMorgan acknowledged it made serious misrepresentations to the public - including the investing public - about numerous RMBS transactions. The settlement includes a statement of facts, in which JPMorgan acknowledges that it regularly represented to RMBS investors that the mortgage loans in various securities complied with underwriting guidelines. Contrary to those representations, as the statement of facts explains, on a number of different occasions, JPMorgan employees knew that the loans in question did not comply with those guidelines and were not otherwise appropriate for securitization, but they allowed the loans to be securitized - and those securities to be sold - without disclosing this information to investors. This conduct, along with similar conduct by other banks that bundled toxic loans into securities and misled investors who purchased those securities, contributed to the financial crisis.
- In June 2014, Omnicare Inc., the nation's largest provider of pharmaceuticals and
 pharmacy services to nursing homes, agreed to pay \$124.24 million for allegedly offering
 improper financial incentives to skilled nursing facilities in return for their continued
 selection of Omnicare to supply drugs to elderly Medicare and Medicaid beneficiaries.

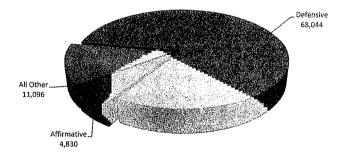


The settlement resolves allegations that Omnicare submitted false claims by entering into below-cost contracts to supply prescription medication and other pharmaceutical drugs to skilled nursing facilities and their resident patients to induce the facilities to select Omnicare as their pharmacy provider. The facilities were participating providers under agreements with Medicare and Medicaid. The settlement with Omnicare was the result of a coordinated effort by the United States Attorney's Office for the Northern District of Ohio and the Commercial Litigation Branch of the Justice Department's Civil Division.

Civil matters and cases represent a significant part of the United States Attorneys' workload. In FY 2014, the United States Attorneys received 92,006 civil matters, which represented 38 percent of all of the 240,342 criminal and civil matters received during the fiscal year. Of the civil matters received, 75 percent or 68,591 were defensive matters, 10 percent or 8,945 or were affirmative matters, and 16 percent or 14,470 or were other civil matters. The United States Attorneys filed or responded to 83,970 civil cases in FY 2014, which represented 60 percent of the 140,188 criminal and civil cases filed during the fiscal year. Of the civil cases filed, 81 percent or 68,044 were defensive cases; six percent or 4,830 were affirmative cases; and 13 percent or 11,096 were other civil cases.

Between FY 2008 and FY 2014, the number of civil cases filed or responded to decreased by 17 percent or 17,099 - from 101,069 cases to 83,970, and the number of civil cases referred to the United States Attorneys decreased by 16 percent or 17,854 - from 109,860 in FY 2008 to 92,006 cases in FY 2014. The number of defensive civil cases filed decreased by 16 percent or 13,431-from 81,475 cases in FY 2008 to 68,044 in FY 2013

Civil Workload FY 2014 Cases Filed/Responded To - 83,970





USAO Success Story

- Health Care and Pharmaceutical Fraud -

In November 2013, Johnson & Johnson (JKJ) and a subsidiaries agreed to pay more than \$2.2 billion to resolve criminal and civil liability arising from allepations relating to the prescription drugs Risperdal, Invega and Natrecor, including promotion for uses not approved as safe and affective by the Food and Drug. Administration and payment of kickbacks to physiciaris and to the nation's largest long-term care pharmacy provider. The global resolution is one of the largest fieldly care fraud settlements in U.S. history, including criminal fines and forfeiture totaling \$485 million and givil settlements with the federal government and states totaling \$1.72 billion. In addition to imposting substantial indirective stanctions, the resolution will subject 1&J to stringent requirements under a Corporate Integrity Agreement (CIA) with the Department of Health and Human Services Office of Inspector General (HHS-OIG). This agreement is designed to increase accountability and transparency and prevent future fraud and abuse. The global resolution was the result of the efforts of the United States Attorney's Offices for the Eastern District of Pennsylvania, the Northern District of California, and the District of Massachusetts; and the Civil Division's Consumer Protection.

USAO Success Story - Environmental Justice

In April 2014, Anadarko Petroleum Corporation, parent of Kerr-McGee Corporation and certain of its affiliates, agreed to settle with the United States for \$5:75 billion; of which approximately \$4.4 billion will be used to find environmental clean-up and environmental claims. This is the largest environmental recovery ever by the Department of Instate. The United States brought a fraudulent conveyance case in the bankruptey of a Kerr-McGee affiliate, alleging that Kerr-McGee Corporation had fraudulently conveyed assets to a new-entity to evade its debts, including liability for environmental clean-up affeotivaminated sites around the country. The settlement funds are expected to be used to clean up certain Superfund sites, a chemical manutacturing site in Nevada that led to contamination of Lake Mead which feeds into the Colorado Rivet, and abandoned uranium mities in and around the Navajo Nation. The United States Attorney's Office for the Southern District of New York handled the case, with assistance from the Environmental Protection Agency, the Departments of the Interior, Commerce, and Agriculture, the U.S. Nuclear Regulatory Commission, and the Navaio Nation

2. Performance and Resource Tables

| | | PERFORMA | NCE AND RE | PERFORMANCE AND RESOURCES TABLE | Щ | | | | |
|---|---|---|---------------|---------------------------------|---------------|--|--------------------------------------|---------|-------------------|
| Decision Unit: Civil | Civil | | | | | | | | |
| RESOURCES | | | Target | Jimbay | Projected | Changes | seb | Request | Requested (Total) |
| | | | FY 2014 | Prioz.ii | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | ervices ints and rogram ges | FY 2016 | FY 2016 Request |
| | | | FTE \$000 | FIE \$000 | FTE \$000 |) FTE | \$000 | FTE | \$000 |
| CIVIL LITIGATION | NO | | 2,276 448,000 | 2 (30) 448.000 | 2,277 446,440 | 40 18 | 16,207 | 2,295 | 462,647 |
| Reimbursable FTE and Costs (reimbursable FTE are included, but rei bracketed and not included in the total) | TE and Costs are included, but included in the to | Reimbursable FTE and Costs reimbursable FTE are included, but reimbursable costs are pracketed and not included in the total) | 420 [94,021] | 420 [81,937] | 420 [110,582] | 62] 0 | 0 | 420 | [110,552] |
| TYPE | STRATEGIC OBJECTIVE | PERFORMANCE | FY 2014 | FY 2018 | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | ervices nts and rogram ges | FY 2016 | FY 2016 Request |
| | | | | | | | | | |
| Workload Measure: Output | 2.5, 2.6 | Number of Matters Handled | 107,155 | 108.878 | 107,155 | | | 107 | 107,155 |
| Performance Measure: Output | 2.5, 2.6 | Total Judgements and Settlements | 40,241 | 39, 383 | 40,241 | | | ,04 | 40,241 |
| Performance Measure: Output | 2.5, 2.6 | Number of Judgements in favor of the U.S. and Settlements | 32,976 | 34.162 | 32,976 | | | 32, | 32,976 |
| Performance Measure: Outcome | 2.5, 2.6 | Percentage of Cases Favorably Resolved | 80.00% | 82.30% | 80.00% | | | 80.0 | 80.00% |

| | | PERFO | PERFORMANCE MEASURE TABLE | MEASUF | R TABLE | 131 | | | | |
|------------------------|------------------------|---|---------------------------|-----------------|---------|---------|--------|--|---------|---------|
| | Decision Unit: Civil | t: Givil | | | | | | | | |
| | Performan | Performance Report and Performance Plan Targets | FY 2010 | FY 2011 FY 2012 | FY 2012 | FY 2013 | FY ? | FY 2014 | FY 2015 | FY 2016 |
| Strategic Objective | | | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 2.5, 2.6 | Performance Measure | Number of Total Judgements and Settlements | 40,241 | 39,416 | 42,618 | 40,667 | 40,241 | 39,283 | 40,241 | 40,241 |
| 2.5, 2.6 | Performance Measure | Number of Judgements in favor of the U.S. and Settlements | 32,976 | 31,856 | 32,619 | 32,606 | 32,976 | 31,167 | 32,976 | 32,976 |
| 2.5, 2.6 | OUTCOME Measure | Percentage of Cases Favorably Resolved | 81.9% | 80.0% | 82.0% | 82.0% | 80.0% | ### ### ############################## | 80 0% | 80 0% |
| | N/A = Data unavailable | railable | | | | | | | | |

3. Performance, Resources, and Strategies

The Civil Decision Unit contributes to the Department's Strategic Goal II: Prevent Crime,

Protect the Rights of the American People, and Enforce Federal Law. Within this goal, the Civil Decision Unit's resources specifically address two of the Department's Strategic Objectives: 2.5 - Promote and protect American' civil rights, and 2.6 - Protect the federal fisc and defend the interests of the United States.

a. Performance Plan and Report for Outcomes

Prosecution of civil

litigation is an essential

USAO Success Story Health Care and Pharmaceutical Fraud -

In June 2014, Omnicare Inc. the nation's largest provider of pharmaceuticals and pharmace envices to nursing homes, agreed to pay \$124.24 million for allegedly offering improper financial incentives to skilled nursing facilities in return for their continued selection of Omnicare to supply drugs to elderly Medicare and Medicaid beneficiaries. The seitlement resolves allegations that Omnicare submitted false claims by entering into below-cost contracts to supply prescription medication and other pharmaceutical drugs to skilled nursing facilities and their resident patients to induce the facilities to select Omnicare as their pharmacy provider. The facilities were participating providers under agreements with Medicare and Medicaid. The settlement with Omnicare was the result of a coordinated effort by the United States Attorney's Office for the Northern District of Ohio and the Commercial Litigation Branch of the Justice Department's Civil Division.

and vital component of the mission of the United States Attorneys. Civil affirmative litigation seeks redress for fraud, waste, and abuse in federal programs and ensures that the government is fully compensated for the losses and damages caused by those who have enriched themselves at the government's expense. In addition, all lawsuits filed against the federal government must be defended. United States Attorneys represented the federal government in 75,458 defensive civil cases that were filed in court during FY 2013. The United States Attorneys' successes in civil litigation preserve taxpayer dollars and uphold the requirements and intent of federal laws and programs. The performance measure for civil litigation relates to the percentage of judgments and settlements resolved in favor of the government.

b. Strategies to Accomplish Outcomes

As civil cases are increasingly "electronic" - meaning that technology plays a major role in areas such as electronic case filing and e-discovery, the technological and resource needs of our civil cases continue to grow. While technology provides a means to increase productivity with existing resources, some USAO personnel have difficulty transitioning to new technological solutions, placing greater demands on technical training and hiring employees with the appropriate skill sets.

Other strategies include:

- Regular reviews and monitoring of case and workload data.
- Leveraging technology to improve efficiency and enhance information flow organizationwide and with our partners.
- Continue to look at operational efficiencies in order to preserve human capital.
- Continue to address emerging training needs through the Office of Legal Education.



C. Legal Education

| Legal Education | Perm. Pos. | FTE | Amount |
|---|---------------|-----|------------|
| 2014 Enacted | 53 | 53 | 31,638,000 |
| 2015 Enacted | 53 | 53 | 30,761,000 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 623,000 |
| 2016 Current Services | 53 | 53 | 31,384,000 |
| 2016 Program Decrease | 0 | 0 | -61,000 |
| 2016 Request | 53 | 53 | 31,323,000 |
| Total Change 2015-2016 | 0 | 0 | 562,000 |

| Legal Education Information Technology Breakout | Perm. Pos. | FTE | Amount |
|--|---------------|-----|-----------|
| 2014 Enacted | 4 | 4 | 1,564,000 |
| 2015 Enacted | 4 | 4 | 1,557,000 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | 89,000 |
| 2016 Current Services | 4 | 4 | 1,646,000 |
| 2016 Request | 4 | 4 | 1,646,000 |
| Total Change 2015-2016 | 0 | Ó | 89,000 |



1. Program Description-Legal Education

The Office of Legal Education (OLE) develops, conducts, and authorizes the training of all federal legal personnel [28 C.F.R. §0.22 (1990)]. OLE coordinates legal education and attorney training for the Department of Justice (DOJ) and other departments and agencies of the Executive Branch. Virtually all of OLE's classroom training is conducted at the National Advocacy Center (NAC), a premier federal training facility in Columbia, South Carolina. The NAC features an integrated instructional and residential facility augmented by a conference and research center with student and support services on site.

In FY 2014, OLE was responsible for the management of 181 courses and events at the NAC, as well as offsite locations, including traditional advocacy skills training, seminars on substantive areas of the law, leadership training, and automated litigation support training. In FY 2014, 23,800 individuals participated in training hosted by OLE, including 11,477 who attended live training through courses or other events and 12,323 individuals who received training through one of OLE's distance education offerings, including webinars sponsored by OLE and online training through its contract with West Legal Ed Center, continuing legal education (CLE) programs broadcast via satellite on OLE's Justice Television Network (JTN), and CLE programs co-sponsored by OLE in USAOs using OLE training modules and materials. Seventy-one percent of the 20,199 individuals trained were DOJ employees, while the other 29 percent were non-DOJ employees with various federal agencies or state and local governments.

More than 3,609 individuals received training in areas covered in the Department's Strategic Plan, including Financial and Mortgage Fraud and Cybercrime, Crimes Against Children, Anti-Terrorism, Violent Crime/Gun Violence Reduction, Crimes in Indian Country, Drug Enforcement, Official Corruption, Bankruptey and Sound Management. Of significance for FY 2014 was the Smart on Crime Conference that was attended by representatives from all of the United States Attorneys' Offices and included in person addresses from the Attorney General and the Deputy Attorney General. The Smart on Crime Initiative promotes fundamental reforms to the criminal justice system that will improve public safety, save money, and ensure the fair enforcement of Federal laws. This initiative recognizes the impact of scarce resources and directs federal law enforcement efforts to focus on the most serious cases that implicate clear, substantial federal interests.





Recognizing the need to provide more distance learning opportunities, OLE continued to update and expand its Video on Demand (VOD) library, permitting USAO and DOJ litigating division employees to view OLE programming "on demand" at their desktop through OLE's Learning Management System, LearnDOJ. There are currently more than 845 programs available, including programs on \$Brady/Giglio, E-Discovery, and a New Employee Orientation. In FY 2014, DOJ employees who accessed the VOD library completed more than 92,754 videos. OLE's Learning Management System, LearnDOJ is utilized by other DOJ components and is administered by the Justice Management Division. LearnDOJ gives OLE increased functionality to build Individual Development Plans, assessment tools, and greater compliance management. It is also available via the Internet and can function as a virtual training system with the ability to integrate technologies such as Adobe Connect.

••• PARTNERS IN LEGAL EDUCATION •••



OLE's Publications Unit edits and publishes the United States Attorneys' Manual, the United States Attorneys' Bulletin, and a number of practical skills manuals. OLE published six editions of the United States Attorneys' Bulletin on a variety of topics, including Export Control Laws, Violent Crimes. Financial Intelligence, Community Outreach, Environmental Crimes and



Criminal Discovery, all of which are accessible on the DOJ Internet website. The Publications Unit continued to maintain and update the USABook, an online legal resource available on the Department intranet that includes electronic versions of all OLE publications, forms including indictment and jury instructions for all circuits, and many significant monographs and policy manuals, and has become a federal practice encyclopedia. They also published Blue Books on Immigration Law and the National Security Prosecutor's Manual. In FY 2014, the USABook site experienced millions of page views. Its front page alone received over 500,000 page views in FY 2014, making it one of the Department's most used legal research sites.

OLE's Justice Television Network (JTN) is a satellite-based IP video network with over 260 locations, including 92 USAOs (Guam/Northern Marianas excluded). This delivery method to the desktop currently reaches all USAOs, all FBI Field and international offices, and most DOJ components, including major bureau headquarters in the DC metro area, reaching approximately 60,000 DOJ employees. During its 25 hours of weekly broadcasts, JTN broadcasted 1,416 programs, including 44 live events, and 58 programs eligible for Continuing Legal Education (CLE).



OLE also broadcast events held at Main Justice, including press conferences by the Attorney General and other key Department officials and ceremonies commemorating other significant events

In an effort to enhance distance learning options for USAOs and provide needed mandatory training, OLE developed a training module on Professionalism for DOJ Attorneys, including instruction on Criminal Discovery obligations, which is made available to the districts for inhouse training.

CLE credit is provided through OLE for many OLE-sponsored courses. OLE is the primary source of instruction for DOJ attorneys and AUSAs from the 94 USAOs. Basic programs for newly hired attorneys include criminal, civil, and appellate advocacy; federal practice seminars; and specialty courses in priority substantive areas of the law. Advocacy skills programs are available to new and experienced trial attorneys. The Criminal Federal Practice course is designed for attorneys with litigation experience who are new to the federal civilian legal system (e.g., former state and military prosecutors), and as continuing training for Department of Justice attorneys after the basic criminal and civil trial advocacy courses. In FY 2014, OLE continued to provide additional web-based CLE through its contract with West Legal Ed Center, offering 24-hours a day access to more than 7,000 CLE programs from more than 50 leading CLE providers.



During FY 2014, Department attorneys viewed 12,574 West Legal Ed programs, earning over 11,974 CLE credits, further expanding OLE's ability to provide needed training.

OLE continued its tradition of providing training support to Department of Justice personnel assisting foreign prosecutors through the Criminal Division's Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT). In FY 2014, OLE staff working with the EOUSA EEO staff in Washington, DC, conducted a training seminar for leadership and training supervisors from the judiciary and prosecution services in Bosnia on creating and managing a mandatory training program to prevent sexual harassment and gender harassment. Throughout the year, OLE staff responded to numerous requests for information from OPDAT staff in Washington, DC and personnel stationed overseas regarding various training resources and available opportunities.

For all its programs, OLE uses experienced federal trial and appellate attorneys as instructors to present lectures, lead discussion groups, direct evidentiary exercises, and offer personalized critiques. Federal judges also participate in OLE's advocacy courses, presiding over mock trials and mock appellate arguments. The caliber of the OLE faculty and the use of sophisticated videotaping facilities provide students with unique training experiences in trial and appellate advocacy. A significant feature of the advocacy training is the use of "learn-by-doing" exercises which concentrate on courtroom skills. These exercises simulate courtroom activities and provide students with classroom critiques and individual video replay analysis.

In addition to its advocacy skills training, OLE conducts substantive programs on federal criminal, civil, and administrative law for attorneys in the Executive Branch, including those in the Department of Justice. OLE offers training on a wide variety of criminal topics including fraud and white collar crime, cybercrime, violent crime, narcotics prosecutions, and child exploitation. OLE's civil and administrative law training includes instruction on discovery, bankruptcy, federal employment, environmental law, and Freedom of Information Act. Course instruction emphasizes the realities of federal practice. Federal attorneys from every agency, including the Department of Justice, are participants as well as advisors, curriculum developers, lecturers, and instructors. OLE is also meeting the demand for attorney management training for senior criminal and civil attorneys by providing management courses for attorney supervisors of all levels developed by OLE's Justice Leadership Institute (JLI). Additionally, the JLI provides leadership training to USAO attorney and support staff supervisors.

OLE develops and administers paralegal courses covering basic and advanced skills in civil, criminal, and appellate practice. Training for other support staff personnel (e.g., systems managers, Administrative Officers and Budget Officers) in USAOs is provided through OLE, which develops the curriculum and recruits instructors.

2. Performance and Resource Table

| | | PERFOR | MANCE | E AND RE | PERFORMANCE AND RESOURCES TABLE | BLE | | | | | |
|--|--|--|-------|----------|---|-----|-----------|--------------------------------------|--|---------|-------------------|
| Decision Unit: Legal Education | Legal Educatior | 2 | | | | | | | | | |
| RESOURCES | | | 11 | Target | pintage . | Ā | Projected | Cha | Changes | Request | Requested (Total) |
| | | | 77 | FY 2014 | FX.2014 | L. | FY 2016 | Current Adjustm FY 2016 Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | | FTE | \$000 | ere soo | E | \$000 | FTE | \$000 | FIE | \$000 |
| LEGAL EDUCATION | NOI | | 23 | 31,638 | 63 31,638 | 53 | 30,761 | ۰ | 582 | 53 | 31,323 |
| | | | | | ののないというないので | | | | | | |
| Reimbursable FTE and Costs (reimbursable FTE are included, but | TE and Costs re included, but rel | Reimbursable FTE and Costs (reimbursable FTE are included, but reimbursable costs are bracketed | | | | | | | | | |
| and not included in the total) | the total) | | n | [4,223] | 1022.01 | 6 | [4,265] | | | ю | [4,265] |
| түре | STRATEGIC OBJECTIVE | PERFORMANCE | λd | FY 2014 | *************************************** | LL | FY 2015 | Current Adjustm FY 2016 Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Performance Measure: Outcome | 1.2;2.1,2.2,2.3,2.4, 2.5,2.6; 3.1,3.4,3.8 | Number of Students Trained | 77 | 24.000 | 23 800 | | 24 000 | | | | 2000 |

3. Performance, Resources, and Strategies

The Legal Education Decision Unit contributes to the following Department's Strategic Goals:

Goal I: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law. Within this goal, the decision unit's resources address the Department's Strategic Objective: 1.2 - Prosecute those involved in terrorist acts; 1.4 - Combat cyber-based threat and attacks through the use of all available tools, strong public-private partnership, and the investigation and prosecution of cyber threat actors.

Goal II: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. Within this goal, the decision unit's resources address six of the Department's Strategic Objectives: 2.1 - Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers; 2.2 - Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims: 2.3 -Disrupt and dismantle major drug trafficking organizations to combatthe threat, trafficking, and use of illegal drugs and the diversion of

USAO Success Story
- Insider Trading -

In February 2014, Matthew Martoma, a former portfolio manager of CR Intrinsic Investors, LLC, a division of S.A.C. Capital, was convicted after a four-week fury trial for his participation in the most lucrative insider trading scheme ever charged, involving approximately \$275 million in the graph profits and avoided tosses. During the period of the insider trading scheme, Martoma was an S.A.C. Capital portfolio manager responsible for investment decisions in public companies in the health care sector, including pharmaceutical companies that were involved in the development of experimental drugs to combat Alzheimer's disease. In order to obtain material nonpublic information an impending drug trial, Martoma developed personal and financial relationships with the doctors involved and was able to obtain inside information about the drug trial that enabled Martoma to purchase and sell certain securities that enabled S.A.C. Capital to earn profits and avoid losses of approximately \$275 million.

licit drugs; 2.4 - Investigate and prosecute corruption, economic crimes, and transnational organized crime; 2.5 - Promote and protect American civil rights by preventing and prosecuting discriminatory practices; and 2.6 - Protect the federal fisc and defend the interests of the United States.

Goal III: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels. Within this goal, the decision unit's resources address the Department's Strategic Objectives: 3.1 - Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors, and defenders, through innovative leadership and programs; 3.4 - Reform and strengthen America's criminal justice system by targeting only the most serious offenses for federal prosecution, expanding the use of diversion programs, and aiding inmates in reentering society; 3.8 - Strengthen the government-to-government relationship between tribes and the United States, improve public safety in Indian Country, and honor treaty and trust responsibilities through consistent, coordinated policies, activities, and litigation.

a. Performance Plan and Report for Outcomes

The performance measure for this decision unit is the number of students trained. In FY 2014, OLE sponsored classroom training and other live events for 11,477 individuals. In addition, approximately 12,323 individuals were trained through one of OLE's distance education offerings, including continuing legal education programs broadcast via satellite, and other means, for a total of 23,800 students trained in FY 2014.

FY 2014 Individuals Trained



This compares with a total of 17,994 in FY 2013 –10,572 individuals trained in-person and 7,422 individuals trained by satellite, videotape and other training. Seventy-one percent of the individuals trained in-person were DOJ employees in legal positions while the other 29 percent were non-DOJ employees in legal positions with various federal agencies or state and local government.

More than 3,609 individuals receiving training at the NAC attended courses in areas covered in the Department's Strategic Plan, including Fraud and Cybercrime, Crimes Against Children, and Anti-Terrorism, Violent Crime/Gun Violence Reduction, Crimes in Indian Country, Drug Enforcement, Civil Rights Enforcement, Official Corruption, Bankruptcy, and Sound Management. Of significance for FY 2014 was the Smart on Crime Conference that was attended by representatives from all of the United States Attorneys' Offices and included in person addresses from the Attorney General and the Deputy Attorney General. The Smart on Crime Initiative promotes fundamental reforms to the criminal justice system that will improve public safety, save money, and ensure the fair enforcement of Federal laws. This initiative recognizes the impact of scarce resources and directs federal law enforcement efforts to focus on the most serious cases that implicate clear, substantial federal interests.

Overall in FY 2014, OLE was responsible for the management of 181 courses and events, including traditional advocacy training, seminars and educational forums on substantive areas of the law. During FY 2014, OLE expanded VOD and DOJ employees who accessed the VOD library completed more than 92,754 programs. There are now over 845 separate programs available through VOD.

b. Strategies to Accomplish Outcomes

The United States Attorneys will continue to ensure that high quality legal education is available for basic and advanced legal training through traditional classroom instruction and expanded use of JTN and distance learning.

USAO Success Story - Domestic Violence/Stalking -

In a Northern District of lowe domestic Volume of the evidence presented at trial established that the defendant tracked his set to the simovements with a GPS application that he had secretly placed in her land the least set work. When her car stopped at her new residence, the defendant armed him to be a had one of the people at her new without permission, punched witched, and pistol-wilipped one of the people at the house at the time, and took his estranged wife to his stones in lowa where he further assaulted her. He was convicted of interstate stalking and possessibility of a firearm by a felon and sentenced to 57 months' imprisonment.

.... USAO Success Story. Intellectual Property Crime -

On December 17, 2013, Bruce Alan Edwins of Member of Michigan for selling more than 2,500 counterfeit copies of copyrighted Microsoft software vigue at Microsoft than 1 million dollars retail. After a one-week trial, a jury found that from May 2008, until September 2010, Edward purchased counterfeit Microsoft software from various suppliers located primarily. In China, Singapore, and the United States, and sold them on eBay to unwitting buyers.



V. Program Increases by Item

Item Name: Expand Prevention and Reentry Programs

AG Targeted Priority Options: Protecting Americans from National Security Threats

Protecting Americans from Violent Crime

Protecting Americans from Healthcare and Financial Fraud

Protecting the Most Vulnerable Members of Society

Addressing the Smart on Crime Initiative

Strategic Goal: Goal III: Ensure and Support the Fair, Impartial, Efficient,

and Transparent Administration of Justice at the Federal,

State, Local, Tribal and International Levels

Strategic Objective: Objective 3.4: Reform and strengthen America's criminal

justice system by targeting only the most serious offenses for federal prosecution, expanding the use of diversion programs,

and aiding inmates in reentering society.

Budget Decision Unit(s): Criminal

Program Increase: Positions <u>0</u> Attorney <u>0</u> FTE <u>0</u> Dollars <u>\$15,000,000</u>

Description of Item

The United States Attorneys' request a total of \$15,000,000 to establish programs and enhance community involvement in crime prevention and reentry. The Smart on Crime initiative directs the United States Attorneys' Offices (USAOs) to address crime in the full context in which it occurs. The requested monies will enable the USAO community to more fully support locally generated prevention, diversion, and reentry initiatives. As a result of the United States Attorneys' "convening authority," USAOs are well positioned to help identify, sponsor, partner with, or and support such projects.

USAO crime prevention efforts constitute a significant portion of their community outreach and engagement. USAOs have a vital role to play in undertaking both direct crime prevention efforts and in facilitating and coordinating the crime prevention efforts of community organizations.



Justification

Criminal prosecution, of course, is the backbone of the USAO's public safety mission. Successful federal investigations and prosecutions bring justice to victims and a sense of stability and security to the communities affected by crime. It is this core prosecution work that gives the United States Attorney unique stature within the criminal justice community. This stature allows the United States Attorney, and his or her office, to convene key criminal justice stakeholders to address broader issues of public safety, including prevention, diversion and reentry. These stakeholders include not only those with whom the USAO regularly interacts as a result of its prosecutions, such as the federal courts, U.S. Pretrial and Probation Services, and federal, state, tribal, and local law enforcement, but also a wider array of social service organizations that are working to lower recidivism by addressing the factors that lead to crime, such as employment, sobriety, and housing.

In helping to assess local needs that could benefit from the requested monies, the USAOs will interact closely with their existing partners. Such collaboration will help identify gaps or choke points that limit the effectiveness of existing prevention and reentry services. USAOs can seek input from their traditional partners, such the local U.S. Probation and Pretrial Services Office, as well as a wider range of community stakeholders, to help identify what additional services are needed and what current programs are or are not working well.

The areas of need are virtually unlimited. For instance, employment is an important key to lowering recidivism. The requested funding can help USAOs supplement existing efforts by sponsoring job fairs, supporting employer education conferences, seminars, and outreach events, and building partnerships with local job support organizations. USAOs, working with their federal, state, tribal, and local partners, can help identify local organizations that work specifically to improve employment for at-risk individuals. Even without the program monies requested here, some USAOs have made great strides in this area. For example, the United States Attorney's Office in Mobile, Alabama organized a meeting with potential employers at the Mobile Chamber of Commerce, co-hosted an event for over 900 offenders seeking work, held mock interviews for offenders, and explained to employers the federal bonding program for exoffenders, as well as a federal tax credit that may be available for employers of ex-offenders. The requested monies would support similar efforts on a much wider scale across the country.

Education is similarly important in preventing crime both as an initial matter and in lowering recidivism. Education levels among prisoners are generally low. But correctional education programs and mentoring can make a big difference. USAOs can work closely with the Bureau of Prisons or state correctional partners to help sponsor or identify appropriate educational or mentoring programs for incarcerated inmates and ex-offenders who are reentering society. For instance, the United States Attorney's Office in Boston has long supported the Boston Reentry Initiative, a widely successful program that identifies inmates prior to release and assigns them mentors to help with the upcoming transition back to society.



Other USAOs have supported education as part of community centered crime prevention programs. For example, the USAO in Miami forged extraordinary partnerships with a variety of community stakeholders in Miami-Dade County. These efforts included Town Hall community meetings in the areas most beset by violence and drugs. The meetings focused in part on promoting success for the children in these neighborhoods. This effort grew to include a "Hotspots Reading Program" wherein prosecutors and other government professionals took the time to read to pre-schoolers in impoverished and crime-ridden areas with the objective of increasing the childrens' appetite for reading and to create connections among the community and the federal prosecutors in that area. These efforts were also paired with targeted prosecution of gang members in the affected areas. Programs such as these could be broadened and strengthened with the requested monies.

Sobriety is another critical factor impacting crime. Ex-offenders who cannot overcome substance abuse addiction will likely commit new crimes to support their addiction. Through its convening authority and community outreach the USAO can help sponsor, partner with, and help identify programs in need of support that address addiction and sobriety for at risk individuals and/or ex-offenders. Currently, approximately half the USAOs are involved in a reentry or diversion court program that utilizes some form of substance abuse counseling. Thus, USAOs are well positioned to help identify or further sponsor effective substance abuse programs.

Housing also plays a critical role in reducing crime. Returning citizens need a stable place to live upon return to the community. Perceived bans on public housing only amplify the problem. USAOs can help sponsor and help identify government and non-profit programs and agencies that could provide housing assistance to help lower recidivism.

In many cases, access to employment, education, health benefits, and housing depends on a having a driver's license, a social security card or other basic government identification document, something too many ex-offenders do not have. Obtaining a driver's license in particular is a benefit that has an enormous impact on society. Fines, such as speeding tickets, that are incurred prior to incarceration often accrue penalties while the inmate is incarcerated. In some cases such penalties accrue even though the inmate had no notice of, or opportunity to pay, the penalty. Upon release an inmate may find that a \$200 speeding ticket has ballooned to \$1000 due to overdue penalties. In many localities the inability to pay such penalties will result in the suspension or loss of one's driver's license. Some USAOs are already partnering with local bar associations or non-profit groups that endeavor to help ex-offenders with such issues. With the requested monies, USAOs can more widely identify, sponsor, and partner with such organizations, which will have a real impact on recidivism rates.

There are numerous other areas of crime prevention and community outreach that could benefit from the requested funds. For instance, the USAO in Detroit organized an anti-bullying event in partnership with the Detroit Tigers that was attended by over 500 people. The U.S. Attorney discussed issues associated with bullying and two members of the Tigers also discussed their own experiences with bullying. In Philadelphia the USAO has facilitated the development of "youth courts" in several schools in Philadelphia and Chester, PA.



These courts use the power of positive peer pressure to shape behavior and have been shown to be effective in reducing suspensions, referrals to the juvenile justice system, and delinquency. All of these efforts as well as many other similar initiatives could be enhanced by the requested monies.

Impact on Performance

This initiative will address **Strategic Goal III**: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels, specifically including **Objective 3.4**: Reform and strengthen America's criminal justice system by targeting only the most serious offenses for federal prosecution, expanding the use of diversion programs, and aiding immates in reentering society.

This initiative will further address the Attorney General's targeted Priority Goal 1: Protecting Americans from National Security Threats. Goal 2: Protecting Americans from Violent Crime, Goal 3: Protecting Americans from Healthcare and Financial Fraud, and Goal 4: Protecting the Most Vulnerable Members of Society, by dedicating efforts to successfully promote fundamental reforms to the criminal justice system that will improve public safety, save money, and ensure the fair enforcement of Federal laws. Furthermore, the United States Attorneys has been involved in developing the Department's Strategic Objective Review to prioritize federal cases and to exercise informed prosecutorial discretion by increased education about understanding of all the factors that comprise the Smart on Crime initiative.



Expand Prevention and Reentry Programs Funding

Base Funding

| 1 | 13.35 | FY 2 | 2014 En | acted 1885 | 4 C | FY 2015 Enacted FY 2016 Current Services | | | | | | nt Services |
|---|-------|------|---------|------------|-----|--|-----|---------|-----|------|-----|-------------|
| | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|------------------|--|-------------------------------------|-------------------------------|---|---|
| Total Personnel | 0 | 0 | 0 | 0 | 0 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) |
|---|-----------|----------|----------------------------|---|---|
| Crime Prevention and Community Outreach and Training | N/A | N/A | 15,000,000 | 0 | 0 |
| Total Non- Personnel | N/A | N/A | 15,000,000 | 0 | 0 |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Increases | 0 | 0 | 0 | 0 | 15,000,000 | 15,000,000 | 0 | 0 |
| Grand Total | 0 | 0 | 0 | 0 | 15,000,000 | 15,000,000 | 0 | 0 |



Item Name:

Prevention and Reentry Coordinators

AG Targeted Priority Options:

Protecting Americans from National Security Threats

Protecting Americans from Violent Crime

Protecting Americans from Healthcare and Financial Fraud Protecting the Most Vulnerable Members of Society

Addressing the Smart on Crime Initiative

Strategic Goal:

Goal III: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal,

State, Local, Tribal and International Levels

Strategic Objective:

Objective 3.4: Reform and strengthen America's criminal justice system by targeting only the most serious offenses for federal prosecution, expanding the use of diversion programs,

and aiding inmates in reentering society.

Budget Decision Unit(s):

Criminal

Program Increase: Positions 94 Attorney 0 FTE 47 Dollars \$10,000,000

Description of Item

The United States Attorneys' request a total of 94 positions, 47 FTE, and \$10,000,000 to support an increase in personnel resources to fully implement the Smart on Crime initiative. This request will fully support an increase in personnel completely dedicated to implementing the Smart on Crime initiative and to supporting USAO outreach efforts. Smart on Crime is a multipronged approach to prioritizing the work of the United States Attorneys' offices (USAOs) and finding holistic and comprehensive solutions to improving public safety and reducing recidivism, while efficiently and fairly utilizing scarce public resources. The Smart on Crime initiative consists of the following five principles:

- I) Prioritize prosecutions to focus on the most serious cases.
- II) Reform sentencing to eliminate unfair disparities and reduce overburdened prisons.
- III) Pursue alternatives to incarceration for low-level, non-violent crimes.
- IV) Improve reentry to curb repeat offenses and re-victimization.
- "Surge" resources to violence prevention and protecting the most vulnerable populations.



Justification

The USAOs will utilize the requested resources to hire permanent, full time Prevention and Reentry Coordinators, to conduct prevention, reentry, diversion, and community outreach work without draining resources devoted to criminal prosecution. As required by the Deputy Attorney General's Memorandum of August 12, 2013, each USAO has already designated an employee to serve as the Prevention and Reentry Coordinator. For the vast majority of USAOs, the Prevention and Reentry Coordinator position is currently a collateral duty, requiring the incumbent to attend to prevention, reentry, diversion, outreach, or other such duties in addition to his or her other full time job obligations.

The type of prevention and reentry work that Coordinators can undertake is as varied and unique as the districts themselves. USAOs have a vital role to play both in direct crime prevention efforts and in facilitating and coordinating the crime prevention and reentry efforts of community organizations. The requested Coordinator positions can disseminate information about successful programs and serve as clearinghouses for productive and successful prevention, diversion, or reentry efforts. The new Coordinators can work with local officials to identify organizations that may partner with USAOs in working to lower recidivism.

Some USAOs have managed to accomplish a great deal in the area of prevention, reentry, and diversion even without a full-time, dedicated Coordinator. The following examples indicate the type of work that, with addition of the requested personnel, can be accomplished more widely across the country.

The USAO in Cleveland, OH hosted a summit of key community leaders to comprehensively address the heroin epidemic in Northern Ohio. Participants included the Cleveland Clinic and other health care providers, county government officials, the State Boards of Health and Pharmacy, and local, state, and federal prosecutors and law enforcement agencies. The summit resulted in a community action plan that calls for an education campaign to warn citizens of the dangers of heroin addiction and its connection to prescription drug abuse. Drop boxes for returning unused prescription medication were set up. The need for greater sharing of pharmacological and medical data on heroin trends, as well as better tracking of ER visits and heroin overdose data was stressed. Uniformity in coroners' procedures for heroin-related deaths was discussed. This prevention work was also paired with USAO efforts to encourage alternatives to incarceration for heroin users. Just as importantly, "jump teams" were created to respond quickly to heroin overdose sites to evaluate the available forensic evidence and to determine whether a federal prosecution could be made against the heroin supplier. These efforts all resulted directly from the USAO's initiative and collaboration with key community

¹ By the time the FY 2016 appropriation is passed, some minority of USAOs, perhaps 20-30 percent, will likely have hired a permanent, full time Prevention and Reentry Coordinator. Such hiring will have occurred as a result of the reprioritized funds in the 2015 budget. Those USAOs that will already have a full time Prevention and Reentry Coordinator can use the FY 2016 monies to hire an additional support staff position to supplement the work of the Coordinator.



stakeholders in Cleveland. The requested resources will allow USAOs to hire personnel who can assist and strengthen collaborative efforts such as this.

Similarly, the USAO in the Birmingham Alabama, partnering with the North Alabama Reentry Council, sponsored a "Smart on Crime" reentry summit at Samford University focusing on identifying ways to lower prison population and criminal justice costs as well as reduce recidivism in Alabama. Prison overcrowding is a crisis in Alabama, and the summit gave local, state, and federal leaders a chance to discuss real ways to ease the crisis. Likewise, the USAO in Philadelphia hosted a meeting of key federal, state, and local leaders concerned with improving reentry and reducing recidivism in Philadelphia. That initial meeting grew into the Philadelphia Reentry Coalition, which is now comprised of over 20 organizations, including federal, state, and local law enforcement, prison, and probation officials, prosecutors, defenders, and academics and non-profit organizations. A representative from the United States Attorney's office continues to serve as a member of the Steering Committee. The Coalition has issued a countywide blueprint outlining its plans, which include forming sub-committees on education, employment, and housing, and providing technical advice on capacity building. Efforts such as these will be strengthened by the new personnel that the requested monies will allow USAOs to hire.

Impact on Performance

This initiative will address **Strategic Goal III:** Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels, specifically including **Objective 3.4:** Reform and strengthen America's criminal justice system by targeting only the most serious offenses for federal prosecution. expanding the use of diversion programs, and aiding immates in reentering society.

This initiative will further address the Attorney General's targeted Priority Goal 1: Protecting Americans from National Security Threats. Goal 2: Protecting Americans from Violent Crime, Goal 3: Protecting Americans from Healthcare and Financial Fraud, and Goal 4: Protecting the Most Vulnerable Members of Society, by dedicating efforts to successfully promote fundamental reforms to the criminal justice system that will improve public safety, save money, and ensure the fair enforcement of Federal laws. Furthermore, the United States Attorneys has been involved in developing the Department's Strategic Objective Review to prioritize federal cases and to exercise informed prosecutorial discretion by increased education about understanding of all the factors that comprise the Smart on Crime initiative.



Prevention and Reentry Coordinators Funding

Base Funding

| 1 | J- V. | FY. | 014 En | acted | 1.2.3 | FY 2015 Enacted | | | | FY 2016 Current Services | | | |
|---|-------|------|--------|-----------|-------|-----------------|-----|------------|-----|--------------------------|-----|------------|--|
| Ī | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | |
| 1 | 11 | 8 | - 11 | 2,080,778 | 103 | 60 | 52 | 15,000,000 | 114 | 68 | 114 | 22,206,508 | |

Personnel Increase Cost Summary

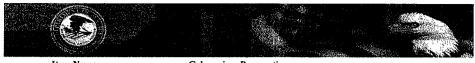
| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|--|-------------------------------------|-------------------------------|---|---|
| Reentry Coordinator | 85,896 | 94 | 8,074,224 | 5.375,296 | 193,734 |
| Total Personnel | | 94 | 8,074,224 | 5,375,296 | 193,734 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost Quantity | | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) | |
|-------------------------|--------------------|-----|----------------------------|---|---|--|
| Training | N/A | N/A | 1,925,776 | 0 . | 0 | |
| Total Non- Personnel | N/A | N/A | 1,925,776 | 0 | 0 | |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 114 | 68 | 114 | 22,206,508 | 0 | 22,206,508 | 0 | 0 |
| Increases | 94 | 0 | 47 | 8,074,224 | 1,925,776 | 10,000,000 | 5,375,296 | 193,734 |
| Grand Total | 208 | 68 | 161 | 30,280,732 | 1,925,776 | 32,206,508 | 5,375,296 | 193.734 |



Item Name: Cybercrime Prosecutions

AG Targeted Priority Options: Protecting Americans from National Security Threats

Cybersecurity

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

Consistent with the Rule of Law.

Goal II: Prevent Crime, Protect the Rights of the American

People, and Enforce Federal Law.

Strategic Objective: Objective 1:4: Combat cyber-based threats and attacks

> through the use of all available tools, strong private-public partnerships, and the investigation and prosecution of cyber

Objective 2:1: Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers.

Objective 2:2: Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve

services to, America's crime victims,

Objective 2.3: Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of

illegal drugs and diversion of licit drugs.

Objective 2:4: Investigate and prosecute corruption, economic crimes, and transnational organized crime.

Budget Decision Unit(s): Criminal and Civil

Program Increase: Positions 60 Attorney 30 FTE 30 Dollars 56,086,400

Description of Item

On May 16, 2014, the Department informed the Appropriations Committees that it would increase the number of attorneys available to investigate and prosecute cyber threats, increase training for all DOJ investigators and attorneys on cybercrime and digital evidence, and increase the number of digital forensic experts available to assist cybercrime prosecutions from the inception of investigations through sentencing. This budget request seeks to implement this strategy for the United States Attorneys community.

The United States Attorneys' request a total of 60 positions (30 attorneys, 15 support staff, 15 forensic professionals) 30 FTE, and \$6,086,400 to increase the number of prosecutors available



to counter the growing threat posed by cybercrime, to provide baseline training on cybercrime and digital evidence for all criminal prosecutors so that they have the knowledge and tools necessary to analyze and present digital evidence across all types of criminal cases, and to ensure forensic resources are available to prosecutors throughout the lifecycle of cybercrime cases.²

Justification

Additional Cybercrime Attorneys

There is widespread agreement that cybercrime is one of the greatest threats facing our country and has enormous implications for our national security, economic prosperity, and public safety. It also is clear that cyber threats are on the rise.

In the last six months alone, 40 million customer account records were stolen via the internet from retail giant Target Corporation, and defense contractor Lockheed Martin announced that the number of sophisticated attacks against its cyber networks, and the high tech intellectual property stored on them had quadrupled since 2007. Increasingly, cyber breaches are leading to a variety of frauds being committed with stolen information, resulting in large losses for individual consumers and entire business sectors. At the same time, the number of botnets controlled by organized crime groups has grown exponentially and is being used to commit a host of crimes including spreading malware, stealing credit card and bank credentials, and launching denial of service and other types of attacks against computer networks. Surveying the impact of cybercrime on the banking system in particular, the Office of the Comptroller of the Currency recently warned that "cyber-threats continue to increase in sophistication and frequency," while cyber security professionals (Krebs) who have compared the total losses from traditional bank robberies to those from cyber heists have demonstrated that over the same time period cyber bank robberies result in significantly greater losses (e.g., in the third quarter of 2009, \$25 million was looted in cyber heists compared to \$9.4 million via traditional bank robberies). Moreover, cyber security experts (McAfee) who have analyzed the costs associated with cyber-attacks have concluded that they cost the world economy between \$300 billion and \$1 trillion annually.

The perpetrators of these cybercrimes range from individual "hacktivists" motivated by ideology to sophisticated, transnational organized crime groups looking to fuel their operations with eash. This broad range of cybercrime, and cyber-facilitated crime, is burgeoning at the same light speed as the technological innovations coming from the private sector.

Congress has recognized the cyber threat problem and encouraged the Department to focus on addressing it. Most recently, in a letter to Attorney General Holder dated March 26, 2014, Senators Sheldon Whitehouse and Lindsey Graham, Chairman and Ranking Member respectively on the Senate Subcommittee on Crime and Terrorism, described the broad range of cyber threats facing the country and pointed out that they "have long advocated for increased cyber prosecutions, particularly of those who steal America [sic] intellectual property."

This budget request is consistent with past efforts by the Department to surge resources to address particular threats. For example, in FY2010, the Department added 43 positions to United States Attorneys' offices to address mortgage fraud, and added 75 positions to address threats coming from the Southwest border.



To attack the cybercrime problem, the Department has created robust networks of attorneys across the country. Each USAO has at least one Computer Hacking and Intellectual Property (CHIP) attorney who is responsible for: (1) prosecuting computer crime and intellectual property offenses; (2) serving as the district's legal counsel on matters relating to those offenses, and the collection of electronic or digital evidence; (3) training prosecutors and law enforcement personnel in the district; and (4) conducting public and industry outreach and awareness activities. In addition, in 2012, the Department established the National Security Cyber Specialists (NSCS) Network to coordinate the response to cyber threats - including economic espionage and trade secret theft - being conducted by nation-state actors, or terrorists, or in a manner that significantly impacts national security. Each United States Attorney's Office has at least one NSCS attorney who provides technical and specialized assistance to his or her colleagues within the district and is a point of contact for the National Security Division (NSD) and the Criminal Division's Computer Crime and Intellectual Property Section (CCIPS) for information sharing and de-confliction purposes. However, since 2001, when the first of these networks of CHIP attorneys was created, cyber technology has advanced in leaps and bounds and has led to an explosive growth in the types of cybercrime that impact our country.

The crimes prosecuted by CHIP and NSCS Assistant United States Attorneys (AUSAs) include, but are not limited to, the following:

- violations of the Computer Fraud and Abuse Act (CFAA);
- unlawful access to stored communications in violation of the Electronic Communications Privacy Act;
- illegal interception of electronic communications in violation of Title III;
- · satellite signal piracy;
- · criminal copyright infringement;
- trademark and counterfeit product offenses;
- · counterfeit drug offenses in violation of the Food, Drug, and Cosmetics Act; and
- economic espionage and theft of trade secrets.

In addition to these offenses, there is an increasing array of criminal conduct that is "cyber-facilitated" and therefore properly categorized as cybercrime matters. Although these cases are not currently captured within the Legal Information Office Network System (LIONS) system as cybercrime cases, they nevertheless require a familiarity and skill with cybercrime techniques in order to be properly investigated and prosecuted. Such cases include complex fraud schemes that utilize the internet and other technologies to victimize their targets, and sophisticated identity theft rings that utilize cyber resources to perpetrate their crimes as well as to secrete and launder the unlawful gains generated from those crimes.

Increasing along with this quickly burgeoning area is the stream of traditional cyber cases that CHIP attorneys and other AUSAs have handled over the last three years. With respect to computer crimes prosecuted under the CFAA, in FY 2011, approximately 98 new cases were filed against 129 defendants by USAOs around the country. In FY 2012, approximately 113 new cases were filed against 145 defendants. In FY 2013, despite the challenges presented by



sequestration, the government shutdown, and attrition, approximately 83 cases were filed against 91 defendants.

As for Intellectual Property crimes, in FY 2011, approximately 168 new cases were filed against 215 defendants by the 94 USAOs. In FY 2012, approximately 178 new cases were filed against 254 defendants. In FY 2013, 163 cases were filed against 213 defendants. In addition, the number of defendants prosecuted for economic espionage and/or theft of trade secrets increased from 10 in FY 2011 to 22 in FY 2012 to 26 in FY 2013. These are complex and time-consuming cases to investigate and prosecute for a number of reasons, including the need to: examine and to prepare digital evidence for courtroom presentation; the vast and ever increasing quantities of digital evidence; the coordination of law enforcement efforts across multiple districts and, at times, in multiple countries; and the difficult questions of law that often arise as traditional legal principles are applied to new and evolving technologies.

Given the growing number, scope and complexity of the cybercrime cases being presented for prosecution in the USAOs, the United States Attorneys' community requires 30 new attorneys that it can allocate to those districts where the needs are greatest. These additional positions will allow the Department to increase the number of cybercrime prosecutions it handles on an annual basis, and broaden the capacity of the USAOs to do outreach and counsel AUSAs about cyber and digital evidence issues in their cases.

Baseline Cyber/Digital Evidence Training for All Prosecutors

As the frequency of cybercrime has increased, digital evidence has become ubiquitous in the prosecution of nearly every type of crime. As the Federal Bureau of Investigations takedown of the Silk Road website demonstrates, the internet is being used to commit a wide range of traditional crimes including the distribution of illicit drugs and child pornography, the sale of fake passports, driver's licenses and other documents; and the procurement of illegal service providers such as hit men, forgers, and computer hackers. Evidence found on cell phones, tablet computers, game boxes and other digital devices is instrumental to prosecuting gun and drug crimes, violent and organized crime, crimes against children and other vulnerable populations, and more. And yet, most prosecutors – while they know how to handle 20th century fingerprint, blood, and fiber evidence -- do not have sufficient baseline training to understand how to handle effectively the ever-growing amount of 21st century digital evidence.

In order to ensure that digital evidence is successfully accessed, analyzed and used in criminal cases of every variety, all prosecutors need basic training on a range of cyber topics. In particular, prosecutors must receive an overview of the types of digital evidence available, the law that governs the collection of that evidence and the issues and techniques that allow that evidence to be effectively presented in a courtroom in cyber and non-cyber cases. Moreover, annual refresher training is necessary to ensure that prosecutors are able to keep up with ever increasing types of digital evidence and the evolving law applicable to that evidence.



Digital Forensic Experts

Digital evidence is critical in prosecutions of nearly every type of crime that Congress has authorized the Department to prosecute. In addition, AUSAs are experiencing explosive growth in the diversity, complexity, and storage capacity of electronic devices. Today, the execution of a single search warrant can require analysis of multiple devices, each with storage capacities that dwarf those of the desktops and laptops of just a few years ago. Moreover, the need for digital evidence assistance does not end with the imaging of a hard drive, or even with the identification of potentially relevant materials from seized digital media. Instead, AUSAs routinely need assistance from digital forensic experts throughout the life of a case. This support includes: pre-seizure planning to address technical and legal issues associated with executing searches of digital devices; expert consultation throughout the investigation and prosecution, including supplemental analysis to identify digital evidence artifacts that support the prosecution or rebut defenses; and support at pre-trial hearings and trial including consultation regarding defense expert testimony and defense strategies. Although AUSAs already work closely with investigative agencies and their cyber forensic specialists, they lack support from appropriately trained digital forensic experts who are committed solely to the investigative and prosecutorial needs of the AUSA.

In order to ensure that AUSAs have proper support, they need to have digital forensic experts available to them in the field. In particular, the United States Attorneys' community needs 15 digital forensic experts that it can allocate across the country and that can each act as a resource to a regional group of USAOs. These digital forensic experts will coordinate and work closely with the experts who work in the Cybercrime Laboratory located in the Criminal Division's CCIPS. However, by being located in USAOs around the country, these digital forensic experts will be able to work on an on-going and collaborative manner with CHIP and NSCS attorneys to provide support and guidance at every stage of criminal investigations and prosecutions. They also will develop a real-world understanding of the digital forensic needs in the USAOs, and thus will serve as an excellent bridge to the National Security Division (NSD), CCIPS and others in the Department on the digital evidence issues that impact prosecutors in the field.

Impact on Performance

The requested increase in funding is necessary to permit CHIP and NSCS attorneys in the USAOs to continue their work on cutting edge cybercrime cases, while also expanding the reach of the Department's cybercrime efforts through training and outreach. In particular, CHIP and NSCS attorneys serve as the primary points of contact for AUSAs in the field. As those AUSAs receive training and begin to work on cybercrime matters, or even on non-cyber cases that involve complex digital evidence, CHIP and NSCS attorneys will be increasingly relied upon to provide expertise and guidance. CHIP and NSCS attorneys are also critical to the Department's efforts to improve outreach and information sharing with the private sector, because CHIP and NSCS attorneys are likely to be the most familiar with the private sector entities that provide critical infrastructure in their districts. At the same time, CHIP and NSCS attorneys will continue to be responsible for investigating and prosecuting the most complex cybercrime cases around the country.



The requested resources will address Strategic Goal I: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law, including Objective 1.4, Combat cyberbased threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors; and Goal II: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law, including Objective 2.1, Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers. Objective 2.2, Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to, America's crime victims. Objective 2.3, Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and diversion of licit drugs. Objective 2.4, Investigate and prosecute corruption, economic crimes, and transnational organized crime.

This targeted critical investment will further address the Attorney General's targeted Priority Goal 1: Protecting Americans from National Security Threats, by dedicating efforts to successfully prosecute cyber criminals, and successfully achieve its objective of protecting national security and public safety against these increasing cyber threats. The United States Attorneys have an excellent track record as evidenced by numerous prosecutions with successful outcomes. Furthermore, the United States Attorneys have been involved in developing the Department's Strategic Objective Review to combat cybercrime, ensure cyber security, preserve digital evidence, and will continue to play a critical role implementing these strategies and objectives moving forward.

The following prosecutions are nine examples from the last few years of the types of diverse and significant cybercrime cases that the resources above will support and enhance:

- In May 2014, prosecutors in the Western District of Pennsylvania, together with attorneys
 from NSD, charged five members of the Chinese People's Liberation Army with
 obtaining unauthorized access to protected computers, conspiracy to do the same, and
 several other offenses relating to computer intrusions at Westinghouse Electric Co., U.S.
 Steel Corp, Alcoa Inc., and other U.S. companies in order to provide a commercial,
 economic advantage to their Chinese competitors.
- In April 2014, prosecutors in the District of Arizona secured a guilty plea from a
 defendant from Santa Clara, California, who had engaged in a sophisticated scheme to
 obtain over \$5 million in fraudulent tax refunds using various false identities, data
 encryption technology, and anonymizing computer services. The defendant was
 sentenced to 68 months in prison and was subject to orders of restitution and forfeiture.
- In March 2014, prosecutors in the Northern District of California secured a conviction at trial against two individuals and one company for economic espionage, theft of trade secrets, bankruptcy fraud, tax evasion, and obstruction of justice for their roles in a longrunning effort to obtain U.S. trade secrets for the benefit of companies controlled by the government of the People's Republic of China (PRC). The jury found that one of the



defendants and his company conspired with another defendant to steal trade secrets from E.I. du Pont de Nemours & Company regarding their chloride-route titanium dioxide production technology and sold those secrets for large sums of money to state-owned companies of the PRC. This case marked the first federal jury conviction on charges brought under the Economic Espionage Act of 1996.

- In February 2014, prosecutors in the Southern District of New York charged a defendant
 from the United Kingdom with obtaining unauthorized access to the computer systems of
 the Federal Reserve Bank of New York. The defendant published the stolen data,
 including private, personal, and financial information, on the internet. Prosecutors in
 New York are seeking the defendant's extradition.
- In January 2014, prosecutors in the Northern District of Georgia, together with attorneys from the Criminal Division's CCIPS. Office of International Affairs, and the Department's Fraud section, secured the guilty plea of a Russian defendant who had developed and distributed malicious software known as "SpyEye." The malicious software is estimated to have infected over 1.4 million computers in the United States and around the world. The investigation has also led to the prosecution of a co-conspirator, who was extradited from Thailand, and to the arrest of several other individuals in Bulgaria and the United Kingdom.
- In December 2013, prosecutors in the District of New Jersey secured guilty pleas from nine members of a massive, international counterfeit goods conspiracy. From November 2009 through February 2012, the defendants ran one of the largest counterfeit goods smuggling and distribution rings ever charged by the Department of Justice. The defendants and others conspired to import hundreds of containers of counterfeit goods primarily handbags, and footwear, and perfume from China into the United States. These goods, if legitimate, would have had a retail value of more than \$300 million.
- In December 2013, prosecutors in the Northern District of Iowa secured an indictment against six Chinese nationals for conspiracy to steal trade secrets from U.S. seed companies. The indictment alleges that from on or about April of 2011, to on or about December of 2012, the defendants conspired to steal the trade secrets of several U.S. based seed manufacturing companies, and transport those trade secrets to China for the benefit of their China-based seed company. The estimated loss on an inbred line of seed is approximately 5-8 years of research and a minimum of 30-40 million dollars.
- In August, 2013, prosecutors in the Central District of California secured a sentence of imprisonment for a second member of the LulzSec hacking group for his role in an extensive computer attack that compromised the computer systems of Sony Pictures Entertainment and resulted in personal information of more than 138,000 people being posted on the Internet.



• In June 2013, prosecutors in the District of Delaware obtained a sentence of 12 years for a defendant convicted of wire fraud and criminal copyright infringement based on cyber theft and online piracy of over \$100 million worth of sensitive, industrial-grade software and confidential data stolen from the internal server of a cleared defense contractor. Between April 2008 and June 2011, the defendant engaged in over 700 transactions through which he distributed over \$100 million pirated software to over 400 customers located in at least 28 states and over 60 foreign countries. These software products were owned by approximately 200 different American software manufacturers, ranging from large corporations to small businesses. The investigation revealed that the defendant was part of a larger cybercrime organization based in China.



Cybercrime Prosecutions Funding

Base Funding

| | | FY 2 | 2014 En | acted : | F | Y 2015 | Presider | ıt's Budget | FY 2016 Current Services | | | |
|---|-----|------|---------|--------------|-----|--------|----------|--------------|--------------------------|------|-----|--------------|
| j | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) |
| į | 68 | 49 | 68 | \$11,731,704 | 68 | 49 | 68 | \$11,822,568 | 68 | 49 | 68 | \$11,940,794 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------------------|--|-------------------------------------|-------------------------------|---|---|
| Attorney | 115,672 | 30 | 3,470,160 | 2,608,860 | 0 |
| Digital Investigative | | | | | |
| Analyst | 95,400 | 15 | 1,431,000 | 1,000,350 | 0 |
| Paralegal | 59,016 | 15 | 885,240 | 676,845 | 249,795 |
| Total Personnel | | 60 | 5,786,400 | 4,286,055 | 249,795 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) | |
|-------------------------|-----------|----------|-------------------------|---|---|--|
| Training | N/A | N/A | 300,000 | 0 | 0 | |
| Total Non- Personnel | N/A | N/A | 300,000 | 0 | 0 | |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 68 | 49 | 68 | 11,940,794 | 0 | 11,940,794 | 0 | 0 |
| Increases | 60 | 30 | 30 | 5,786,400 | 300,000 | 6,086,400 | 4,286,055 | 249,795 |
| Grand Total | 128 | 79 | 98 | 17,727,194 | 300.000 | 18,027,194 | 4,286,055 | 249.795 |



Item Name: Civil Rights Prosecutions

AG Targeted Priority Options: Protecting the Most Vulnerable Members of Society

Strategic Goal: Goal II: Prevent Crime, Protect the Rights of the American

People, and Enforce Federal Law.

Strategic Objective: Objective 2:2: Prevent and intervene in crimes against

vulnerable populations and uphold the rights of, and improve

services to, America's crime victims.

Objective 2:5: Promote and protect American civil rights by

preventing and prosecuting discriminatory practices

Budget Decision Unit(s): Criminal and Civil

Component Ranking of Item:

Program Increase: Positions 60 Attorney 60 FTE 30 Dollars \$6,940,320

Description of Item

The United States Attorneys' offices (USAOs), in their partnership with the Civil Rights Division, have historically worked to support a core mission of the Department – to protect our most vulnerable populations – without specially-allocated positions. This gap stands in stark contrast to specially-allocated positions for other Department priorities, such as national security, OCDETF, health care fraud, mortgage fraud, southwest border enforcement, and Project Safe Childhood. With specially-allocated attorney positions in the field, the Department's civil rights enforcement efforts can better serve our local communities in the 21^{st} Century.

Within the current budget structure, the USAOs' significant civil rights enforcement efforts are solely dependent on the personal commitment of each United States Attorney and individual AUSAs who carve out time in their dockets for civil rights enforcement – typically a collateral duty. While several individual offices have directed resources toward increased civil rights investigations and prosecutions, these efforts are not specially-funded and could be discontinued as other initiatives assume prominence.

To create a sustainable level of civil rights enforcement, the United States Attorneys' request funding for 60 dedicated Assistant United States Attorneys (AUSA) positions nationwide (30 Criminal and 30 Civil) in select USAOs, to increase civil rights enforcement in key districts. This proposal for a first-ever enhancement of AUSA resources for civil rights enforcement (both civil and criminal) would create a sustainable and lasting legacy of civil rights enforcement for the Department. This investment will institutionalize the Department's civil rights priority and ensure a lasting increase in enforcement levels nationally.



Justification

In recognition of the partnership between the United States Attorneys and the Civil Rights Division, the Division's leadership has emphasized that USAOs add value as force multipliers in civil rights enforcement. Providing a foundational level of FTE allocations for USAOs will serve to recognize and institutionalize this partnership, and send an important message to our local communities emphasizing the Department's commitment to our most vulnerable neighbors. The United States Attorneys have led, supported, and partnered on a broad range of civil rights enforcement issues including, but not limited to:

Hate crimes;

Human trafficking;

Disability rights, including Olmstead enforcement:

Fair housing;

Employment, particularly representation in USERRA cases;

Civil rights of institutionalized persons;

Violent crime control and law enforcement (Section 14141 cases);

Educational issues involving bullying and the school to prison pipeline; and Voting rights and election cases.

To help facilitate the partnership with the Civil Rights Division, and to provide practical guidance to the field, the Division and EOUSA published a tool-kit in 2011 to assist USAOs in establishing a civil rights practice. This toolkit is accessible for Department attorneys and staff a http://dojnet.doj.gov/crt/. Furthermore, in 2013, Associate Attorney General Tony West approved a memorandum authorizing the Assistant Attorney General of the Civil Rights Division to delegate authority to United States Attorneys to file civil complaints and settlements in certain civil rights cases. This delegation of authority to United States Attorneys recognizes the importance of the expanded role that USAOs serve in enhancing the Civil Rights Division's civil enforcement efforts. Specially-allocated civil rights attorney positions would enhance the ability of the USAOs to utilize these tools that have been provided by EOUSA and the Civil Rights Division to develop and strengthen civil rights practices in the field.

Likewise, an enhancement of criminal AUSAs for civil rights enforcement will also cement current partnerships between USAOs and the Civil Rights Division. As indicated in our original proposal, the number of human trafficking cases the Department has prosecuted has grown exponentially over the past four years. While federal agents and local law enforcement are readily confronted with sex trafficking cases, investigating and prosecuting labor trafficking cases typically requires enhanced resources, including prosecutor involvement in the investigation. EOUSA and the Civil Rights Division's Human Trafficking Prosecution Unit (HTPU) have been working together for the last two years to support six pilot Anti-Trafficking Coordination Teams (ACTeams) that place special emphasis on the labor trafficking threat. These teams are headed by an AUSA and comprised of prosecutors and agents from multiple federal enforcement agencies who have developed strategic action plans to combat human

³ An overview of just some of the enforcements efforts by USAOs in the civil rights arena is located on the Department's website: http://www.justice.gov/usao/briefing_room/crt/.



trafficking. Providing for specially-allocated positions for civil rights prosecutors in the USAOs will assist in the development of more complicated and time-consuming sex and labor trafficking cases. Prosecutors will be able to focus their dockets and time with agents on these efforts, rather than splitting their time with other dockets such as white collar, gang, or drug enforcement cases. Such local assistance will enhance, not detract from, the efforts of the Civil Rights Division.

Our enhancement proposal is intended to complement, and not supplant, the role and importance of the Civil Rights Division. The Civil Rights Division has 10 distinct, specialized sections in which trial attorneys are the experts and leaders on their specific federal civil rights statutes. USAOs and their AUSA, on the other hand, are subject matter generalists and litigation specialists, and have the training to jump in and out of hot and pressing issues across the various sections of the Civil Rights Division. In addition to litigation experience, United States Attorneys have the critical ability to be the eyes and ears on the ground, to respond to issues as they arise, to take on cases that address a significant local concern, and to be present for what may be lengthy monitoring and enforcement of civil settlements. Because our components bring different skill sets and strengths to any investigation, mediation, litigation, and/or monitoring of civil rights matters and cases, we are well-suited to a successful enforcement partnership.

Balancing Investigative Support for USAO Civil Rights Position Allocations

On the criminal side, an allocation of positions for AUSAs to assist in the enforcement of civil rights will better align USAO efforts with the FBI's. Between 2010 and 2014, the FBI has had on average 176 agents specifically assigned to work on civil rights matters, while the United States Attorneys have had no specially-allocated AUSA positions for such efforts.

At the same time, AUSAs and USAO support staff typically conduct their own investigations in civil rights enforcement actions. Having dedicated staff trained to conduct interviews and other investigative activities is key to success of the USAOs' work. The established model most closely aligned with this proposal for civil rights investigators and outreach/ intake specialists may be found in the Affirmative Civil Enforcement (ACE) program. However, not all offices will be able to utilize their ACE investigators for civil rights cases. In many circumstances, affirmative civil rights cases require a distinct skill set, requiring outreach with individual stakeholders, ongoing consensus building with non-profit organizations and legal aid organizations, and excellent communication skills in working with vulnerable citizens. Therefore, a holistic proposal could include providing selected districts with a community outreach or intake specialist and/or investigator to support the work of the civil AUSAs.

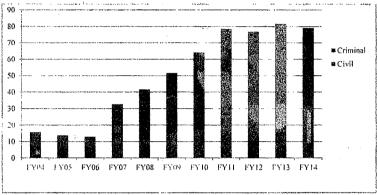
Data received from FBI Headquarters civil rights unit. Civil rights matters handled by the FBI include hate crimes, color of law, FACE Act, and Human Trafficking.



Current Litigation Efforts by USAOs

Although the amount of time that USAOs have devoted to promoting civil rights enforcement—typically a collateral duty for civil AUSAs—has grown over the last 10 years, the stagnating impacts of sequestration and the Department's hiring freeze may be seen in the following chart:

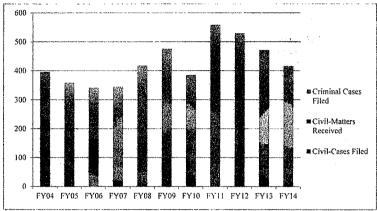
Attorney Workyears - Civil Rights*



*APSA workyears are extracted from the USA-5 Program for Criminal Civil Rights Prosecutions and Alfirmative Civil Rights A "workyear" is emiscalent to one alterney work me full-time for one year.

Furthermore, the increasing civil rights caseloads in USAOs nationally over the past 10 years, as shown in the following chart, provides a snapshot of the fact that civil rights enforcement (both civil and criminal) is a persistent issue, not a short-term issue defined by a crisis. The chart below also shows the ongoing efforts of USAOs to work civil rights matters and cases, as well as the limits of USAOs to meet the needs of a civil rights docket without a specifically designated civil rights AUSA. As budget cuts impacted offices, the numbers of civil rights cases, especially civil rights cases, has declined. The chart also shows that civil rights matters received have declined in recent years. This is due to the USAOs' need to utilize civil attorney resources for civil defensive work, over which USAOs have no control. Limited attorney resources and the requirements of civil defensive work leave little resources remaining for affirmative civil rights.

National USAO Caseload Statistics*: Civil Rights Cases Filed and Civil Matters Received



*AUSA workyears are extracted from the USA-5 Program for Criminal Civil Rights Prosecutions and Affirmative Civil Rights. A "workyear" is equivalent to one attorney working full-time for one year.

United States Attorneys' Non-Litigation Support of Civil Rights Programs

While litigation of civil rights issues specific to their individual districts supports the Civil Rights Division's mission to protect the most vulnerable, USAOs also have the skill and ability to conduct ongoing local outreach, and to assist the Department by having a local representative present to address issues that need immediate attention. USAOs are knowledgeable regarding their local communities and can assist in effective outreach and engagement in coordination with the Civil Rights Division and Community Relations Service. While some USAOs have partnered with other federal agencies, community leaders, law enforcement officials, educators, and other stakeholders to educate the community in an effort to prevent civil rights violations, many offices are unable to devote resources to such initiatives. Further, even more so than litigation, these programs rely on the personal commitment of each United States Attorney to a civil rights program. With additional resources, USAOs could increase their civil rights outreach initiatives as indicated below:

- Leading outreach concerning building community resiliency against ideologically based extremist violence.
- Conducting hate crime forums designed to educate the public about the Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act.



- · Pursuing civil rights training for state and local law enforcement officers.
- Engaging with local schools on anti-bullying presentations, specifically geared at preventing harassment in the schools on the basis of race, religion, sexual orientation, etc.
- U.S. Attorneys may also participate in the voting rights litigation conducted by CRT, particularly as the Department navigates regional issues in the post-Shelby context.

Impact on Performance

This proposal specifically advances the Department's strategic goals and objectives related to the protection of vulnerable persons, and to promote and protect American civil rights by preventing and prosecuting discriminatory practices. The support provided by USAOs in this effort was identified in the Strategic Objective Review Process for Priority Goal 2.5. Furthermore, resource constraints and training to the field are identified as challenges in meeting this priority goal. The increase in resources allocated to USAOs will allow the Department to fill any existing performance gaps related to protecting vulnerable persons, and result in successfully achieving our performance goals in both criminal and civil enforcement of our civil rights laws. Currently, we do not track any performance measures/milestones associated with Civil Rights enforcement by the USAOs in the budget; however, in the current Strategic Objective Review, the Department is considering developing civil rights measures going forward.

Until now, civil rights enforcement has been left out of a highly effective enforcement strategy—dedicated resources for USAOs to support the Department's goals and protect the rights of vulnerable individuals. Enhancing this resource will create a lasting impact for the Department and the protection of vulnerable citizens. A position allocation for civil rights enforcement at USAOs is consistent with Department precedent for such resource allocation to USAOs in other priority areas, such as Indian Country, National Security, and Mortgage Fraud. The United States Attorneys' community is committed to serving as partners with the Civil Rights Division to protect the most vulnerable in our communities. The requested resources will address Strategic Goal II: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law, including Objective 2.2, Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to, America's crime victims. Objective 2.5 Promote and protect American civil rights by preventing and prosecuting discriminatory practices.

This targeted critical investment will further address the Attorney General's targeted Priority Goal 4: Protecting the most vulnerable members of society, by dedicating efforts to successfully enforce civil rights laws, and achieve its objective of protecting that nation's most vulnerable populations. In addition, the United States Attorneys will be involved in developing the Department's Strategic Objective Review of upholding the civil and constitutional rights of all Americans.



Civil Rights Prosecutions Funding

Base Funding

| 75 | FY 2 | 2014 En | acted | F | Y 2015 | Presider | ıt's Budget | 1.1544 | FY.20 | 16 Curre | nt Services |
|-----|------|---------|------------|-----|--------|----------|-------------|--------|-------|----------|-------------|
| Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) | Pos | Atty | FTE | \$(000) |
| [18 | 90 | 118 | 20,983,330 | 118 | 90 | 118 | 21,145,632 | 118 | 90 | 118 | 21,357,088 |

Personnel Increase Cost Summary

| Type of Position | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|------------------|--|-------------------------------------|-------------------------------|---|---|
| Attorney | 115,672 | 60 | 6,940,320 | 5,217,720 | 0 |
| Total Personnel | 0 | 60 | 6,940,320 | 5,217,720 | 0 |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) |
|-------------------------|-----------|----------|----------------------------|---|---|
| Total Non- Personnel | N/A | N/A | N/A | N/A | N/A |

Total Request for this Item

| | Pos | Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (Change from 2016) (\$000) | FY 2018 Net Annualization (Change from 2017) (\$000) |
|---------------------|-----|------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 118 | . 90 | 118 | 21,357,088 | 0 | 21,357,088 | 0 | 0 |
| Increases | 60 | 60 | 30 | 6,940,320 | 0 | 6,940,320 | 5,217,720 | 0 |
| Grand Total | 178 | 150 | 148 | 28,297,408 | 0 | 28,297,408 | 5,217,720 | 0 |



VI. Program Decrease by Item

Item Name: Program and/or Administrative Savings

Strategic Goal(s):

Goals I, II and III:

Prevent terrorism, and Promote the Nation's Security Consistent with the

Rule of Law;

Prevent Crime, Protect the Rights of the American People, and Enforce

Federal Law

Ensure and Support the Fair, Impartial, Efficient, and Transparent

Administration of Justice at the Federal, State, Local, Tribal and

International Levels.

Strategic Objective(s): All

Budget Decision Unit(s): Criminal, Civil and Legal Education

Program Decrease: Positions 0 Agt/Atty 0 FTE 0 Dollars \$4,673,000

Description of Item

Program and/or administrative savings to be identified once funds are appropriated.

Justification

Examples of savings to be realized in FY 2016 include, but are not limited to reductions to GSA rent, leveraging and extending the useful life of existing technology, bulk purchases and bundling technology procurements.

Impact on Performance

Performance impact information is not yet available for this offset.

EXECUTIVE OFFICE FOR UNITED STATES ATTORNEYS

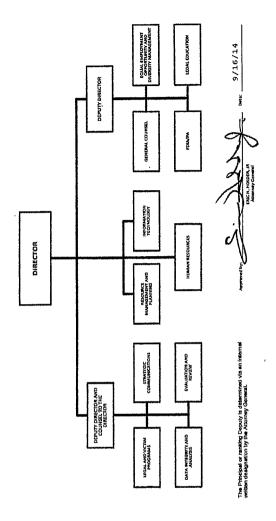


Exhibit A - Organizational Chart

Summary of Requirements
United States Attomays
Salaries and Expenses
(Dollars in Thousands)

| 10, 10, 10, 10, 10, 10, 10, 10, 10, 10, | Direct Pos. 10,524 10,524 10,525 | . Estimate FTE 24 9,142 24 9,142 | Amount 1,944,000 |
|--|---|--|---------------------|
| 10, 4 Enactod (with Rescission) 10, 10, 10, 10, 10, 10, 10, 10, 10, 10, | 10,6 10,6 10,6 | | 1,944,000 |
| I divith Reactisation) on (with Reactisation) 6 Reactisation (divertiments for ecilities from the Reacting Programs (Smart on Crime) entry Coordinations (Smart on Crime) entry Coordinations (Smart on Crime) entry Coordinations (Smart on Crime) entry Coordinations (Smart on Crime) entry Coordinations (Smart on Crime) entry Coordinations (Smart on Crime) entry Coordinations (Smart on Crime) entry Coordinations (Smart on Crime) | 10,6 | | • |
| for feecheston) Feecheston Greateston Greateston Greateston Greateston Greateston Greateston To, To, To, To, To, To, To, T | 10,6 | _ | 1,944,000 |
| of (with Rescrission) G Reactission G Pecifies from the most of Crime) and Reentry Programs (Smart on Crime) entry Coordinators (Smart on Crime) seculors seculors seculors | | 9,768 | 1,960,000 |
| 6 Reccission distrinents of Facilities thrents thrents and Reartry Programs (Smart on Crime) secultors secultors secultors ses | 10,637 | 37 9,768 | 1,951,000 |
| cal Adjustments fits and Facilities in and Facilities in and Facilities toes ends Frosecutions Frosecutions Frosecutions Frosecutions Frosecutions Frosecutions Frosecutions Frosecutions | | 0 | 9.000 |
| offise and Feedilless In and Feedilless In and Feedilless In and Feedilless In and Feedilless The Seedill | | 0 | 9,000 |
| Idjustments for and Rearing Programs (Smart on Crime) a Prosecutions for Threscutions for the American on Crime) for the American on Crime) | | 90 | 39,162 |
| nition and Reentry Programs (Smart on Crime) at Resertry Coordinators (Smart on Crime) a Presecutiors Transactions Indexecutions | | 8 | 38,863 |
| antion and Reentry Programs (Smart on Crime) af Reentry Coordinators (Smart on Crime) Prosecutions Freeductions | 10,637 | 37 8,774 | 1,998,863 |
| | | | |
| | | | 15,000 |
| | | | 10,000 |
| | | | 980'9 |
| | | 24 18 | 38 026 |
| | | | |
| Miscellaneous Program and Administrative Reductions. Subtodal, Offsets | | 010 | 4 673 |
| | | | |
| Total Program Changes | | 214 107 | 33,353 |
| 2016 Total Raquest 2015 - 2016 Total Change | 10,851 | .851 9,884 214 113 | 2,032,216 |

Exhibit B - Summary of Requirements

B. Summary of Requirements

Summary of Requirements United States Attorneys Salaries and Expenses (Dollars in Thousands)

| Program Activity | 2 | 2014 Enacted | D. | | 2015 Enacted | pa | 2016 | 2016 Technical and Base Adjustments | and Base | 2016 | 2016 Current Services | ırvices |
|------------------------------|----------------|--------------|-----------|----------------|--------------|-----------|----------------|--|----------|----------------|-----------------------|-----------|
| - | Direct Pos. | Actual | Amount | Direct Pos. | Est FTE | Amount | Direct Pos. | Direct Est. FTE Pos. | Amount | Direct Pos. | Est FTE | Amount |
| Criminal Litigation | 8,093 | 696'9 | 1,464,362 | 8,105 | 7,438 | 1,478,299 | 0 | 9 | 29,279 | 8,105 | 7,444 | 1,507,578 |
| Civil Litigation | 2,478 | 2,130 | 448,000 | 2,479 | 2,277 | 450,940 | 0 | 0 | 8,960 | 2,479 | 2,277 | 459,900 |
| Legal Education | 53 | 23 | 31,638 | 83 | 53 | 30,761 | 0 | 0 | 624 | 53 | . 53 | 31,385 |
| Total Direct | 10,624 | 9,142 | 1,944,000 | 10,637 | 9,768 | 1,960,000 | 0 | 9 | 38,863 | 10,637 | 9,774 | 1,998,863 |
| Balance Rescission | | | 0 | | | 000'6- | | | 000'6 | | | 0 |
| Total Direct with Rescission | | | 1,944,000 | | | 1,951,000 | | | 47,863 | | | 1,998,863 |
| Reimbursable FTE | | 1,518 | | | 1,559 | | | 0 | | | 1,559 | Γ |
| Total Direct and Reimb. FTE | | 10,660 | | | 11,327 | | | ဖ | | | 11,333 | |
| Other FTE: | **** | | | | | | | | | | | |
| Overtime | | 7 | | | 71 | | | 0 | | | 71 | |
| Grand Total, FTE | | 10,731 | | | 11,398 | | | 9 | | | 11,404 | |

| | 2 | 2016 Increases | ses | | 2016 Offsets | ster | | 2016 Request | ıest |
|------------------------------|--------|----------------|--------|--------|--------------|----------|--------|--------------|-----------|
| Program Activity | Direct | Est. FTE | Amount | Direct | Est. FTE | Amount | Direct | Est. FTE | Amount |
| | Pos. | | | Pos. | | | Pos. | | |
| Criminal Litigation | 178 | 68 | 33,966 | 0 | 0 | -3,298 | 8,283 | 7,533 | 1,538,246 |
| Civil Littgation | 98 | 138 | 4,060 | 0 | 0 | -1,314 | 2,515 | • | 462,646 |
| Legal Education | 0 | ٥ | 0 | 0 | 0 | <u>ģ</u> | 53 | 53 | 31,324 |
| Total Direct | 214 | 107 | 38,026 | 0 | 0 | 4,673 | 10,851 | 9,881 | 2.032,216 |
| Balance Rescission | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 38,026 | | | 4,673 | | | 2.032.216 |
| Reimbursable FTE | | 0 | | | 0 | | | 1,559 | |
| Total Direct and Reimb. FTE | | 107 | | | 0 | | | 11,440 | |
| Other FTE: | | | | | | | | | |
| Overtime | | 0 | | | 0 | | | 7 | |
| Grand Total, FTE | | 107 | | | 0 | | | 11,511 | |

Exhibit B - Sunh. ... sy of Requirements

FY 2016 Program Changes by Decision Unit United States Attorneys Salaries and Expenses

(Dollars in Thousands)

| Program increases | Location of Description in | _ | Criminal | Criminal Litigation | E | | CIVII T | Civil Litigation | | | Lagas! E | Legal Education | | | Total | Total Increases | |
|--|---|----------------|----------|---------------------|--------------------------------|----------------|---------|------------------------------|--------|----------------|----------|-----------------|-----------------------------|----------------|-------|-----------------------|--------|
| | Narrative | Direct Pos. | Agt./ | Est. FTE | Agt./ Est. FTE Amount Atty. | Direct Pos. | | Agt/ Est FTE Amount Alty. | Amount | Direct Pos. | Agt./ | Est. FTE Amount | | Direct Pos. | Agt. | Est. FTE Amount | Amount |
| Expand Prevention and Reentry Programs | Page 45 | o | 0 | 0 | 15,000 | 0 | 0 | ō | 0 | 0 | 0 | 0 | o | 0 | 0 | 0 | 15.000 |
| Prevention and Reentry Coordinators | Page 50 | 94 | 0 | 47 | 10,000 | Ö | 0 | 0 | 0 | o | 0 | 0 | 0 | 8 | 0 | 47 | 10,000 |
| Cybercrime Prosecutions | Page 54 | \$ | 27 | 27 | 5,496 | 9 | 6 | 3 | 590 | 0 | 0 | 0 | 0 | 9 | 8 | 8 | 6.086 |
| Civil Rights Prosecutions | Page 63 | 8 | 90 | 15 | 3,470 | 30 | 30 | 15 | 3,470 | o | 0 | 0 | 0 | 9 | 9 | 8 | 6,940 |
| Total Program Increases | | 178 | 57 | 88 | 33,966 | 38 | 33 | 18 | 4,050 | 0 | 0 | 0 | Û | 214 | 90 | 107 | 38,026 |
| | | | | | | | | | | | | | | | | | |
| | Location of | - | Criminal | Criminal Litigation | | | CIVILL | Civil Litigation | | | Legal E | Legal Education | | | Tota | Total Offsets | |
| Program Offsets | Description in Direct Agt./ Est. FTE Amount Direct Narrative Pos. Atty. | Direct Pos. | Agt. | Est. FTE | Amount | Direct Pos. | Agt. | Agt/ Est. FTE Amount Alty. | Amount | Direct Pos. | Agt./ | Est. FTE | Est. FTE Amount Direct Pos. | Direct Pos. | Agt. | Agt./ Est. FTE Amount | Amount |
| Miscellaneous Program and Administrative Reductions | Page 70 | 0 | ٥ | 8 | -3,298 | 0 | 0 | 0 | -1314 | 0 | 0 | 0 | 9 | 1 | - | c | A 673 |
| | | İ | | | | - | | | | 1 | | | | 1 | • | 5 | 5 |

Resources by Department of Justice Strategic Goal/Objective United States Attorneys States and Expenses (Dottar's in Triousands)

| Strategic Goal and Strategic Objective | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 Cu | 2016 Current Services | 2016 | 2016 increases | 2016 | 2016 Offsets | 2016 To | 2016 Total Request |
|---|-------------------------|------------------|-------------------------|--------------|--------------|-----------------------|-------------------------|------------------|--------------|------------------|------------------|--------------------|
| | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct | Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct Amount | Reimb FTE | Direct Amount | Direct/ Reimb | Direct |
| Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law | | | | | | | | | | | | |
| 1.2 Prosecute those involved in terrorist acts. | 345 | 51,058 | 345 | 51,056 | 345 | 51,056 | - | 0 | | 0 | 345 | 51.058 |
| 1.4 Combat cyber-based threats and attacks through the use of all available looks, strong pulcip-chrvate partnership, and the investigation and prosecution of cyber threat actors. | c | | | | | | | 3.043 | | c | | |
| Subtotal, Goal 1 | 3 | 51,05 | 345 | 51,056 | 34 | 51,056 | 12 | 3,043 | 0 | 0 | 360 | 47 |
| Goal 2 Prevent Crime, Protect the Rights of the American People, and enforce Federal Law | | | | | | | | | | | | |
| Combat the threat, incidence, and prevalence of violent orine by leveraging strategic partnerships to investigate, arrest, and | | | | | | | | | | | | |
| prosecute violent offenders and illegal firearms traffickers. 2.2 Prevent and Intervene in crimes against vulnerable populations. | 832 | 171,049 | 993 | 172,616 | 994 | 176,130 | 60 | 609 | 0 | -423 | 266 | 176,316 |
| and uphold the rights of, and improve services to America's crime victims | 000 | 450 000 | 2 | 170 | Š | 200 | ç | 200 | | Ċ | ć | |
| 2.3 Disrupt and dismantle major drug trafficking organizations to | 3 | | g a | 172,001 | t in o | 07-90- | <u> </u> | 107,4 | | 7 | | 102,308 |
| combat the threat, trafficking, and use of lifegal drugs and the diversion of licit drugs | 2.598 | 476.788 | 2.768 | 481.156 | 2.769 | 490.952 | 4 | 811 | C | -1.178 | 2773 | 490 585 |
| 2.4 Investigate and prosecute corruption, economic crimes, and transnational organized crime | 9080 | | 2 874 | | | | | Č | | 5 | | 000 |
| 2.5 Promote and protect American civil rights by preventing and | 9 | • | | • | | | f | 9 | | -1,463 | 7, 990 | 303,323 |
| prosecuting discriminatory practices | 2 | 12,860 | 75 | 12,978 | 75 | 13,242 | 15 | 3,470 | 0 | -32 | 90 | 16,680 |
| States | 3,053 | 560.342 | 3.253 | 565,649 | 3.255 | 577.177 | | • | | -1 384 | 3 255 | 575 793 |
| Subtotal, Goal 2 | ~ | - | 10,857 | - | Τ- | Ţ | 45 | 9,983 | 0 | 4,620 | - | Ψ. |
| Goal 3 Ensure and Support the Fair, Impartial, Efficient, and Transperent Administration of Justice at the Federal, State, Local, Tribal and Infernational Levels. 3.4 Reform and strengthen America's criminal justice system by largeling only the most serious offenses for federal presecution, expanding the use of diversion programs, and aiding impales in reentening society. | - | ŀ | ŗ | | | | | 00.35 | c | | l- | 1 |
| 3.8 Strengthen the government-to-government relationship between inbea and the United States, improve polici sealery in findian Country, and honor treaty and tust responsibilities through consistent, coordinated policies, activities, and itigation. | | r | • | | • | c | | | , | O 0 | , | |
| Subtotal, Goal 3 | | | | 24.729 | | | | 25.000 | 5 6 | , " | | |
| TOTAL | 10 | 1.0 | F | 1.960,000 | ۶ | 1.9 | 401 | 38,026 | | 4 673 | + | 2.032.216 |

Exhibit D - Resources by DOJ Strategic Goal and Strategic Objective

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

United States Attorneys Salaries and Expenses (Dollars in Thousands)

| | Direct Pos. | Estimate FTE | Amount |
|--|----------------|-----------------|--------|
| recrimical Adjustments Restoration of FY 2015 Rescussion Subtodal, Technical Adjustments | 00 | 06 | 000'6 |
| Pay and Benefits 2016 Pay Raiss: This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount requested, \$12,370,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$9,516,000 for pay and \$2,654,000 for benefits.) | | | |
| 2 <u>Annualization of 2015 Pay Raise.</u> This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase of 1.0 percent included in the 2015 Prevident's Budget. The amount requested \$3,383,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$2,200,000 for pay and \$7,000,000 for benefits). | | | 12,370 |
| 3 Cheroges in Compensable Days: The increased cost for one compensable day in FY 2016 compared to FY 2015 is calculated by dividing the FY 2015 estimated personnel compensation and applicable benefits by 262 compendable days. This translates to an incease of \$4,755,000. | | | 3,383 |
| FERS Regular/Law Enforcement Relitement Contribution: Effective October 1, 2015 (FY 2016), the new agency contribution rates of 13.7% (up from the current 13.2%, or an increase of 0.5%) and 30.1% for law enforcement personned (up from the current 28.6%, or an increase of 1.3%). The amount requested, \$5,074,000, represents the first needed to cover this norease. | | | 4,755 |
| 5 Annualization of New Positions Approved in 2015: | | | 5,074 |
| Personnel: This provides for the annualization of 13 new positions appropriated in 2015. Annualization of new positions extends up to 2 years to This provides the the annualization of 13 new positions appropriated in 2015. Annualization of new positions extends up to 2 years to provide entry level funding in the first year, with a 1 or 2-year progression to a journeyman level. For 2016 increases, this request includes an increase of \$916,000 for full-year payroll costs associated with these additional positions. | | | |
| 2015 New Annualization Positions Required for 2016 | | | |
| | | | |
| Total Personnel Cost 802 e | | | |
| Transportation of Things 32 Communications/Utilities 3 | | | |
| Printing/Reproduction Other Contractual Services | | | |
| | | | |
| Control of the contro | | _ | |

Exhibit E. Justification for Technical and Base Adjustments

| Pos. | FTE | Amount | |
|------|--|--------|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | 916 |
| | | | |
| | | · | 9,223 |
| | | | -738 |
| | ······································ | | 7,839 |
| 0 | | | 39.162 |
| | | | |
| | | | 3,366 |
| | | | 1,388 |
| | | ۳, | -5,053 |
| 0 | | | -299 |
| ٥ | | | 47,863 |
| | | | |

Exhibit E. Justification for Technical and Base Adjustments

F. Crosswärk of 2014 Availability

Crosswalk of 2014 Availability United States Attorneys Salaries and Expenses

(Dollars in Thousands)

| | • | 2014 Enacted | ted | Reprogr | ramming/ | Reprogramming/Transfers Carryover | Carryover | Recoveries/ Refunds | × | 2014 Availability | billty |
|-----------------------------|----------------|--------------|-----------|---------|----------|-----------------------------------|-----------|------------------------|--------|-------------------|-----------|
| | Direct Pos. | Estim. | Amount | Direct | Estim. | Amount | Amount | Amount | Direct | Estim. | Amount |
| Criminal Litigation | 8,093 | 1 | 1.464.362 | 3 | 0 | 10.740 | 7 484 | 2 924 | 900 | -1 | 1 485 507 |
| Civil Litigation | 2,478 | 2,130 | 448,000 | 0 | 0 | Ö | | j | 2,478 | | 448,000 |
| Legal Education | 53 | | 31,638 | 0 | 0 | 0 | 0 | 0 | 53 | 1 88 | 31,638 |
| Total Direct 10,624 | 10,624 | 9.142 | 1.944.000 | 0 | 0 | 10.740 | 7 484 | 2 921 | 10 624 | 0 140 | 4 DER 44E |
| Reimbursable FTE | | 1,518 | | | 0 | | | 1704 | 1 | 1 | 1,000,1 |
| Total Direct and Reimb. FTE | | 10,660 | • | | 0 | | | | | 10,660 | |
| Other FTE: | • | | • | • | | | | | | | |
| Overtime | | 7 | | | | | | | | 7 | |
| Grand Total, FTE | | 10,731 | | | 0 | | | | | 10 734 | |

Reprogramming/Transfers

The United States Attorneys transferred a total of \$10,740,000 into the Annual Salaries and Expenses account. The amount came from these funding sources:
(1) \$10,000,000 from the No Year Salaries and Expenses account and (2) \$740,000 from the ONDCP HIDTA (14/15 account).

Carryover:

The United States Attorneys carried a Direct Unobligated balance of \$7,484,000 into FY 2014. The amount came from these sources:

The \$7.154,000 in unobligated balances in the No-Year account is comprised of: (1) \$1,500,000 to fund expenses at the National Advocacy Center (NAC) located in Columbia, South Carolina; and (2) \$5,500,000 was used primarily for inflationary adjustments in FY 2014 and to offset "front-loaded" obligations like JMD library costs, while (1) \$7,154,000 is from the No-Year Salaries and Expenses account, and (2) \$330,000 is the remaining balance from the ONDCP HIDTA (13/14 account). operating under a CR.

Recoveries/Refunds:

Recoveries of prior year unpaid obligations in the amount of \$2,921,000 is anticipated in FY 2014.

Crosswalk of 2015 Availability United States Attorneys Salaries and Expenses (Dollars in Thousands)

| Drown Activities | | 2015 Enacted | ted | Reprog | ramming/ | Transfers | Reprogramming/Transfers Carryover | Recoveries/ Refunds | 2 | 2015 Availability | hility |
|-----------------------------|--------|--------------------|-----------|--------|----------|-----------|-----------------------------------|------------------------|------------|-------------------|-----------|
| Flogram Activity | Direct | Estím. | Amount | | Estim. | Amount | Amount | Amount | Direct | Estim. | Amount |
| | Z. | -1 | | Pos. | 11 | | | | Pos. | Ë | |
| Criminal Litigation | 8,105 | 7,438 | 1,473,799 | 0 | 0 | 476 | 19,848 | 742 | 8,105 | | 1,494,865 |
| Civil Litigation | 2,479 | | 446,440 | 0 | 0 | 0 | 0 | 0 | 2,479 | | 446,440 |
| Legal Education | 53 | 53 | 30,761 | 0 | 0 | 0 | 0 | 0 | 23 | 53 | 30,761 |
| Total Direct 10,637 | 10,637 | 9,768 | 1,951,000 | 0 | 0 | 476 | 19,848 | 742 | 742 10,637 | 9.768 | 1.972.066 |
| Reimbursable FTE | | 1,559 | | | ō | | | | | 1,559 | |
| Total Direct and Reimb. FTE | | 11,327 | • | | 0 | | | ******* | | 11,327 | |
| Other FTE: | | ~ · · · | | - | | | | | | | |
| Overtime | | 71 | | | 0 | | | | | 7.1 | |
| Grand Total, FTE | | 11,398 | | | 0 | | | | | 11,398 | |

Reprogramming/Transfers

In FY 2015, \$476,000 is the anticipated amount that will be transferred from the ONDCP HIDTA to United States Attorneys.

Carryover:

(1) \$19,553,000 is from the No-Year Salaries and Expenses account; and (2) \$295,000 is the remaining balance from the ONDCP HIDTA. The United States Attorneys carried a Direct Unobligated balance of \$19,848,000 into FY 2015. The amount came from these sources:

Columbia, South Carolina; and (2) \$8,000,000 to be used primarily for inflationary adjustments in FY 2019 and to offset obligations like JMD library costs, Transit Subsidy, etc., while operating under a CR. The \$19,553,000 in unobligated balances in the No-Year account is comprised of: (1) \$1,500,000 to fund expenses at the National Advocacy Center (NAC) located in

Recoveries/Refunds:

Anticipated Recoveries of prior year unpaid obligations in the amount of \$742,000 is anticipated in FY 2015.

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources
United States Attorneys
Salaries and Expenses
(Politers in Toucente)

| | | 2014 Actual | nal | | 2015 Planned | par | | 2016 Reguest | best | 1 | ncreaso/Decrease | 00000 |
|---|--------|-------------|-----------|--------|--------------|-----------|-------|--------------|-----------|-------|------------------|-----------------------|
| 3 3 6 | Reimb. | Estim. | Amount | Reimb. | Estim | Amount | Reimh | Fefin | Amount | Dalmh | E C | Vancaria, |
| Collections by Source | Pos. | Reimb. | | Pos. | Reimb. | | Pag | Reimb | 1 | Pos | Reimb | Tipolic in the second |
| | | FIE | | | 벁 | | | FTE | | | FTE | |
| Executive Office for OCDETF | 1,027 | 912 | \$145,635 | 1,027 | 976 | \$145,635 | 1.027 | 975 | \$145,635 | ٥ | - | C |
| Executive Office for OCDETF (AFF, Strike Force, FAC) | | | 905'9 | | | 5,048 | | | 5,048 | ٥ | | 0 |
| Debt Collection 3% Fund-Personnnel/Special Projects | 153 | 147 | 32,962 | 153 | 125 | 55,585 | 153 | 125 | 55,585 | 0 | 0 | 0 |
| Debt Collection 3% Fund-Enhancements | 19 | 18 | 8,202 | 19 | 16 | 23,199 | 19 | 9 | 23,199 | 0 | | 0 |
| 3% Funded HCF-Pharmaceutical Fraud | 13 | 12 | 2,665 | 13 | 12 | 2,665 | 13 | 12 | 2,665 | ò | 0 | 0 |
| 3% Funded HCF-Civil Cases | | | 2,000 | | | 2,000 | | | 2,000 | 0 | 0 | 0 |
| Health Care Fraud and Abuse Control (Mandatory Funding) | 177 | 35 | 31,400 | 177 | 165 | 31,714 | 177 | 185 | 31,714 | ٥ | 0 | 0 |
| Health Care Fraud and Abuse Control (Discretionary Funding) | 67 | Ŗ | 13,382 | 67 | 54 | 11,382 | 19 | 25 | 11,382 | 0 | | 10 |
| Office of Victims of Crimes | 182 | 162 | 28,708 | 182 | 162 | 22,907 | 182 | 162 | 22,907 | | | 0 |
| Office of Victims of Crimes (VNS) | | | 5,025 | | | 5,025 | | | 5,025 | ٥ | 0 | 0 |
| Asset Forfeiture Mgml Staff | 48 | 5 | 41,385 | 46 | 43 | 49,879 | 46 | 65 | 49,879 | ٥ | ۰ | 0 |
| Alcohol, Tobacco & Fireams (ATF) | | | 257 | | | 999 | | | 88 | 0 | 0 | 0 |
| Federal Bureau of Investigation | | | 353 | | | 351 | | | 351 | 0 | | 6 |
| Clvd Rights Division | | | 12 | | | - | | | - | 0 | 0 | G |
| Environment and Natural Resources Division | | | 25 | | | 4 | | | 4 | | ٥ | 0 |
| Executive Office for U.S. Trustees | | | 161 | | | 161 | | | 161 | 0 | | 0 |
| Federal Bureau of Prisons | | | 28 | | | 28 | Γ | | 28 | 0 | | 0 |
| Bureau of Justice Assistance | | | 68 | | | 89 | | | 88 | ٥ | 0 | 0 |
| Criminal Division | | | 132 | | | 21 | | | 21 | 0 | | 0 |
| Office of Attorney Recruitment & Management | | | 174 | | | 149 | | | 149 | | 0 | 0 |
| Justice Management Division | | | 108 | | | 12 | | | 12 | 0 | 0 | 0 |
| CIVI DIVISIOR | | | 264 | | | 1,704 | | | 1,704 | 0 | | 0 |
| National Security Division | | | 436 | | | 545 | | | 545 | 0 | 0 | 0 |
| CMS/CMSO Medicaid Integrity Group | 4 | 6 | 4,223 | 4 | 9 | 4,265 | 4 | 6 | 4,265 | 0 | 0 | 0 |
| Department of Homeland Security - Border Fence | - | - | 573 | - | - | 333 | - | - | 333 | 0 | 0 | 0 |
| Federal Housing Finance Agency - OIG | | | 150 | | | 150 | | | 150 | | - | 6 |
| Center for Disease Control | | | 145 | | - | 187 | | | 187 | 0 | 0 | 6 |
| Department of Interior | | | 147 | | | 150 | | | 150 | | | 0 |
| Department of Treasury/IRS | | _ | 95 | | | 207 | | | 207 | 0 | | |
| Consumer Financial Protection Bureau | | - | 72 | | | 72 | | ļ | 72 | | | 6 |
| Dept of Health and Human Services | | | 47 | | | 162 | | İ | 162 | | - | |
| Other Misc, Enacled agreements | | | 0 | | | - | | | - | 0 | | 0 |
| Other Workyears Provided | l | | | 36 | 3 | 20,285 | 38 | 9 | 20,286 | - | 0 | 0 |
| Budgetary Resources | 1,725 | 1,518 | 325,366 | 1,725 | 1,559 | 383.992 | 1.725 | 1.559 | 383.992 | 6 | - | - |
| | | | | | | | | | - | | | |

| Summary of Reimbursable Resources | Nigations by Program Activity Reimb. Amount Reimb. Amount Reimb. Amount Raimb. Amount Raimb. Amount Raimb. Amount Raimb. | 1,256 1,095 239,206 1,256 1,136 269,175 1,256 1,138 269,175 | 465 420 81,937 465 420 | A 3 4,223 4 3 4,265 4 3 | рыодетылу көөсытсөз 1,,725, 1,518, 325,366, 1,725, 1,569, 383,992, 1,725, 1,559, 383,992, 0 0 0 |
|-----------------------------------|--|---|------------------------|-------------------------|---|
| | Obligations by F | Criminal Litigation | ivil Lingation | reda Education | |

Detail of Permanent Positions by Category United States Attorneys Salaries and Expenses (Oolars in Thousands)

| | | | | | - | | | |
|--|----------------------------------|-------------|-------------|--------------|------|-----------|--------------|--------------|
| Category | 2014 Enacted | nacted | 2015 E | 2015 Enacted | | 2016 R | 2016 Request | |
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Total Direct | Total Reimb. |
| | | | | | | Increases | Pos. | Pos. |
| Miscellaneous Operations (010-099) | 38 | 0 | 28 | 0 | o | 0 | 1 | 0 |
| Security Specialists (080) | 31 | 4 | 26 | 69 | 0 | 0 | 26 | 4 |
| Intelligence Series (132) | 69 | 0 | 89 | 6 | 0 | 0 | 89 | 0 |
| Social Sciences (100-199) | 80 | 17 | 80 | 16 | 0 | 0 | 80 | 17 |
| Personnel Management (200-299) | 209 | | 209 | _ | 0 | 0 | 209 | - |
| Clerical and Office Services (300-399) | 1,459 | 229 | 1,459 | 229 | 0 | 94 | 1,553 | 229 |
| Accounting and Budget (500-599) | 275 | 99 | | 99 | ō | 0 | 275 | |
| Attorneys (905) | 5,446 | 775 | 5,454 | 775 | 0 | 90 | 5.544 | 775 |
| Paralegals (950) | 941 | | | 213 | Ó | 15 | 961 | |
| Other Law (900-998) | 1,588 | | 1,588 | 353 | 0 | 0 | 1,588 | 353 |
| Information & Arts (1000-1099) | 5 | 0 | 54 | 6 | 0 | 0 | 51 | 0 |
| Business & Industry (1100-1199) | 43 | 8 | 43 | 8 | 0 | 0 | 43 | 80 |
| Library (1400-1499) | 44 | 0 | 14 | 0 | 0 | 0 | 41 | 0 |
| General Investigative Series (1801-1810) | 49 | 52 | 49 | 52 | 0 | 15 | 64 | 52 |
| Criminal Investigative Series (1811) | 22 | _ | 37 | 6 | 0 | 0 | 37 | - |
| Supply Services (2000-2099) | 80 | 0 | 6 | 0 | 0 | 0 | 6 | 0 |
| Information Technology Mgmt (2210) | 373 | 9 | 373 | 9 | 0 | 0 | 373 | 9 |
| Total | 10,624 | 1,725 | 10,637 | 1,725 | 0 | 214 | 10,851 | 1,725 |
| Headquarters (Washington, D.C.) | 356 | | 326 | ē | 0 | 0 | 356 | 101 |
| U.S. Field | 10,268 | 1,715 | 10,231 | 1,715 | 0 | 214 | 10,495 | 1,715 |
| Foreign Field | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 10,624 | 1,725 | 10,637 | 1.725 | 0 | 214 | 10.851 | 1 775 |
| 100000000000000000000000000000000000000 | and the fact of the same about a | -4-4- | | | | | 100101 | 2 |

Your The Total Reimbursable columns reflect USA's authorized reimbursable position totals.

-582

J. Financial Analyšuč of Program Changes

Program Offsets Amount 253 235 235 20 415 3,470 3,686 3,686 -1,843 575 2,418 7 Amount Civil Rights 8 8 4 5 Amount Cybercrime Criminal Direct Pos. 0 2 2 2 2 27 7,251 3,626 1,151 4,777 795 2661 62 1300 10,000 7,251 12 135 8 Prevention & Reentry | Prevention & Reentry Amount Coordinators United States Attorneys Salaries and Expenses (Dollars in Thousands) Direct 0800 8 4 47 15,000 15,000 Amount Programs Direct Total Program Change Requests 23.3 Communications, Utilibias, and Miscellaneous Charges 24.0 Printing and Reproduction 25.2 Other Services from Non-Federal Sources 25.3 Other Goods and Services from Federal Sources 26.0 Supplies and Materials 21.0 Travel and Transportation of Persons Total FTEs and Personnel Compensation 12.0 Other Personnel Compensation Fotal Positions and Annual Amount Grades 22.0 Transportation of Things 31.0 Equipment (-) esder Ungraded GS-13 GS-12 GS-9

| | | | | Civil | | | Legal | Legal Education | Total | Fotal Program |
|---|----------------|------------|----------------|--------------|----------------|-----------------|--------|-----------------|--------|---------------|
| Grades | <i>ે</i> | Cybercrime | Çį | Civil Rights | Progra | Program Offsets | Progra | Program Offsets | Ö | Changes |
| | Direct Pos. | Amount | Direct Pos. | Amount | Direct Pos. | Amount | Direct | Amount | Direct | Amount |
| GS-13 | _ | 92 | 0 | 0 | 0 | 0 | 0 | 0 | 15 | 1.376 |
| GY-12 | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | .82 | 7,251 |
| 8-25 | ~ | 106 | 0 | 0 | 0 | 6 | 0 | ō | 15 | 798 |
| Ungraded | 9 | 369 | Ì | 3,686 | 0 | 0 | 0 | 0 | 90 | 11.058 |
| I otal Positions and Annual Amount | 9 | 292 | | | 0 | -735 | 0 | -34 | 2 | 17,869 |
| (-) esde (-) | <u>ښ</u> | -284 | -15 | ۳ | 0 | 0 | 0 | 0 | -107 | • |
| 12.0 Other Personnel Compensation | | 6 | | 575 | | -232 | | 7 | | |
| Total FTEs and Personnel Compensation | .3 | 374 | 15 | 2,418 | 0 | | 0 | 155 | 107 | |
| 21.0 Travel and Transportation of Persons | | 10 | | 25 | | 0 | | 0 | 1 | |
| 22.0 Transportation of Things | | _ | | 7 | | - | | _ | | 88 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | + | | 63 | | _ | _ | · c | | 777 |
| 24.0 Printing and Reproduction | | - | | | | | | C | | |
| 25.2 Other Services from Non-Federal Sources | | 38 | | 253 | | -347 | | 7 | _ | 15.448 |
| 25.3 Other Goods and Services from Federal Sources | | 74 | | 235 | | _ | | 2 0 | | 2000 |
| 26.0 Supplies and Materials | | 4 | | 20 | - | - | | | _ | 200,0 |
| 31.0 Equipment | | 81 | | 415 | | | | 0 6 | | 2 044 |
| Total Program Change Requests | 3 | 590 | 15 | 3.470 | 0 | -1.314 | 0 | -64 | 107 | 23 253 |
| | | | | | | | • | | | |

Summary of Requirements by Object Class United States Attorneys Salaries and Expenses (Dollars in Thousands)

| | 2014 | 2014 Actual | 2015 A | 2015 Availability | 2016 | 2016 Recmest | Increase | horeasea/Jornasea |
|---|--------|-------------|--------|-------------------|--------|--------------|----------|-------------------|
| Object Class | | | | | | į | | |
| | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| 11.1 Full-Time Permanent | 8,744 | 908,363 | 9,110 | 921,425 | 9,224 | 946,602 | 114 | 25.177 |
| 11.3 Other than Full-Time Permanent | 398 | 41,387 | 658 | 66,508 | 657 | 67,376 | | 898 |
| 11.5 Other Personnel Compensation | 0 | 11,684 | 0 | 12,699 | 0 | 12,699 | 0 | 0 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 11,684 | 0 | 12,699 | 6 | 12,699 | 0 | 0 |
| 11.8 Special Personal Services Payments | 0 | 606 | 0 | 661 | 0 | 661 | 0 | 0 |
| Total | 9,142 | 962,040 | 9,768 | 1,001,293 | 9,881 | 1,027,338 | 113 | 26,045 |
| Other Object Classes | | | | | | | | |
| † 12.0 Personnel Benefits | | 293,272 | | 302,786 | | 322,595 | | 19,809 |
| 13.0 Benefits for former personnel | | 6,118 | | 2,500 | | 338 | | -2,162 |
| 21.0 Travel and Transportation of Persons | | 21,608 | | 23,254 | | 23,649 | | 395 |
| 22.0 Transportation of Things | | 2,837 | | 2,964 | | 3,012 | | 48 |
| 23.1 Rental Payments to GSA | | 252,165 | | 275,936 | | 278,852 | • | 2,916 |
| 23.2 Rental Payments to Others | | 4,450 | | 4,323 | | -730 | - | -5,053 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 30,936 | | 30,660 | | 31,105 | | 445 |
| 24.0 Printing and Reproduction | | 1,510 | | 1,257 | | 1,276 | | 19 |
| 25.1 Advisory and Assistance Services | | 65,263 | | 57,151 | | 56,989 | | -162 |
| 25.2 Other Services from Non-Federal Sources | ***** | 153,841 | | 154,401 | | 166,231 | | 11,830 |
| 25.3 Other Goods and Services from Federal Sources | | 53,146 | | 63,747 | | 67,585 | | 3,838 |
| 25.4 Operation and Maintenance of Facilities | | 3,142 | | 1,046 | | 148 | | -838 |
| 25.6 Medical Care | | 1,452 | | 2,652 | | 2,652 | | 0 |
| 25.7 Operation and Maintenance of Equipment | | 9,202 | | 8,856 | | 8,856 | | 0 |
| 25.8 Subsistence and Support of Persons | | + | | 0 | | 0 | | 0 |
| 26.0 Supplies and Materials | | 11,916 | | 12,388 | | 12,525 | | 137 |
| 31.0 Equipment | | 38,469 | | 21,369 | | 24,312 | | 2,943 |
| · 32.0 Land and Structures | | 14,174 | | 5,433 | | 5,433 | | 6 |
| 42.0 Insurance Claims and Indemnities | | 26 | _ | 20 | | 20 | | 0 |
| Total Obligations | | 1,925,567 | | 1,972,066 | | 2,032,216 | | 60,150 |
| Subtract - Unobligated Balance, Start-of-Year | | -7,484 | | -19,848 | | 0 | | 19,848 |
| Subtract - Transfers/Reprogramming | | -10,740 | | 476 | | 0 | | 476 |
| Subtract - Recoveries/Refunds | | -2,921 | | -742 | | | | 742 |
| Add - Unobligated End-of-Year, Available | | 19,996 | | 0 | | | | |
| Total Direct Requirements | 0 | 1,924,418 | • | 1,951,000 | 0 | 2,032,216 | • | 81,216 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 1,518 | | 1,550 | | 1,559 | - | 0 | |
| 23.1 Rental Payments to GSA (Reimbursable) | | 20,000 | | 20,000 | | 20,000 | | 6 |

L. Status of Congressionally Requested Studies, Reports, and Evaluations

United States Attorneys Salaries and Expenses

(Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

confinue to submit semiannual reports on the efforts and impact of these task forces, as required by the fiscal year 2014 use of the Internet, such as through online classified ads, and to continue public outreach efforts. The Department shall The House Report language associated with the FY 2014 Consolidated Appropriations Act, page 45, directs each U.S. language in the budget request. The Committee expects all U.S. Attorneys' offices in fiscal year 2015 to enhance their and pursuing investigations, including of persons or entities that carry out or facilitate trafficking in persons through the ongoing leadership and participation in regional human trafficking task forces, to adopt a proactive stance on initiating Attorney to lead a human trafficking task force. The Committee notes that the Department proposed to delete this Appropriations Act.

U.S. Department of Justice

United States Trustee Program



FY 2016 Performance Budget Congressional Submission

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I. Overview for the United States Trustee Program

A. Introduction

The United States Trustee Program ("USTP" or "Program") is a litigating component of the Department of Justice whose mission is to promote the integrity and efficiency of the nation's bankruptcy system for the benefit of all stakeholders – debtors, creditors, and the public. The USTP mission supports the Department of Justice's Strategic Objective 2.6 – Protect the federal fisc and defend the interests of the United States – by enforcing the Bankruptcy Code and ensuring the effective administration of bankruptcy cases.

The nation's consumer bankruptcy laws are premised on the notion that honest, but unfortunate debtors should be able to receive a fresh start and return to becoming economically productive members of society; and business debtors should be provided a breathing spell to reorganize their debts and operations to become profitable, job-creating enterprises.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet at http://www.justice.gov/02organizations/bpp.htm.

B. Program Overview

The USTP is responsible for overseeing the administration of bankruptcy cases and private trustees under 28 U.S.C. § 586 and 11 U.S.C. § 101, et seq. The Program was established by the Bankruptcy Reform Act of 1978 (11 U.S.C. § 101, et seq.) as a pilot effort encompassing 18 judicial districts. Through the enactment of the Bankruptcy Judges, U.S. Trustees, and Family Farmer Bankruptcy Act of 1986, the Program expanded to 21 regions nationwide, covering all Federal judicial districts except Alabama and North Carolina. Since 1997, the Program has been fully funded by the United States Trustee System Fund ("Fund"), which consists primarily of fees paid by parties and businesses invoking bankruptcy protection.

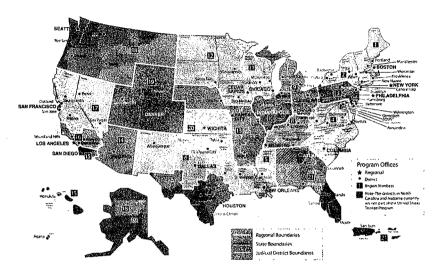
The Program has a headquarters office in Washington, D.C., led by a Director; 21 regions managed by U.S. Trustees; and 92 district office locations in 46 states supervised by Assistant U.S. Trustees. In FY 2014, the Program had 1,130 full time equivalent employees, consisting of attorneys, financial analysts, paralegals, and support staff. More than 90 percent of the Program's employees are located in the district offices.

¹ The Program completed two consolidations of offices during FY 2014 (Brooklyn with Manhattan and Woodland Hills with Los Angeles). In FY 2015, a third consolidation is planned (Oakland with San Francisco). By FY 2016, the number of USTP field office locations will be 92 (versus the 95 reported in prior years).

- Taking tens of thousands of civil enforcement actions each year, including those not requiring formal resolution by a court, for a monetary impact of more than \$1 billion.
- Protecting consumer debtors from unscrupulous creditors, bankruptcy petition preparers, or attorneys, and those who use the bankruptcy system to perpetrate fraud.
- Protecting distressed homeowners victimized by improper mortgage servicer practices that may cause unnecessary loss of the family home.
- Providing oversight of chapter 11 cases, taking actions that range from objecting to
 excessive professional fees and improper management bonuses to reviewing debtors'
 disclosure statements and proposed plans of reorganization.
- Promulgating and enforcing professional fee guidelines to ensure transparency and limit fees to market rates.
- Supervising private trustees who administer chapters 7, 12, and 13 bankruptcy cases and
 distribute more than \$10 billion in assets each year. This duty involves reviewing more
 than 140,000 case reports per year, reviewing hundreds of trustee operations, and
 performing other trustee oversight and auditing tasks.
- Participating in more than 100 appeals to the bankruptcy appellate panels, district courts, circuit courts of appeals, and the U.S. Supreme Court. The USTP works closely with the Office of the Solicitor General in the Department of Justice on Supreme Court cases involving bankruptcy.
- Identifying and referring cases of potential criminal wrongdoing to law enforcement and assisting the U.S. Attorneys in the prosecution of cases through Program attorneys who are cross-designated as Special Assistant U.S. Attorneys.
- Training law enforcement who investigate bankruptcy crimes, and communicating with the bankruptcy bench and bar throughout the 88 judicial districts in which the USTP litigates.
- Annually approving and monitoring 375 credit counseling agencies and debtor education providers that provide mandatory pre-filing counseling and post-filing education.

For more information on Program activities, see the Annual Report of Significant Accomplishments at http://www.justice.gov/ust/eo/public_affairs/annualreport/index.htm.

1. U.S. Trustee Program Map of Regions and Offices



2. Executive Office for United States Trustees

The USTP's Executive Office for U.S. Trustees (EOUST) sets policy, directs litigation, and manages Program operations and staff. The Office of the Director directly supervises the U.S. Trustees and the operations of the EOUST and has primary responsibility for liaison with the Department, Congress, the Judiciary, private trustee organizations, and other stakeholders in the bankruptcy system (e.g., professional associations, debtors, and creditors). The EOUST also includes the Office of the General Counsel, the Office of Oversight, the Office of Criminal Enforcement, the Office of Planning and Evaluation, the Office of Administration, and the Office of Information Technology.

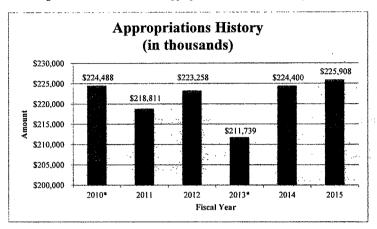
3. Enforcement and Oversight Activities

By statute, the Program has standing to participate in every bankruptcy case filed within its jurisdiction. To ensure the integrity of the bankruptcy system, the Program employs a broad range of enforcement and oversight activities. These activities include:

C. Appropriation History and FY 2016 Budget Request

1. Appropriation History

The following chart reflects USTP enacted appropriations for FY 2010 through FY 2015.



*Note: The FY 2010 amount was augmented with \$5.2 million in prior year unobligated balances. The FY 2013 amount reflects the appropriation less sequestration reductions. In FY 2013, the Program also received a transfer of \$5.343 million from the U.S. Marshals Service that is not reflected in this chart

Over the past three years, the USTP has sustained a net loss of more than 100 staff or over 10 percent of total staff. The restoration of vital funding in the FY 2014 and FY 2015 appropriations allows the Program to backfill critical positions, including 13 Assistant U.S. Trustees for field offices without full-time managers. The Program is utilizing a targeted workload approach to backfilling positions in the areas of greatest need. In addition to staff hiring, the Program restored funding necessary to ensure the efficient and effective continuation of Program operations and achievement of mission, including in the areas of: information technology; oversight of trustees, field operations, and financial education providers; and staff training.

The Program has taken a number of important steps over the past few years to achieve our mission during a period of budget stringency. Our focus is to preserve staff positions by reducing other costs. We have achieved considerable savings by streamlining operations, returning underutilized space, and reducing space allocations as leases expire. In FY 2014, the USTP completed two office consolidations (Brooklyn with Manhattan and

Woodland Hills with Los Angeles) and a third consolidation is planned for FY 2015 (Oakland with San Francisco). Colocation of these offices reduces office space and increases operational efficiencies. The Program also piloted and implemented nationwide a number of work process changes, including consolidating functions such as the financial review of trustees, with the goal of improving efficiency and effectiveness.

In addition, the Program upgraded its video teleconferencing equipment in field offices nationwide, which has allowed the Program to avoid additional travel costs by increasing the use of video teleconferences for meetings and training programs. The USTP also has proactively utilized low cost alternative and internal resources to significantly reduce PACER expenses, which is anticipated to yield savings of over \$500,000 annually in FY 2015 and out-years.

FY 2016 Budget Request

The Program's FY 2016 budget request of \$228,107.000 supports 1,314 permanent positions (436 attorneys) and 1,184 work years. It also supports the Program's most critical operational needs and provides funds for mortgage fraud and creditor abuse enforcement activities – an area that continues to grow in terms of case complexity. The request includes funding to support the most essential positions and for oversight activities, facilities, and other mission-critical Program operations. The USTP's FY 2016 budget request is anticipated to be offset by bankruptcy fees collected and on deposit in the United States Trustee System Fund. The Fund ended FY 2014 with a balance of \$172 million.

D. Challenges

The United States Trustee Program, like other federal organizations, faces several external and internal challenges.

1. External Challenges

There are a number of external factors that impact the operations of the USTP.

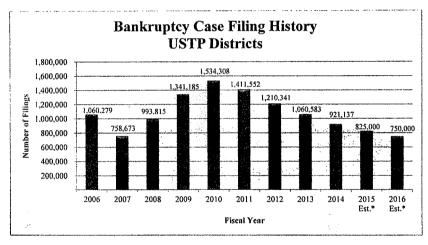
Coordination with the Judicial Branch. The Program depends on the exchange of electronic data with the U.S. Bankruptcy Courts to ensure timely processing of bankruptcy cases. The Program must work cooperatively with the Administrative Office of the U.S. Courts to ensure that the systems that are in place support an effective and efficient bankruptcy process.

Unpredictable Legal Challenges. Legal challenges to the Bankruptcy Code are unpredictable in scope and number. The USTP enforces and defends challenges to provisions of the Bankruptcy Code, including by litigating issues of first impression.

Evolving and Complex Caseload. The USTP's sustained heavy workload in civil enforcement, along with the sheer sophistication of mortgage fraud schemes and creditor abuse activities. place an incredible burden on USTP staff to move cases through the system efficiently. In

addition to carrying out statutory duties, including means testing and credit counseling oversight, the Program remains very much involved in new and complex issues associated with national mortgage servicers, other consumer protection issues, and large chapter 11 bankruptcy filings.

Bankruptcy Filings. The volatility in the number and location of bankruptcy filings creates challenges in case management. For the past century, filings have generally increased about two thirds of the time and decreased the other one third. In recent years, bankruptcy filing rates have been extraordinarily unpredictable, with unprecedented volatility that some experts attribute to changes in the law, low interest rates, declining consumer credit, and the availability of distressed debt funding in the capital markets. Many of these factors are subject to suddenchange, as shown by the explosion in the number of bankruptcy filings from 2008 to 2010. Filings from FY 2014 to 2016 are estimated to be fewer than one million for the first time since 2008. The following chart reflects actual and projected filings for fiscal years 2006 through 2016.²



* Note: The estimated FY 2015 and FY 2016 bankruptcy filings are based on current estimates. These estimates differ from the FY 2015 enacted estimate of 1,061 million filings and the FY 2016 request estimate of 825,000 filings. Estimates were revised to reflect current estimates and trends.

Reflects bankruptcy filings under all chapters of the Bankruptcy Code, as reported by the Administrative Office of the U.S. Courts (AOUSC). Fiscal years 2015 and 2016 are current estimated filings. These estimates differ from the FY 2015 enacted estimate of 1.061 million filings and the FY 2016 request estimate of 825,000 filings. Estimates were revised to reflect current estimates and trends.

Revenue/Offsetting Collections. Due to a projected decline in case filings and associated revenues in FY 2015 and FY 2016, offsetting collections are projected to cover approximately 65 to 70 percent of the Program's appropriation, with the remainder to be drawn down from the Fund. Based on current projections, the Fund balance is projected to decline from \$172 million at the end of FY 2014 to \$29 million in FY 2016. Absent legislative changes to the fee amounts paid to the Fund, the Program is predicted to exhaust the balance of the Fund in FY 2017.

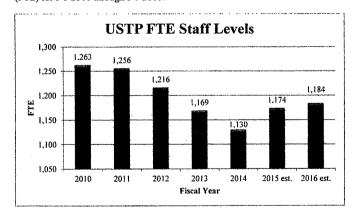
Quarterly fees were last increased in 2008. Unlike other bankruptcy fees that are set administratively by the Judicial Conference of the United States, quarterly fees are set in statute and cannot be adjusted by the USTP.

To address the offsetting collection shortfall, the USTP plans to propose a temporary increase to the current quarterly fee structure for chapter 11 cases that will not impact consumers or small businesses.

2. Internal Challenges

Over the past three years, the USTP has sustained a net loss of more than 100 staff or over 10 percent of total staff. The restoration of vital funding in the FY 2014 and FY 2015 appropriations and FY 2016 budget requests will allow the Program to backfill and sustain critical positions, including 13 Assistant U.S. Trustees for field offices without full-time managers. Although staffing levels are predicted to remain below pre-FY 2013 levels, by utilizing a target workload approach to backfilling positions, the Program will maximize mission impact of the limited staffing increases.

The following chart reflects actual and projected USTP staffing levels in full-time equivalents (FTE) for FY 2010 through FY 2016.



The Program manages 92 field office locations nationwide, the Executive Office, and more than 400 sites where administrative proceedings are held. In addition, staff appear in court in more than 300 locations nationwide. In any given year, forced move costs and associated renovations can exceed \$2 million. In addition, there are inflationary pressures that increase lease and utility expenditures.

E. Program Efforts Towards Integrating Environmental Accountability

The USTP continues its work toward improving its environmental management activities. The Program actively participates in a number of recycling and other greening initiatives and ensures compliance with existing Federal Acquisition Regulations. The following activities reflect the Program's continuing efforts toward managing and improving its environmental and health safety matters:

- The USTP's Facilities Management Division works with the General Services
 Administration (GSA) to ensure the use of environmentally preferable building products
 and materials for the design, construction, and operation of commercially owned office
 space occupied by the Program.
- As required by Federal Acquisition Regulation (FAR) 23.705, the Program makes every
 effort to purchase electronic products that are Electronic Product Environmental
 Assessment Tool (EPEAT) registered, or EnergyStar Compliant products. Such products
 include computer monitors, desktop computers, notebook computers, printers, and
 copiers.
- As required by FAR Subpart 23, the Program purchases supplies that are environmentally
 preferable products made from recycled content, such as copier paper, file folders, pens,
 and remanufactured toner cartridges.
- Recycling of paper products, cans, bottles and plastics is encouraged throughout the Program – an effort highlighted through the use of signage, posters, and the continual availability of appropriate recycling receptacles.

II. Summary of Program Changes

The USTP is not proposing program changes in FY 2016.

III. Appropriations Language and Analysis of Appropriations Language

The FY 2016 budget request includes proposed changes in the appropriations language set forth and explained below. New language is <u>italicized and underlined</u>, and language proposed for deletion is bracketed.

United States Trustee System Fund

For necessary expenses of the United States Trustee Program, as authorized. [\$225,908,000] \$228,107,000. to remain available until expended and to be derived from the United States Trustee System Fund: Provided, That, notwithstanding any other provision of law, deposits to the Fund shall be available in such amounts as may be necessary to pay refunds due depositors: Provided further, That, notwithstanding any other provision of law, [\$225,908,000] \$162,400,000 of offsetting collections pursuant to section 589a(b) of title 28, United States Code, shall be retained and used for necessary expenses in this appropriation and shall remain available until expended: Provided further, That the sum herein appropriated from the Fund shall be reduced as such offsetting collections are received during fiscal year [2015] 2016, so as to result in a final fiscal year [2015] 2016 appropriation from the Fund estimated at [\$0] \$65,707,000.

Analysis of Appropriation Language

No other substantive changes are proposed at this time.

IV. Program Activity Justification

A. Administration of Cases

The USTP budget is contained in one decision unit, the Administration of Cases, which encompasses all operational activities and includes the direct cost of all outputs, indirect costs, and common administrative systems. There are two main Program activities: (1) enforcement and (2) case and trustee administration. The work years and associated funding are allocated to these Program activities based upon the direct, productive hours of USTP staff performing enforcement and case administration activities, as well as resources directly related to the performance of these activities. Administrative and other overhead costs are allocated based upon the direct hours expended for the two Program activities.

| Administration of Cases | Direct Pos. | Estimated FTE | Amoun | t |
|---|-------------|---------------|-----------------|---------|
| 2014 Enacted | 1,314 | 1,174 | \$ | 224,400 |
| 2015 Enacted | 1,314 | 1,174 | \$ | 225,908 |
| Adjustments to Base and Technical Adjustments | - | 10 | \$ | 2,199 |
| 2016 Current Services | 1,314 | 1,184 | \$ | 228,107 |
| 2016 Request | 1,314 | 1,184 | .\$ | 228,107 |
| | | | Wir all Societi | |

| Administration of Cases | | | |
|--|-------------|---------------|----------|
| Information Technology Breakout | Direct Pos. | Estimated FTE | Amount |
| 2014 Enacted | .39 | 37 | \$27,892 |
| 2015 Enacted | 39 | 39 | \$26,082 |
| Adjustments to Base and Technical Adjustments ¹ | - | _ | -\$4,288 |
| 2016 Current Services | 39 | 39 | \$21,794 |
| 2016 Request | 39 | 39 | \$21,794 |
| | | | |

/1 This adjustment accounts for Information Technology investments included in the FY 2015 President's Budget funded from one-time prior year carryforward.

General Civil Enforcement

A core function of the USTP is to combat bankruptcy fraud and abuse. The Program combats fraud and abuse committed by debtors by seeking denial of discharge for the concealment of assets and other violations, by seeking case conversion or dismissal if a debtor has an ability to repay debts, and by taking other enforcement actions. Similarly, the Program combats fraud and abuse committed by attorneys, bankruptcy petition preparers, creditors, and others against consumer debtors by pursuing a variety of remedies, including disgorgement of fees, fines, and injunctive relief.

Since the USTP began tracking its civil enforcement and related actions in 2003, it has taken more than 654,000 actions with a monetary impact in excess of \$15.1 billion. During FY 2014, USTP offices reported taking more than 35,000 formal and informal civil enforcement actions, yielding in excess of \$1.07 billion in debts not discharged in chapter 7, fines, and other remedies. USTP attorneys prevailed in 98.4 percent of the actions resolved by judicial decision or consent in the fundamental areas of dismissal for abuse (11 U.S.C. § 707(b)), denial of discharge (11 U.S.C. § 727), fines and injunctions against bankruptcy petition preparers (11 U.S.C. § 110), and disgorgements of attorney's fees (11 U.S.C. § 329).

Means Testing

The Program also administers and enforces the "means test" per the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005. Under the means test, individual debtors with above median income are subject to a statutorily prescribed formula to determine disposable

income. The formula is based partially on allowable expense standards issued by the Internal Revenue Service for its use in tax collection. The primary purpose of the means test is to help determine eligibility for chapter 7 bankruptcy relief.

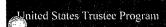
In fiscal year 2014, approximately 12 percent of chapter 7 debtors had income above their state median. Of those cases filed by above median income debtors, about six percent were "presumed abusive" under the means test. Of those presumed abusive cases that did not voluntarily convert or dismiss, the Program exercised its statutory discretion to decline to file a motion to dismiss in about 68 percent of the cases after consideration of the debtor's special circumstances, such as recent job loss, that justified an adjustment to the current monthly income calculation.

Consumer Protection

The USTP is active in the Department's efforts to protect Americans from financial fraud and abuse, particularly by mortgage servicers who inflate their claims or otherwise fail to comply with bankruptcy requirements of accuracy, disclosure, and notice to their customers in bankruptcy. The USTP played a leading role in the historic \$25 billion National Mortgage Settlement (NMS) announced by the Attorney General in 2012, and remains actively involved post-settlement through its service as co-chair of the NMS Monitoring Committee. The Monitoring Committee includes representatives from the Department of Housing and Urban Development and state attorneys general and is tasked with ensuring compliance with the NMS by the settling servicers. The Program also continues to investigate and redress violations committed by settling servicers who are bound by the NMS, as well as by non-settling servicers and new entrants to the mortgage servicing market for violations of the bankruptcy statutes and rules.

In addition, in recent years, the USTP has addressed other multi-jurisdictional violations against consumer debtors with a coordinated nationwide enforcement approach. As a result, the Program has entered into eight nationwide settlements, including five settlements to protect consumer debtors against national creditors. These national settlements provide relief for victimized debtors, require systemic corrective actions so such violations do not recur, and uphold the integrity of the bankruptcy system.

For example, in July 2013, the Program announced the unsealing of a settlement entered into in 2012 with Citigroup Inc. (Citi) to protect the PII of nearly 150,000 consumers in 85 jurisdictions around the country. Citi agreed to redact proofs of claim filled in bankruptcy cases nationwide in which the personal information of consumer debtors and third parties, including Social Security numbers and birthdates, had not been properly redacted as required by the Bankruptcy Rules. Citi also agreed to notify all affected consumers and offer them one year of free credit monitoring. The settlement, which was originally approved by the court in March 2012, had been sealed to prevent potential wrongdoers from learning of the breach and seeking to victimize the affected consumers. In the nearly one year that it took to effectuate the appropriate redactions, the USTP worked with courts across the country and with Citi to ensure all instances



of disclosure were corrected. An independent auditor appointed under the settlement reviewed Citi's redaction and replacement process and issued a final report in December 2014 certifying the accuracy of the remediation (In re Matter of Citi Replacement Filings, No. 11-00405 (Bankr. S.D.N.Y.).)

Criminal Enforcement

The Program has a statutory duty to refer matters to the U.S. Attorney's offices for investigation and prosecution that "related to the occurrence of any action which may constitute a crime." 28 U.S.C. § 586(a)(3)(F). The statute also requires that each U.S. Trustee shall assist the U.S. Attorney in carrying out prosecutions. The Program submits an annual report to the Congress which details the number and types of criminal referrals made by the Program. In FY 2014, the USTP made 2,079 criminal referrals.

For more information on criminal referrals, see the annual reports to Congress: http://www.justice.gov/ust/eo/public affairs/reports studies/index.htm

For example, on March 4, 2014, in the District of New Jersey, a husband and wife each pleaded guilty to bankruptcy fraud by concealment of assets, bankruptcy fraud by false oaths, bankruptcy fraud by false declarations, and conspiracy to commit mail and wire fraud. The husband also pleaded guilty to failure to file a tax return. From September 2001 through September 2008, the couple submitted fraudulent applications and supporting documents to lenders to obtain mortgages and other loans, falsely representing that they were employed and/or receiving substantial salaries. In their 2009 chapter 7 bankruptcy case, the debtors intentionally concealed and made false oaths and declarations about businesses they owned; income they received from a rental property; and the wife's true income from a television show, Web site sales, and personal and magazine appearances. The husband also admitted that for tax years 2004 through 2008, he failed to report nearly \$1 million in individual income. The husband and wife were ultimately sentenced to 41 months and 15 months in prison, respectively, along with forfeitures and fines. The United States Trustee's Newark office referred the matter to the U.S. Attorney and assisted in the investigation. The office also filed a civil enforcement action seeking to prevent the couple from discharging debts exceeding \$7.1 million; the couple agreed to waive their bankruptcy discharge prior to the civil trial.

Financial Fraud

The Program has been an active member of the President's Financial Fraud Enforcement Task Force (FFETF) since 2009, and our offices participate in more than 90 local bankruptcy fraud working groups, mortgage fraud working groups, and other specialized task forces throughout the country. We conduct extensive training for federal, state, and local law enforcement personnel, USTP staff, and private bankruptcy trustees (more than 2,500 trained in FY 2014);

and publish internal resource documents and training videos. In addition, Program staff – including attorneys, bankruptcy analysts, and paralegals – are frequently called upon to assist with investigations and to provide expert or fact testimony at criminal trials.

Chapter 11 Oversight

As the USTP has stepped up its enforcement in the chapter 11 arena, it is increasingly clear that our role as watchdog is essential to vindicate congressional mandates in the Bankruptcy Code. Even when debtor companies and some of their major creditors agree on a course of action, the interests of other stakeholders often are implicated. The USTP's role as a watchdog of the bankruptcy system allows it to present issues for judicial decision even where parties either will not, or lack the financial wherewithal to litigate. Although the USTP should never substitute its business judgment for that of economic stakeholders, it is our job to ensure that the Code and Rules are followed by all participants in the bankruptcy system. This view of our role has led us to oppose both debtors and creditors on issues such as payment of attorney fees, executive bonuses, and matters of corporate governance. In addition to monitoring and taking action on financial reports, disclosure statements, applications to employ professionals, and carrying out other chapter 11 statutory duties required by 28 U.S.C. § 586(a), the U.S. Trustee has responsibility for ensuring accountability by company management and professionals employed in chapter 11 cases in such areas as:

Attorney Fee Guidelines: The USTP polices compliance with statutory standards for awarding attorney and other professional fees in chapter 11 cases. In particular, the USTP has advanced major reforms in large chapter 11 case attorney billing practices by issuing new guidelines that require greater transparency and market-driven rates. The guidelines, which became effective November 1, 2013, reflect almost two years of consultation and review, and incorporate input from judges, professional organizations, practitioners, academics, and the public. The USTP conducted extensive outreach on the new guidelines to ensure that practitioners understood the expected disclosures and other provisions of the guidelines, and will consistently and prudently enforce the guidelines in districts throughout the country. Although the emphasis will be to promote compliance and avoid unnecessary litigation, the Program will vindicate the principles underlying the guidelines through enforcement actions where necessary, including appeals of adverse court decisions.

Executive Bonuses: The USTP reviews executive bonuses and other compensation for compliance with section 503(c) and is often the only participant in the bankruptcy case that is willing or well-positioned to seek enforcement of that section. In the 2005 bankruptcy reform law, Congress sought to curtail the practice of chapter 11 debtors' executives awarding themselves lavish bonuses during the bankruptcy case, which were often styled as "retention programs" that ostensibly dissuaded those executives from seeking employment elsewhere. In many cases, the U.S. Trustee's formal or informal objections have resulted in substantial voluntary changes to the debtor's proposed executive compensation programs. Other cases required formal court action. For example, in the highly publicized case of American Airlines (In re AMR Corp., 497 B.R. 690 (Bankr. S.D.N.Y. 2013)) in a series of rulings during FY 2013.

the Bankruptcy Court for the Southern District of New York sustained the objections by the U.S. Trustee's Manhattan office to a severance payment of nearly \$20 million for its departing chief executive officer.

Independent Trustees and Examiners: The Program's responsibilities in business reorganization cases also include such matters as the appointment of trustees when there are grounds to suspect that current management has participated in gross mismanagement, fraud, dishonesty, or other improper activity. The U.S. Trustee also seeks the appointment of examiners when independent investigations are needed. By way of example, the U.S. Trustee appointed chapter 11 trustees in cases such as New England Compounding Pharmacy, Inc., (company's tainted products resulted in the death of at least 39 people as well as the infection of more than 600 individuals with fungal meningitis), and Money Centers of America, Inc. (alleged malfeasance by principals of company providing check-cashing services in American Indian casinos).

Appellate Practice and Challenges to the Bankruptcy Code

One of the Program's most important roles has been to develop consistent case law. The USTP is the only participant in the bankruptcy system with a national perspective and a responsibility to develop coherent case law in all jurisdictions. The USTP has been handling an increasing number of appeals, many of which may have a profound and long-standing effect on the bankruptcy system. In FY 2014, the Program participated in 110 appeals beyond the bankruptcy court, including nearly two dozen cases at the United States court of appeals level. In addition, the Program devotes significant resources to ensure parties adhere to the Bankruptcy Code and other applicable statutes. Sophisticated parties in the larger bankruptcy cases frequently develop creative strategies to achieve their intended goals. Occasionally, these strategies run afoul of the Code and can sometimes place other stakeholders with fewer available resources at a significant disadvantage. The Program exercises discretion and does not seek to intervene in every instance, but Program attorneys will object to actions that undermine the integrity of the bankruptcy system. For example, the USTP recently won an appeal in the case of U.S. Trustee v. Elliot Mgmt. Corp. (In re Lehman Brothers Holdings Inc.), No. 13-2211, slip op. (S.D.N.Y. Mar. 31, 2014), motion to certify interlocutory appeal under 28 U.S.C. § 1292(b) filed Apr. 25, 2014. In that decision, the United States District Court for the Southern District of New York agreed with the Program's position and vacated a bankruptcy court order awarding \$26 million to individual members of the unsecured creditors' committee for their personal attorneys' fees associated with their committee work. The ruling is significant, particularly in the chapter 11 context, because it reaffirms—in the words of the district court—that "interested parties and bankruptcy courts" cannot "tweak the law to fit their preferences." The implications of this decision go far beyond the issue of fees. The district court correctly observed that confirming a plan that contravenes the Code can lead to "serious mischief," and gave as an example plan terms providing for "gifting" to junior creditors in contravention of the order of payment priority established by Congress.

Trustee Administration

The Program appoints and supervises private trustees, who are not government employees, to administer bankruptcy estates and distribute payments to creditors in cases filed under chapters 7, 12, and 13. Chapter 7 trustees collect a debtor's assets that are not exempt from creditors, liquidate the assets, and distribute the proceeds to creditors. Chapter 12 and chapter 13 trustees evaluate the financial affairs of a debtor, make recommendations to the court regarding confirmation of a debtor's repayment plan, and administer the court-approved plan by collecting payments from the debtor and disbursing the funds to creditors.

The Program instructs trustees concerning their duties to debtors, creditors, other parties in interest, and the U.S. Trustee; trains trustees and evaluates their performance; reviews their financial operations; ensures the effective administration of estate assets; and intervenes to investigate and recover the loss of estate assets when embezzlement, mismanagement, or other improper activity is suspected or alleged.

At the end of FY 2014, the Program supervised the activities of 1,031 chapter 7 trustees, 41 chapter 12 trustees, and 179 chapter 13 trustees. In FY 2014, chapter 7 trustees administered about 64,100 asset cases that generated \$3.0 billion in funds, while chapter 12 and chapter 13 trustees administered over 1.2 million cases and disbursed more than \$7 billion.



B. Performance Tables

| | MANCE AND RESOUR on: United States Truste | | | | | | '3 | . • | | ٠٠. | |
|-------------------------------------|---|--|------------------|-------------------|------------------------|------------|------------------|----------------------------|--|-------------------|--------------------------|
| | it: Administration of Ca | | | | | | | | | | |
| DOJ Strateg | ic Goal/Objective: 2.6 P | rotect th | e federal fis | e and de | fend the inte | rests of | the United S | tates. | | | |
| | | т | arget | | etual 300 | Pr | ojected | Cui Ser Adjust FY | inges rrent vices ments & 2016 | | puested Cotal) |
| WORKLOA | D/ RESOURCES | FY | 2014 | F | 2014 | F | 2015 | | gram inges | FY 201 | l6 Request |
| Number of Number of Number of | Chapter 7 Cases Filed Chapter 11 Cases Filed Chapter 12 Cases Filed Chapter 13 Cases Filed | | | | | | | | | | |
| Total Co | sts and FTE | FTE | \$000 | FTE. | \$000 | FTE | 0002 | FTE | \$000 | FTE | \$000 |
| TYPE / Strategic Objective | Performance /Resources | 1,174 | \$224,400 | 1,130 | \$224,400 | 1,174 | \$225,908 | 10 | \$2,199 | 1,184 | \$228,107 |
| Program Activity | 1. Civil Enforcement | FTE \$000 450 85 ,923 | | FTE 433 | <u>\$000</u> 85.923 | FTE 450 | \$000 86,500 | FTE 3 | \$000 842 | FTE 453 | * <u>\$000</u> 87,342 |
| Efficiency Measure | No. of 707(b) inquiries per successful outcome | 4,70 | 7.0 | 1000 | 4.8 | 7.0 | | 00 | | 7.0 | |
| WORKLOA | D/ RESOURCES | | | 100 | 1448 | | | | | | |
| Program Activity | 2. Case and Trustee Administration | FTE 724 | \$000 138,477 | <u>FTE</u> 697 | \$000 138,477 | FIE 724 | \$000 139,408 | <u>FTE</u> 7 | \$000 1,357 | <u>FTE</u> 731 | \$000 140,765 |
| | Number of successful actions related to consumer protection | 1 | 2,400 | | 829 | - | 2,400 | | 0 | 2 | 4,400 |
| Outputs | Number of successful discharge complaints | | 600 | | 410 | | 600 | , | 60 | | 540 |
| | Potential Additional Returns to Creditors through Civil Enforcement and Related Efforts | \$950 | 000,000, | \$1.07 | 0.940,703 | \$950 | 000,000, | \$0 | | \$950,000,000 | |

^{1/} The Program has discontinued reporting the number of bankruptey case filings on the performance and resource table. The decision to discontinue reporting this measure was made in collaboration with JMD as the measure was established as workload measure and is not a performance measure.

Data Definitions:

Chapter 7: A liquidation case. A trustee is appointed to sell the debtor's non-exempt assets and distribute the proceeds to creditors. Generally, absent fraud or abuse, the remaining debts are discharged.

Chapter 11: A reorganization case. The debtor usually remains in possession of its assets, continues to operate its business, and repays and/or readjusts debts through a plan that must be approved by creditors and the bankruptcy court. Chapter 11 cases are generally business cases.

Chapter 12: A debt adjustment case by a family farmer or family fisherman. The debtor usually remains in possession of its assets, continues to operate its business, and repays creditors, in part or in whole, through a court-approved chapter 12 plan over a period not to exceed 5 years.

Chapter 13: A debt adjustment case by an individual with regular income. The debtor retains property, but repays creditors, in whole or in part, through a court-approved chapter 13 plan over a period not to exceed 5 years.

| | | | PERFOR | MANCEN | IEAS URE | FABLE | | | |
|------------------------|--|-----------|-----------|-----------|-----------|--------------|------------|---------|---------|
| | tion: United: | | | tm . | | | | | |
| Decision 1 | Unit: Admini | | | | | | | | |
| Performs | nce Report | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY | 2014 | FY 2015 | FY 2016 |
| | rmance Plan irgets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| Efficiency M casure | No. of 707(b) inquiries per successful outcome | 5.5 | 4.4 | 4.4 | 4.7 | 7.0 | ** | 7.0 | 7.0 |
| | Number of successful actions related to consumer protection | 3,280 | 3,335 | 3,259 | 4,018 | 2,400 | 2,829 | 2,400 | 2,400 |
| Outputs | Number of successful dischurge complaints | 517 | 586 | 557 | 551 | 600 | 40 | 600 | 540 |
| | Potential Add'l. Returns to Creditors | \$2.415 M | \$2,539 M | \$1.982 M | \$1,659 M | \$950 M | \$1,071 MC | \$950 M | \$950 M |

C. Performance, Resources, and Strategies

1. Performance Plan and Report for Outcomes

In FY 2014, the USTP took more than 35,000 civil enforcement actions and made more than 2,000 criminal referrals to U.S. Attorneys and law enforcement. The Program participated in 110 appeals beyond the bankruptcy court, including nearly two dozen cases at the United States court of appeals level. Program staff reviewed approximately 128,000 trustees' final reports before funds were distributed to creditors. On-site audits and field reviews of 447 chapter 7, 12, and 13 trustee operations were scheduled to ensure the trustees were compliant in their fiduciary responsibilities. The USTP filed 3,379 motions to convert or dismiss chapter 11 cases, and new guidelines pertaining to the compensation of attorneys in large chapter 11 cases were issued after a complex and sophisticated analysis and extensive outreach to bankruptcy stakeholders and the courts.

In FY 2014, the Program met three of four performance goals. The Program fell 190 cases short of its target of 600 successful discharge complaints. These complaints result in denial or revocation of a discharge of debt, constitute the most serious civil remedy available to the Program in its effort to prevent fraud and abuse in the bankruptcy system, and is taken to resolve issues such as hidden assets, unreported income, and exaggerated expenses. The decline in FY 2014 is attributable to several factors, including fewer staff on-board and reduced bankruptcy filings. In addition, the government shutdown at the beginning of FY 2014 negatively impacted staff resources available to investigate and prosecute 727 actions, particularly during the first quarter of FY 2014. While the performance target may have to be adjusted downward to address some of the factors beyond the Program's control, the Program is focusing its efforts in this core enforcement area for FY 2015.

2. Resources: The U.S. Trustee System Fund

Since 1997, the Program has been fully funded through bankruptcy fees paid primarily by those who use the bankruptcy system. Two categories of fees generate nearly all of the revenue for the Fund. The first category is the filing fee paid at the commencement of each case for chapters 7, 11, 12, and 13, and the second category is the quarterly fee paid by chapter 11 debtors. All fees are deposited in the Fund as offsetting collections and are available to the USTP as specified in Appropriations Acts.

The following table reflects actual and projected revenue collected by source, for the period FY 2010 - FY 2016.

| Bankruptcy Fees by Source | FY 20 Actu | | FY Act | 2011 uai | FY 2 | 012 sal 17 | FY Act | 2013 ual | | 2014 tual | | 2015 acted ." | 1 - | 2016 quest | Ci | 2015 rrent | FY | 2016 rrent |
|---|---------------|------|-----------|-------------|------|---------------|-----------|-------------|----|--------------|-----|---------------------|-----|---------------|-----|---------------|----|---------------|
| Bankruptcy Filing Fees | \$121 | ,696 | \$1 | 10,529 | \$ 9 | 4,073 | 5 | 81.374 | s | 69,518 | s | 82,275 | s | 63,200 | s | 63,000 | s | 57,300 |
| Chapter 11 Quarterly Fees | \$ 155 | ,210 | SI | 55,810 | \$13 | 9,289 | SI | 26,948 | Si | 10,623 | \$1 | 17,268 | s | 98,100 | s | 99.800 | s | 88,900 |
| Interest on Earnings on Investments | s | 798 | s | 1.005 | s | 652 | s | 902 | 5 | 744 | s | 1,000 | 5 | 900 | 5 | 1,000 | s | 900 |
| Other | s | 183 | s | 197 | 5 | 123 | \$ | 142 | 5 | 178 | \$ | 115 | 5 | 150 | \$ | 150 | \$ | 150 |
| | 107 | | | | | | | | | | .5 | | | | \$1 | 63,950 | SI | 47,250 |

[/]I The current FY 2015 revenue estimate differs from the FY 2015 President's Budget. The estimate was revised from the FY 2015 President's Budget estimate of \$200.7 million to \$164.0 million to reflect current estimates and trends.

The USTP appropriation has been fully covered by the Fund since 1997. Consistent with the purpose of the Fund, excess fees are deposited during periods of increasing bankruptcy case filings and fee collections, and funds are withdrawn to cover the Program's appropriation during periods of declining case filings. Offsetting collections from bankruptcy fees have exceeded the Program's appropriation in most fiscal years. Between FY 2006 and FY 2008, the Fund was drawn down from \$258 million to \$93 million, while from FY 2009 to FY 2012 the Fund grew by \$125 million.

Bankruptcy filings have been declining in recent years and have not followed traditional patterns. USTP's official estimates of future filings, which are based primarily on recent year trends, project a continued decline in bankruptcy filings and associated fees in FY 2015 and FY 2016. Offsetting collections in FY 2015 and FY 2016 are projected to cover approximately 65 to 70 percent of the Program's appropriation, with the remainder being drawn from the Fund. As a result, the balance in the Fund is projected to decline from \$172 million at the end of FY 2014 to \$29 million in FY 2016.³ Absent any legislative changes made to the fee amounts paid to the Fund, the Program is predicted to exhaust the balance of the Fund in FY 2017.

To address the offsetting collection shortfall, the USTP plans to propose a temporary increase to chapter 11 quarterly fees that will not impact consumers or small businesses. Under the current fee structure, the proportion of disbursements paid in quarterly fees by consumers and small business chapter 11 cases is much higher than in large chapter 11 cases. To ensure that small

^{/2} The FY 2016 revenue estimate was updated from the estimate of \$162.4 million to \$147.3 million to reflect current estimates and trends.

³ The projected FY 2015 and FY 2016 ending Fund balances are based on the current revenue estimates of \$164 million and \$147 million, respectively. These estimates differ from the FY 2015 enacted estimate of \$201 million and the FY 2016 request estimate of \$162 million. Estimates were revised to reflect current estimates and trends.

businesses do not pay additional fees, cases with quarterly disbursements under \$1 million would be excluded from the temporary increase in chapter 11 quarterly fees.

The proposed fee structure would sunset after three years. This would allow the USTP to address the near term issues with the Fund, while concurrently assessing the efficacy of the revised quarterly fee structure, and future filing and revenue pattern developments.

3. Strategies to Accomplish Outcomes

The USTP mission is included in the DOJ Strategic Plan under Goal 2: Prevent Crime, Protect the Rights of the American people, and Enforce Federal Law, and Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States. The USTP achieves this objective through the following Program strategies.

a. Enforce compliance with federal bankruptcy laws and take civil actions against parties who abuse the law or seek to defraud the bankruptcy system.

The USTP's anti-fraud and abuse efforts focus on wrong-doing both by debtors and by those who exploit debtors. The USTP protects consumer debtors from wrongdoing by attorneys, bankruptcy petition preparers, creditors, and others by seeking a variety of remedies, including disgorgement of fees, fines, and injunctive relief.

Debtor Abuse. The USTP combats debtor fraud and abuse primarily by seeking case dismissal if a debtor has an ability to repay debts and by seeking denial of discharge for the concealment of assets and other Bankruptcy Code violations. Civil enforcement actions include taking steps to dismiss abusive filings, deny discharges to ineligible or dishonest debtors, and limit improper refilings.

Creditor Abuse. Addressing violations of the Bankruptcy Code by creditors, including national mortgage servicers, remains a top Program priority. The Program takes action to ensure the accuracy of creditor claims, the protection of consumer personal information, and other compliance with the Bankruptcy Code and Rules. The USTP investigates and takes civil enforcement action in cases involving allegations that mortgage servicers file inaccurate claims that debtors owe more money than they actually owe, that a default has occurred when there has been no default, or that the mortgage servicers have been adding additional and undisclosed charges that are not permitted under the terms of the loan contract. The USTP serves as the Department's representative and co-chair on the NMS Monitoring Committee comprised of representatives from the DOJ, HUD and state attorneys general.

b. Pursue violations of federal criminal laws pertaining to bankruptcy by identifying, evaluating, referring, and providing investigative and prosecutorial support of cases.

The integrity of the bankruptcy system depends upon the honesty and truthfulness of all participants and deterring those who would abuse the system to defraud others. Integral to protecting the system is the USTP's statutory responsibility to refer potential criminal activity to

the U.S. Attorney and to provide assistance to law enforcement when appropriate, including serving as Special Assistant U.S. Attorneys. In addition. Program staff dedicate significant time to assisting our law enforcement partners in the investigation and prosecution of bankruptcy fraud and related crimes. Referrals from the USTP cover a broad spectrum of criminal activity including bankruptcy fraud, mortgage rescue fraud, money laundering, investor fraud, identity theft, bank fraud, mail fraud, and wire fraud.

c. Promote the effectiveness of the bankruptcy system by appointing and regulating private trustees who administer bankruptcy cases expeditiously and maximize the return to creditors.

Pursuant to the Bankruptcy Code, the U.S. Trustee appoints and supervises private trustees to administer bankruptcy estates and distribute payments to creditors in cases filed under chapters 7, 12, and 13. Trustees have a fiduciary responsibility to the bankruptcy estate. It is a fundamental duty of the U.S. Trustee to regulate and monitor the activities of these private trustees to ensure the effective distribution of funds and compliance with standards put in place to safeguard those funds. The USTP selects and trains trustees and evaluates their overall performance and financial operations to ensure that cases are handled efficiently, effectively, and in accordance with applicable law and Program policy.

d. Ensure financial accountability, compliance with the Bankruptcy Code, and prompt disposition of chapter 11 bankruptcy cases.

The USTP monitors and takes enforcement actions in reorganization cases within its jurisdiction, ranging from small, single proprietorships to multi-billion dollar international conglomerates. Without substituting its judgment for that of parties with a monetary stake, the USTP focuses its attention on areas such as the following: filing motions and appointing trustees to replace management that engaged in egregious or improper activity; filing motions and appointing independent examiners to investigate the financial affairs of a debtor company; prescribing and monitoring financial reports to ensure that the debtor is not dissipating assets; filing enforcement motions to dismiss or convert to chapter 7 liquidation cases that are failing; reviewing applications to employ attorneys and other professionals to identify disqualifying conflicts of interest and objecting to employment if appropriate; appointing official committees of creditors to serve as fiduciaries acting on behalf of other creditors to negotiate a plan of reorganization; and reviewing and objecting to professional applications to ensure that fees do not exceed market rates and comply with other statutory requirements.

V. Program Increases by Item

The USTP is not proposing program increases in FY 2016.

VI. Program Offsets by Item

The USTP is not proposing program offsets in FY 2016.

EXECUTIVE OFFICE FOR UNITED STATES TRUSTEES

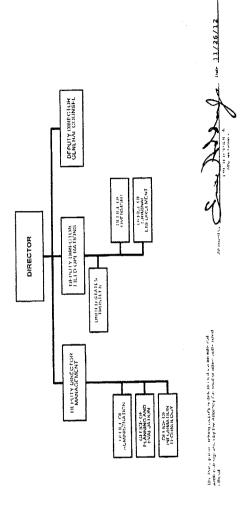


Exhibit A - Organizational Chart

B. Curimary of Requirements

Summary of Requirements
U.S. Trustees
Salaries and Expenses
(Dollers in Thousands)

| | | FY 2016 Request | |
|--------------------------------------|-------------|-----------------|---------|
| | Direct Pos. | Estimate FTE | Amount |
| 2014 Enacted ¹¹ | [1,314] | 1,130 | 224,400 |
| Total 2014 Enacted | [1,314] | 1,130 | 224,400 |
| 2015 Enacted | [1,314] | 1,174 | 225,908 |
| Basa Adiretments | | | |
| Pay and Benefits | 0 | 0 | 2.575 |
| Domestic Rent and Facilities | 0 | 0 | -376 |
| Other Adjustments | 0 | 9 | 0 |
| Total Base Adjustments | 0 | 9 | 2,199 |
| Total Technical and Base Adjustments | 0 | 9 | 2,199 |
| 2016 Current Services | [1,314] | 1,184 | 228,107 |
| 2016 Total Request | [1,314] | 1,184 | 228,107 |
| 2015 - 2016 Total Change | [0] | 10 | 2,199 |

FY 2014 FTE is actual "

B. Summary of Requirements

Summary of Requirements U.S. Trustees Salaries and Expenses (Dollars in Thousands)

| Program Activity | FY 2 | FY 2014 Appropriation | priation | Ĭ. | FY 2015 Enacted | cted | FY 201 | 6 Technica | FY 2016 Technical and Base | FY 20 | 16 Current | FY 2016 Current Services |
|------------------------------|---------|-----------------------|-----------------|---------|-----------------|------------------------|--------|-------------|----------------------------|---------|-----------------|--------------------------|
| | | Enacted | 5 | | | | | Adjustrents | nts | | | |
| | Direct | Actual | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Est. FTE | Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | FIE | | Pos. | | | Pos. | [| | Pos. | | |
| Administration of Cases | [1,314] | 1,130 | 224,400 [1,314] | [1,314] | 1,174 | 225,908 | 0 | 40 | 2,199 | [1,314] | 1,184 | 228,107 |
| Total Direct [1,314] | [1,314] | 1,130 | 224,400 [1,314] | [1,314] | 1,174 | 225,908 | 0 | 10 | 2,189 | [1,314] | 1,184 | 228,107 |
| Balance Rescission | | | 0 | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 224,400 | | | 225,908 | | | 2,199 | | | 228,107 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 } | | | 0 | |
| Total Direct and Reimb. FTE | | 1,130 | | | 1,174 | | | 10 | | | 1,184 | |
| | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | ō | | | ٥ | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 1,130 | | | 1,174 | | | 10 | | | 1,184 | |

| Program Activity | ľ | 2016 Increases | 1868 | | 2016 Offsets | ets | | 2016 Request | lest |
|------------------------------|--------|-----------------|--------|--------|-----------------|--------|---------|-----------------|---------|
| | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount |
| | Pos | | | Pos. | | | Pos. | | |
| Administration of Cases | 0 | 0 | 0 | 0 | 0 | 0 | [1,314] | 1,184 | 228,107 |
| Total Direct | 0 | 0 | 0 | 0 | 0 | 0 | [1,314] | 1,184 | 228,107 |
| Balance Rescission | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 0 | | | 0 | | | 228,107 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 1,184 | |
| | | | | | | | | | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | ō | |
| Grand Total, FTE | | 0 | | | 0 | | | 1,184 | |

Exhibit D - Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal and Objective U.S. Tustless Salaries and Expenses (Oblines in Thosesards)

L. Jurces by DOJ Stragetic Goal and Stratagic Objective

| Strategic Goal and Strategic Objective | <u> </u> | ı | FY 201 | 5 Enacted | FY 201 | FY 2015 Enacted FY 2016 Current FY 2016 Increases FY 2016 Offsets | PY 2016 | Increases | FY 2016 | Offsets | | FY 2016 Total |
|--|-------------------|--------------------------|--------------------------|------------------|--------------------------|---|--------------------------|------------------|--------------------------|------------------|--------------------------|------------------|
| | Appr | ppropriation | | | S | Services | | | | | æ | Request |
| | Direct & Reimb | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Oirect & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount |
| Goal 2 Prevent crime, protect the rights of the American people, and enforce federal law | | | | | | | | | | | | |
| 2.6 Protect the federal fisc and defend the Interests of the United | 1,130 | | 224,400 1,174 | 225,908 | 1,184 | 228,107 | 0 | 0 | 6 | 0 | 1,184 | 228,107 |
| States Subtoral Goal 2 1.130 224.400 1.174 225.908 1.184 | 2 1.130 | 224.400 | 1.174 | 225.908 | 1,184 | 228,107 | ō | • | 0 | 0 | 1,184 | 228,107 |
| TOTAL | 1,130 | TOTAL 1130 224.400 1.174 | 1.174 | 225.90B | 225,908 1,184 | 228.107 | - | 0 | 0 | - | 1.184 | 228,107 |

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

U.S. Trustees Salaries and Expenses (Dollars in Thousands)

| | Direct | Estimate | Amount |
|---|----------|----------|--------|
| | Pos, | FTE | |
| Pay and Benefits | | | |
| 1 2016 Pay Raise - 1.3% | 0 | 0 | 749 |
| This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount | | | |
| requested, \$749,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$571,800 | | | |
| tor pay and \$177,200 for pertents.) | 0 | 0 | 374 |
| This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase | | | |
| of 1.0 percent included in the 2015 President's Budget. The amount requested \$374,000, represents the pay | | | |
| amounts for 1/4 of the fiscal year plus appropriate benefits (\$285,500 for pay and \$88,500 for benefits). | | | 5 |
| 3. Changes in Compensable Days FY 2016 has one additional compensable day as compared to FY 2014 and FY 2015. The amount requested | - | | 28 |
| \$601,000, represents the pay for the additional day as is comprise of pay and benefits (\$458,800 for pay and | | | |
| \$142,200 for benefits). | | | |
| 4 Employees Compensation Fund | 0 | 0 | 16 |
| The \$16,000 request reflects anticipated changes in payments to the Department of Labor for injury benefits | | | |
| under the Federal Employee Compensation Act. | | | |
| 5 FERS Rate Increase | 0 | 0 | 540 |
| Effective October 1, 2015 (FY 2016), the new agency contribution rates is 13.7% (up from the current 13.2%, or | | | |
| an increase of 0.5%). The amount requested, \$540,000, represents the funds needed to cover this increase. | | | |
| 6 Health Insurance | 0 | 0 | 207 |
| Effective January 2016, the component's contribution to Federal employees' health insurance increases by 3.3 | | | |
| percent. The request of \$207,000 is required to cover the increase. | | | 0 |
| 7 Retirement Agency retirement contributions increase as ampliages under CSRS retire and are replaced by EERS | <u> </u> | 5 | 0 |
| employees. The U.S. Department of Justice Agency projects that the DOJ workforce will convert from CSRS to | | | |
| FERS at a rate of 0.8 percent per year, for both LEO and Non-LEO, based on the past 5 years of DOJ | | | |
| retirement data. The requested increase of \$88,000 is necessary to meet our increased retirement obligations | | | |
| as a result of this conversion. | | | |
| Subtotal, Pay and Benefits | • | 0 | 2,575 |
| | | | 1 |

L. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

U.S. Trustees Salaries and Expenses (Dollars in Thousands)

| Amount | 449 | | 27 | -376 | | 0 | 0 | 2,199 |
|--------------------------|---------------------------------------|--|--|--|-------------------|--|-----------------------------|---|
| Direct Estimate Pos. FTE | . 0 | , | 0 | 0 | | 10 | 10 | 10 |
| Direct Pos. | 0 | , | 0 | 0 | | O | 0 | 0 |
| | Domestic Rent and Facilities GSA Rent | GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested decrease of \$449,000 will meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective PY 2016 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. | 2 Guard Service This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across the country. The requested increase of \$73,000 is required to meet these commitments. | Subtotal, Domestic Rent and Facilities | Other Adjustments | FTE Adjustment: This adjustment of 10 full time equivalent staff positions is necessary to reflect current estimates. | Subtotal, Other Adjustments | TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS |

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability

U.S. Trustees Salaries and Expenses (Dollars in Thousands)

| Program Activity | FY 2014 | Appropriat | FY 2014 Appropriation Enacted Reprogramming/Transfers | Reprog | ramming | | Carryover | Carryover Recoveries/ Refunds | | FY 2014 Availability | lability |
|------------------------------|---------|------------|---|--------|---------|--------|-----------|----------------------------------|---------|----------------------|----------|
| | Direct | Actual | Amount | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount |
| | Pos. | FTE | | | FT. | | | | Pos. | FTE | |
| Administration of Cases | 11.3141 | 1,130 | 224,400 | 0 | 0 | 0 | 5,230 | 1,601 | [1,314] | 1,130 | 231,231 |
| Total Direct | [1,314] | 1,130 | 224,400 | 0 | 0 | 0 | 5,230 | 1,601 | [1,314] | 1,130 | 231,231 |
| Balance Rescission | | | 0 | | | 0 | 0 | 0 | | | 0 |
| Total Direct with Rescission | | | 224,400 | | | 0 | 5,230 | 1,601 | | | 231,231 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb. FTE | | 1,130 | | | 0 | | | | | 1,130 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | 0 | |
| Overtime | | o | | | Ö | | | | | ٥ | |
| Grand Total FTF | | 1.130 | | | 0 | | | | | 1,130 | |

Carryover: The unobligated balance carried over from FY 2013 was used to fund the Program's continuing operations.

Recoveries/Refunds: Recovery of prior year balances were used to fund the Program's continuing operations.

G. .. osswalk of 2015 Availability

Crosswalk of 2015 Availability

U.S. Trustees Salaries and Expenses (Dollars in Thousands)

| Program Activity | ir. | FY 2015 Enacted | acted | Repro | gramming | j/Transfers | Carryover | Reprogramming/Transfers Carryover Recoveries/ | | FY 2015 Availability | lability |
|------------------------------|---------|-----------------|---------|--------|----------|-------------|-----------|---|--------|----------------------|----------|
| | | | | | | | | Refunds | | | |
| | Direct | Actual | Amount | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount |
| | Pos. | FTE | | Pos. | FTE | | | | Pos | FTE | |
| Administration of Cases | [1,314] | 1,174 | 225,908 | O | 0 | ľ | 8.191 | 200 | 1 | 1174 | 234 599 |
| Total Direct | [1,314] | 1,174 | 225,908 | 0 | 0 | 0 | 8.191 | | 1 | 1.174 | |
| Balance Rescission | | | ٥ | | | | | | | | ľ |
| Total Direct with Rescission | | | 225.908 | | | | R 191 | 200 | | | 234 500 |
| Reimbursable FTE | | 0 | | | c | | | | | | 25.753 |
| Total Direct and Reimb. FTE | | 1174 | | | C | | | | | 1 174 | |
| | | | | | | | | | | | |
| Other FTE | | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | c | |
| Overtime | | 0 | | | O | | | | | 1 | |
| Grand Total, FTE | | 1 174 | | | C | | | | | 1 177 | |

Carryover: The unobligated balance carried over from FY 2014 is used to fund the Program's continuing operations.

Recoveries/Refunds: Recovery of prior year balances are used to fund the Program's continuing operations.

Exhibit H - Summary of Reimbursable Resources

Summary of Reimbursable Resources

H. Summary of Reimbursable Resources

U.S. Trustees Salaries and Expenses (Dollars in Thousands)

| | 014 Actual | | 2 | 2015 Estimate | nate | | 2016 Request | uest | ũ | increase/Decrease | rease |
|----------------------------------|------------|-------|----------------|---------------------------|--------|---------------|--------------|--------|----------------|-------------------|--------|
| Reimb. Reimt Pos. FTE | 4 | mount | Reimb. Pos. | Reimb. Reimb. Pos. FTE | Amount | Reimb. Pos | Reimb. | Amount | Reimb. Pos. | Reimb FTE | Amount |
| Office of Attorney Recruitment 0 | 0 | 9 | 0 | 0 | 7 | 0 | 0 | 7 | 0 | 0 | 0 |
| Budgetary Resources 0 | 0 | 9 | ō | 0 | 7 | 0 | 0 | 7 | 2 | 0 | ٥ |

| | | | | ľ | 1 2700 | - | | DOG DOG | 400 | 1 | 0/0000 | 0000 |
|---------------------------------|--------|--------------|--------|-------|---------------|--------|--------|--------------|-----------|--------------|---------------------|--------|
| Obligations by Program Activity | | ZU14Actual | | | ZU15 ESTIMATE | late | | ZOTO REGUESI | 1SAM | Ĭ | IIICI edse/Deciedse | Hadse |
| | Reimb. | Reimb. Reimb | Amount | Reimb | Reimb Reimb | Amount | Reimb. | Reimb. | Amount Re | Reimb. Reimb | Reimb | Amount |
| | Pos | FTE | | Pos | E E | | Pos | FTE | | Pos. | FTE | |
| Administration of Cases | 0 | 0 | 9 | 0 | 0 | 7 | 0 | 0 | 7 | 0 | 0 | 0 |
| Budgetary Resources | 0 | 0 | 9 | 0 | 0 | 7 | 0 | 0 | 7 | 0 | 0 | 0 |

t of Permanent Positions by Category

Detail of Permanent Positions by Category U.S. Trustees Salaries and Expenses (Oollars in Thousands)

| Category | FY 2014 Appropriation | propriation | FY 2015 | FY 2015 Enacted | | 1 | FY 2016 Request | | |
|--|----------------------------------|-------------------------------------|-------------|-----------------|------|-----------|-----------------|--------------|--------------|
| | Enacted with Ball Rescissions | Enacted with Balance Rescissions | | | | | | | |
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program | Program | Total Direct | Total Reimb. |
| | | | | | | Increases | Offsets | Pos. | Pos. |
| Security Specialists (080) | [2] | 0 | [2] | 0 | 0 | 0 | 0 | [2] | ő |
| Personnel Management (0200-0260) | [10] | 0 | 100 | 0 | 0 | 0 | 0 | | 0 |
| Clerical and Office Services (0300-0399) | [92] | 0 | [96] | 0 | 6 | 0 | 0 | [66] | ō |
| Accounting and Budget (500-599) | [19] | 0 | [19] | 0 | 0 | 0 | 0 | [19] | Ö |
| Paralegals / Other Law (900-998) | [460] | 0 | [460] | 6 | Ö | Ö | 0 | [460] | 0 |
| Attorneys (905) | [436] | 0 | [436] | 0 | Ö | 0 | 0 | (436) | 0 |
| Mathematics and Statistics Group | [2] | Ö | [2] | 0 | 6 | 0 | 0 | 2 | 0 |
| Information Technology Mgmt (2210-2299) | [38] | 0 | [36] | 0 | Ö | ٥ | 0 | [36] | 0 |
| Bankruptcy Analysts | [245] | 0 | [245] | 8 | 6 | 0 | 0 | [245] | 0 |
| Contracting and Procurement | 4 | 0 | 4 | 0 | 0 | 0 | 0 | 4 | 0 |
| Others | [2] | 0 | [2] | 0 | D | 0 | 0 | [2] | C |
| Total | [1,314] | 0 | [1,314] | 0 | o | 0 | 0 | [1,314] | 0 |
| Headquarters Washington D.C. | [125] | 0 | [125] | 0 | О | 0 | 0 | [125] | 0 |
| US Fields | [11,189] | 0 | [1,189] | 0 | 0 | 0 | 0 | [1,189] | 0 |
| Foreign Field | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | [1,314] | 0 | 11,314 | 0 | 0 | 0 | 0 | 11,314] | 0 |

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class
U.S. Trustees
Salaries and Expenses
(Dollars in Thousands)

| Object Class | FY 201 | FY 2014 Actual | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Request | Increas | Increase/Decrease |
|--|----------|----------------|--------|-----------------|--------|-----------------|--------------|-------------------|
| | Act. FTE | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | | | FTE | | 뮖 | | FTE | |
| 11.1 - Full-time permanent | 1,112 | 116,543 | 1,158 | 123,353 | 1,168 | 125,074 | 10 | 1,721 |
| 11.3 - Other than full-time permanent | 18 | 1,859 | 16 | 1,996 | 16 | 2,005 | 0 | 6 |
| 11.5 - Other personnel compensation | 0 | 883 | 0 | 006 | 0 | 921 | 0 | 21 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 - Special personal services payments | 0 | 4 | ō | 2 | 0 | 0 | 0 | -2 |
| Total | 1,130 | 119,281 | 1,174 | 126,251 | 1,184 | 128,000 | 10 | 1,749 |
| Other Object Classes | | | | | | | _ | |
| 12.1 - Civilian personnel benefits | | 36,598 | | 39,459 | | 42,686 | 0 | 3,227 |
| 13.0 - Benefils for former personnel | | 5 | | 11 | | 6 | 0 | -5 |
| 21.0 - Travel and transportation of persons | | 1,451 | | 2,003 | | 2,153 | 0 | 150 |
| 22.0 - Transportation of things | | 437 | | 443 | | 475 | 0 | 32 |
| 23.1 - Rental payments to GSA | | 26.101 | -,- | 26,743 | | 26.473 | 0 | -270 |
| 23.2 - Rental payments to others | | 458 | | 447 | | 452 | 0 | Ω |
| 23.3 - Communications, utilities, and miscellaneous charges | | 3,517 | | 3,613 | | 3,309 | 0 | -304 |
| 24.0 - Printing and reproduction | | 49 | | 89 | | 74 | 0 | 9 |
| 25.1 - Advisory and assistance services | | 3,918 | | 8,624 | | 2,858 | - | -5,766 |
| 25.2 - Other services from non-federal sources | | 3,611 | | 3,415 | | 2,954 | 0 | -461 |
| 25.3 - Other goods and services from federal sources | | 17,637 | | 16,447 | | 13,410 | 0 | -3,037 |
| 25.4 - Operation and maintenance of facilities | | 2,156 | | 1,500 | | 1,771 | 0 | 271 |
| 25.6 - Medical care | | 166 | | 179 | | 160 | 0 | -19 |
| 25.7 - Operation and maintenance of equipment | | 396 | | 426 | | 429 | Ò | w. |
| 26.0 - Supplies and materials | | 029 | | 860 | | 858 | 0 | ? |
| 31.0 - Equipment | | 5,086 | | 3,410 | | 2,035 | 0 | -1,375 |
| 32.0 - Land and structures | | 1,497 | | 7007 | | o | 6 | -700 |
| 42.0 - Insurance clarms and indemnities | | - | | 0 | | - | 0 | 1 |
| Total Obligations | | 223,040 | • | 234,699 | | 228,107 | - | -6,492 |
| Subtract - Unobligated Balance, Start-of-Year | | -5,230 | | -8,191 |). | 0 | 5 | 8,191 |
| Subtract - Transfers/Reprogramming | | 0 | | 0 | | Ó | 0 | 0 |
| Subtract - Recoveries/Refunds | _ | -1,601 | | 200 | | o | 0 | 200 |
| Add - Unobligated End-of-Year, Available | | 8,191 | | 0 | | 0 | 0 | 0 |
| Add - Unobligated End-of-Year, Expiring | | o | | 0 | | 0 | 0 | o |
| Total Direct Requirements | ٥ | 224,400 | ٩ | 225,908 | ٩ | 228,107 | ٩ | 2,199 |
| Reimbursable FTE 12.1 Department of Justice - Attorney Loan Recruitment (Reimbursable) | 0 | 9 | 0 | 7 | 0 | 7 | 0 | 0 |
| | | | | | | | | |

Congressional Submission FOREIGN CLAIMS SETTLEMENT COMMISSION

U.S. Department of Justice FY 2016 PERFORMANCE BUDGET

860

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I. Overview for the Foreign Claims Settlement Commission

1. Introduction

The Foreign Claims Settlement Commission (FCSC) is a small, independent, quasi-judicial agency organized for administrative purposes within the Department of Justice that has a high profile and important mission in FY 2016: distribute to U.S. victims of international terrorism monies paid to the United States by foreign governments. Currently, the FCSC is adjudicating the claims of U.S. victims of Iraqi actions during the Saddam Hussein era; referred to the Commission by the Department of State by letters dated November 14, 2012 and October 7, 2014 (Iraq has already paid to the United States approximately \$400 million to satisfy these claims). Further, the Commission is continuing its adjudication of claims of U.S. victims of Libyan terrorism under a third referral from the Department of State dated November 27, 2013 pursuant to the Libya Claims Settlement Agreement. Based on the projected number of claims in both the Libyan and Iraqi programs and the complexity of issues associated with these claims, adjudication will continue through FY 2016. In addition, depending on the movement of events internationally, other, similar programs can be anticipated.

The Commission consists of a Chairman and two part-time Commissioners, who are appointed by the President and confirmed by the Senate, as well as legal and non-legal secretariat staff. The Chairman and the part-time Commissioners receive compensation at the Executive Level V rate of pay for performance of official business of the Commission. The work of adjudicating claims and awarding compensation is necessarily labor-intensive, requiring legal and fact all research on the part of Commission staff, and adjudicatory work by the members of the Commission. The majority of the Commission's budget is necessary for personnel costs. The bulk of the remainder is for fixed costs, including rent and guard service. While the operating expenses of the Commission are appropriated from taxpayer funds, in virtually all instances, the legislation authorizing the adjudication of claims has provided for deduction of 5% of the funds obtained from foreign governments in settlement of the claims adjudicated by the Commission. This amount is deposited to the credit of miscellaneous receipts in the United States Treasury to defray administrative expenses. The Commission understands that approximately \$20 million has been so deposited into the Treasury from the funds obtained under the Libya Claims Program alone.

To date, the Commission has administered and completed 47 international and war-related claims programs involving claims against 19 countries: Yugoslavia, Panama, Bulgaria, Hungary, Romania, Italy, the former Soviet Union, the former Czechoslovakia, Poland, Cuba, China, the former German Democratic Republic, Vietnam, Ethiopia, Egypt, Iran, Albania, the Federal Republic of Germany, and Libya.

The Commission is prepared to provide any further information about the background of the Commission, its existing programs, and congressional interest in these programs.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm

2. Issues, Outcomes, and Strategies

In FY 2016, the Commission plans to continue its administration of the Libya Claims Program. This program resulted from the President's Executive Order 13477 dated October 31, 2008, implementing the U.S.-Libya Claims Settlement Agreement of August 14, 2008, as well as the Libyan Claims Resolution Act (LCRA), passed by Congress and signed into law on August 4, 2008. Pursuant to this Agreement and the LCRA, the government of Libya paid \$1.5 billion to the United States in order to provide immediate and fair compensation to U.S. nationals with terrorism-related claims against Libya. The Commission has thus far completed its adjudication of claims referred by the Department of State Legal Adviser's referral letters of December 11, 2008 and January 15, 2009 pursuant to 22 U.S.C. § 1623 (a)(1)(C) and has now begun its adjudication of claims under the State Department's letter of referral dated November 27, 2013.

In FY 2016, the Commission also plans to continue its administration of the Iraq Claims Program. On June 21, 2011, the Department of State issued a press release announcing a settlement with the Government of Iraq in the amount of \$400 million to provide compensation for American nationals who were prisoners of war, hostages, or human shields during the first Gulf War, and for U.S. servicemen who were injured in the 1987 attack on the USS Stark. By letters dated November 14, 2012 and October 7, 2014, pursuant to its authority under 22 U.S.C. § 1623 (a)(1)(C), the Department of State referred several categories of claims within the scope of the Iraq Claims Settlement Agreement to the Commission for adjudication and certification. The Commission is currently adjudicating claims under these referrals.

Furthermore, the Commission will continue to have authority under the International Claims Settlement Act of 1949, as amended, and the 1995 United States-Albanian Claims Settlement Agreement, to make awards in any additional claims against Albania that are filed. In addition, when appropriate, the Commission will continue to reopen and reconsider claims it had previously denied, taking into account the modification of the Albanian Claims Settlement Agreement effected in 2006.

Additionally, the Commission will research and respond to requests for information concerning properties expropriated by the Castro regime in Cuba, in support of the Department of State's continuing implementation of Title IV of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (the "Helms-Burton Act"). The Commission continues to maintain and update a computerized database of some 13,000 records containing specific information on all of the claims adjudicated in its Cuban Claims Program. This database enables the Commission to respond more quickly and accurately to requests for information from the State Department and the general public.

Moreover, under the War Claims Act of 1948, as amended, the Commission will also continue to have authority to award compensation to any previously uncompensated American servicemen held as prisoners of war in Southeast Asia during the Vietnam conflict, or their survivors, for inadequate rations and inhumane treatment while in captivity.

In addition, the Commission will continue to furnish information contained in its records pertaining to the 47 completed international and war related claims programs it has conducted, as requested by claimants, their heirs, attorneys, researchers, and other members of the public. It will also provide to other U.S. agencies technical advice on their policy determinations, participate in preliminary planning and evaluation of pending claims legislation, and coordinate

with congressional committees considering legislation for adjudication of additional types of claims.

3. Challenges

External Challenges

The Commission's external challenges include the necessity of being continuously prepared for a workload dictated almost exclusively by changing international events, current and future claims programs enacted by Congress or referred to the Commission by the Department of State, and by the number of claims filed. This may require expansion of its staffing to meet the requirements of new programs. Its external challenges also include the need to notify and assist U.S. nationals in a timely fashion with filing and documenting their claims; familiarize them with the claims process; and respond efficiently to all inquiries by the public, Congress, and other federal agencies about current and past programs.

Internal Challenges

The Commission's internal challenges include maintaining and focusing the skills, expertise, and experience of its staff to assist U.S. nationals with claims against foreign governments, as well as to provide technical assistance in this area to the Department of State and other federal agencies upon request. At the same time, the Commission must continue its claims records modernization effort by improving and updating the information in its databases and on its website. The Commission intends to also concentrate efforts on increasing its transparency, by increasing the availability of its decisions and records to the public, particularly through electronic media.

4. Performance Challenges

The Commission is an independent agency. Its budget is fully integrated with its own priorities and corresponds to the Department's Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law.

II. Summary of Program Changes

No Program Changes

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by section 3109 of title 5, United States Code, [\$2,326,000] \$2,374,000.

Analysis of Appropriations Language

No substantive changes are proposed.

IV. Decision Unit Justification

A. Foreign Claims

| Foreign Claims | Direct Pos. | Estimate FTE | Amount |
|---|----------------|-----------------|---------|
| 2014 Enacted | 11 | 7 | \$2,100 |
| 2015 Enacted | 11 | 8 | \$2,326 |
| Adjustments to Base and Technical Adjustments | | | \$48 |
| 2016 Current Services | 11 | 8 | \$2,374 |
| 2016 Request | 11 | 8 | \$2,374 |
| Total Change 2015-2016 | | | \$48 |

1. Program Description

The Commission has a single Decision Unit, and its mission is to protect the rights of U.S. citizens abroad and to promote the international rule of law through adjudication of claims brought by United States citizens against foreign governments.

The Commission currently pursues the following organizational goals:

- To adjudicate claims and award compensation for terrorism-related claims against Iraq pursuant to the U.S.-Iraq Claims Settlement Agreement.
- To adjudicate claims and award compensation for terrorism-related claims against Litya pursuant to the U.S.-Libya Claims Settlement Agreement and the Libyan Claims Resolution Act.
- To adjudicate claims and award compensation to previously uncompensated U.S. claimants for property losses in Albania.
- To research and respond to requests for information concerning decisions in the Commission's first and second Cuban Claims Programs in aid of the Department of State's continuing implementation of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (the "Helms-Burton Act").
- To be prepared to adjudicate upon enactment of authorizing legislation, or referral to the Commission by the Secretary of State a future program relating to Guam.
- Upon request, to assist the Department of State in negotiations for the settlement of claims against foreign governments.
- To award compensation to any previously uncompensated American POWs held in Southeast Asia during the Vietnam conflict, or their survivors, for inadequate rations and inhumane treatment while in captivity.
- To advise Congress and other agencies concerning potential future claims programs and to analyze and comment on pending legislation.
- To advise other agencies on policy determinations relating to the settlement of international claims.
- To assist the Department of the Treasury in making distributions on awards certified by the Commission.
- To provide executive departments and private attorneys with legal precedents issued by the Commission.

- To provide general information concerning past programs and to respond to requests about specific decisions the Commission has made on claims.
- To respond to FOIA requests from the public regarding claims programs.
- To maintain and continuously update a comprehensive database of pending and active claims programs to ensure it is accurate and useful to the public and other U.S. agencies.
- To maintain a Commission website that explains claims programs, with downloadable claims program instructions and claim forms as well as statistical and other information on past programs.

2. Performance and Resources Tables

| | | PERFORMANCE AND RESOURCES TABLE | MANCE | AND R | ESOUR | CES T/ | /BLE | | | | | |
|---|----------------|--|---------|------------|---------|-----------|---------|-----------|---------------------------------------|---|----------|-------------------|
| Decision Unit: Foreign Claims | t: Foreign C | laims | | | | | | | | | | |
| RESOURCES | , | | Target | jet Jet | Actual | jer | Target | get | Cha | Changes | Requeste | Requested (Total) |
| | | | FY 2014 | 014 | FY 2014 | 114 | FY 2015 | 015 | Current Adjustmer 2016 P | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE (reimbursable FTE are inc | and FTE | Total Costs and FTE reimbursable costs are | FTE | \$000 | FTE | \$000 | Ħ | \$000 | FTE | \$000 | FTE | \$000 |
| bracketed and not included in the total) | ot included in | the total) | | | | | | | | | · | |
| | | | 8 | B \$2,100 | 7 | 7 \$2,043 | 8 | 8 \$2,326 | | \$48 | 88 | \$2,374 |
| TYPE | STRATEGIC | PERFORMANCE | FY 2 | FY 2014 | FY 2014 | 014 | FY 2015 | 015 | Current Adjustmes 2016 P Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| Program Activity | 2.6 | Adjudication of Clams | 60 | \$2,100 | 7 | \$2.043 | 8 | 8 \$2,326 | | \$48 | α, | \$2,374 |
| Performance Measure: | | | | | | | | | | | | |
| Output | | | | | | | | | | | | |
| Performance Measure: Efficiency | | | | | | | | | | | | |
| Performance Measure: | | | | | | | | | | | | |
| Catcollie | | | | | 1 | | | | | | | |

Data Definition, Verification, and Limitations: INFORMATION REQUIRED. Use this section to discuss data terms, data sources, how the information is collected, how the information is verified, and data limitations to include how well the indicator measures performance in this area.

| | | PERF | ORMANG | SE MEAS | PERFORMANCE MEASURE TABLE | 3LE | | | | |
|------------------------|------------------------|--------------------------|---------|-----------------|---------------------------|---------|--------|---------|---------|---------|
| | Decision Unit: | ţ | | | | | | | | |
| | α | Performance Report and | FY 2010 | FY 2010 FY 2011 | FY 2012 FY 2013 | FY 2013 | FY ; | FY 2014 | FY 2015 | FY 2016 |
| Strategic Objective | ĭ | Performance Plan Targets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 2.6 | Performance Measure | | N/A | N/A | W/A | N/A | N/A | NA TONA | | N/A |
| | Performance Measure | | | | | | | | | |
| | Performance Measure | | | | | | | | | |
| | Efficiency Measure | | | | | | | | | |
| | OUTCOME Measure | | | | | | | | | |
| | N/A ≈ Data unavailable | allable | | | · | | | | | |
| | | | | | | | | | | |

3. Performance, Resources, and Strategics

The Commission is an independent agency. Its budget is fully integrated with its own priorities and corresponds best to the Department's Strategic Goal 2: Protect the Rights of the American People, and Enforce Federal Law.

a. Performance Plan and Report for Outcomes

The Commission's activities are not included in the Department of Justice's performance plans or reports. However, in addition to its principal function of adjudicating claims of United States nationals against foreign governments, the Commission provides continuing informational services to claimants (and, where applicable, their legal successors) with regard to the 47 international and war claims programs it has concluded. It also provides advice to other Federal agencies on their policy determinations, preliminary planning, and evaluation of proposed legislation intended to authorize adjudication of claims of new categories of claimants, and liaison with congressional committees considering such legislation.

b. Strategies to Accomplish Outcomes

In FY 2016, the Commission will continue its administration of the Libya Claims Program which resulted from the President's Executive Order 13477 which implements the U.S.-Libya Claims Settlement Agreement and the Libyan Claims Resolution Act (LCRA).

Additionally, the Commission will continue to adjudicate categories of claims referred to it by the Department of State within the scope of the Claims Settlement Agreement Between the Government of the United States of America and the Government of the Republic of Iraq, signed on September 2, 2010, including claims for compensation for American nationals who were prisoners of war, hostages, or human shields during the first Gulf War.

Under the International Claims Settlement Act of 1949, as amended, and the 1995 U.S.-Albanian Claims Settlement Agreement and the 2006 modification of that agreement, the Commission will continue to have authority to make awards in any additional claims against Albania that may be filed.

The Commission will also research and respond to requests for information concerning properties expropriated by the Castro regime in Cuba, in support of the Department of State's Continuing implementation of Title IV of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (the "Helms-Burton Act"). In addition, the Commission will continue to engage in preliminary planning for a possible future program relating to Guam. The Commission will also provide, upon request, technical assistance to the Department of State in conducting government-to-government claims settlement negotiations.

Under the War Claims Act of 1948, as amended, the Commission will continue to have authority to award compensation to any previously uncompensated American servicemen held as prisoners of war in Southeast Asia during the Vietnam conflict, or their survivors, for inadequate rations and inhumane treatment while in captivity.

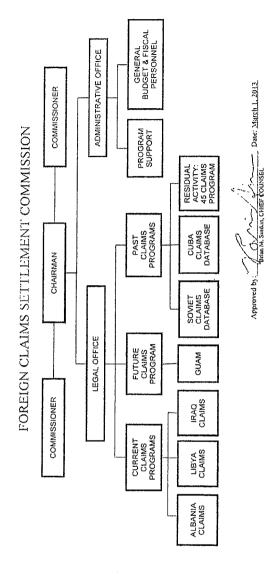


Exhibit A - Org ational Chart

Summary or Aequirements
Foreign Claims Settlement Commission
Salaries and Expenses
(Dollars in Thousands)

| | ш. | FY 2016 Request | |
|--------------------------------------|-------------|--------------------------|--------|
| Di | Direct Pos. | Direct Pos. Estimate FTE | Amount |
| 2014 Enacted " | 11 | 7 | 2,100 |
| Total 2014 Enacted | 11 | 7 | 2,100 |
| 2015 Enacted | - | 80 | 2,326 |
| Bace Adiretments | | | |
| Date Augustines in a | | | |
| Pay and Benefits | 0 | 0 | 39 |
| Domestic Rent and Facilities | 0 | 0 | o O |
| Total Base Adjustments | 0 | 0 | 48 |
| Total Technical and Base Adjustments | 0 | 0 | 48 |
| 2016 Current Services | 11 | 80 | 2,374 |
| 2016 Total Request | 11 | 8 | 2,374 |
| 2015 - 2016 Total Change | 0 | 0 | 48 |

FY 2014 FTE is actual "

Summary of Requirements Foreign Claims Settlement Commissio

B. Summary of Requirements

Foreign Claims Settlement Commission Salaries and Expenses (Dollars in Thousands)

| December Authority | | | | | | | EV 2016 | Technic | EV 2018 Technical and Base | | | |
|------------------------------|--------|-----------------|--------|----------|-----------------|------------------------|---------|-------------|----------------------------|--------|------------|--------------------------|
| riogiani Acuvity | Œ | FY 2014 Enacted | acted | FY? | FY 2015 Enacted | cted | 1 401 | Adjustments | and pase | FY 201 | l6 Current | FY 2016 Current Services |
| | Direct | Actual | Amount | Direct E | st. FTE | Direct Est. FTE Amount | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Est. FTE | Direct Est. FTE Amount |
| | Pos. | FTE | | Pos. | | | Pos | | | Pos | | |
| Foreign Claims | 11 | 7 | 2,100 | 11 | 8 | 2,326 | 0 | Ö | 48 | 11 | 80 | 2.374 |
| Total Direct | 11 | 7 | 2,100 | 11 | æ | 2,326 | 0 | 0 | 48 | 11 | 8 | 2.374 |
| Balance Rescission | | | 0 | | | 0 | | | ō | | | 0 |
| Total Direct with Rescission | | | 2,100 | | | 2,328 | | | 48 | | | 2.374 |
| Reimbursable FTE | | 0 | | | 0 | | | o | | | 0 | |
| Total Direct and Reimb. FTE | | 7 | | | 8 | | | 0 | | | 8 | |
| | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 7 | | | 8 | | | 0 | | | 80 | |

| Program Activity | _ | 2016 Increases | ases | | 2016 Offsets | ets | | 2016 Request | uest |
|------------------------------|--------|----------------|-----------------------|--------|-----------------|--------|--------|-----------------|--------|
| | Direct | Est FTE | Direct Est FTE Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | | | Pos. | | | Pos. | | : |
| Foreign Claims | 0 | 0 | 0 | 0 | 0 | 0 | 11 | æ | 2,374 |
| Total Direct | 0 | 0 | 0 | 0 | 0 | 0 | 11 | 8 | 2,374 |
| Balance Rescission | | | 0 | | | 0 | | | |
| Total Direct with Rescission | | | 0 | | | 0 | | | 2,374 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 8 | |
| | | | | | | | | | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 0 | | | 0 | | | 8 | |

Exhibit B - Summany of Requirements

Resources by Department of Justice Strategic Goal and Objective Foreign Claims Settlement Commission States and Expenses (Dalass in Thosans)

| Strategic Goal and Strategic Objective | FY 201 | FY 2014 Enacted FY 2015 Enacted | FY 201 | 6 Enacted | FY 2016 Serv | FY 2016 Current F | FY 2016 | FY 2016 increases | FY 201 | FY 2016 Offsets | FY 20 Re | FY 2016 Total Request |
|--|--------------------------|---------------------------------|-------------------|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|--------------------------|
| | Direct & Reimb FTF | Direct | Direct & Reimb | Direct | Direct & Reimb | Direct | Direct & Reimb | Direct Amount | Direct & Reimb | Direct Amount | Direct & Reimb | Direct |
| Goal 2 Prevent crime, protect the rights of the American people, and enforce federal law | | | ! | | | | | | | | | |
| 2.6 Protect the federal fisc and defend the interests of the United States | ^ | 2,100 | m | 2,326 | m | 2,374 | 0 | o | ٥ | 0 | 80 | 2,374 |
| Subtotal, Goal 2 | 7 | 2,100 | 8 | 2,326 | 80 | 2,374 | 0 | 0 | 0 | 0 | 60 | 2,374 |
| TOTAL | 7 | 2,100 | 8 | 2326 | 8 | 2.374 | 0 | 0 | c | 6 | α | 2374 |

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Foreign Claims Settlement Commission

Salaries and Expenses (Dollars in Thousands)

| г | | | 4 | | 8 | | 9 | | 4 | | 11 | | ÷ | | 39 |
|----------|------|------------------|-------------------------|--|----------------------------|---|---|---|----------------------|---|--------------------|--|--------------|---|---|
| Amount | | | _ | | | | | | | | | | | | |
| Estimate | FTE | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 |
| Direct | Pos. | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | o |
| | | Pay and Benefits | 1 2016 Pay Raise - 1.3% | This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount request, \$14,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$11,000 for pay | and \$3,000 for benefits.) | This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase of 1.0 percent included in the 2015 President's Budget. The amount requested \$3,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$2,000 for pay and \$1,000 for benefits). | 3 <u>Changes in Compensable Days</u> The increased cost for one more compensable day in FY 2016 compared to FY 2015 is calculated by dividing the | FY 2015 estimated personnel compensation \$ 4,000 and applicable benefits \$ 2,000 by 261 compensable days. | 4 FERS Rate Increase | In accordance with changes in the CSRS and the FERS, the total normal cost of regular retirement unders FERS will increase. The amount requested, \$ 4,000, represents the funds needed to cover this increase. | 5 Health insurance | Effective January 2016, the component's contribution to Federal employees' health insurance will increase and the additional amount required. \$11,000 is needed to cover this increase. | 6 Retirement | Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 0.8 percent per year, for both LEO and Non-LEO, based on the past 5 | years of DOJ refirement data. The requested increase of a modern of the conversion. Subtotal, Pay and Benefits |

Exhibit E. Justifications for Technical and Base Adjustments

밁

ations for Technical and Base Adjustments

Justifications for Technical and Base Adjustments Foreign Claims Settlement Commission

Salaries and Expenses (Dollars in Thousands)

| | Direct | Estimate | Amount |
|---|--------|----------|--------|
| | Pos. | FTE | |
| Domestic Rent and Facilities | | | |
| 1 GSA Rent | 0 | 0 | 1 |
| GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent | | | |
| space and related services. The requested increase of \$ 7,000, is required to meet our commitment to GSA. | | | |
| The costs associated with GSA rent were derived through the use of an automated system, which uses the latest | | | |
| inventory data, including rate increases to be effective FY 2016 for each building currently occupied by | | | |
| Department of Justice components, as well as the costs of new space to be occupied. | | | |
| 2 Guard Service | 0 | 0 | N |
| This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective | | | |
| Service charges and other security services across the country. The requested increase of \$2,000, is required to | | | |
| meet these commitments. | | | |
| Subtotal, Domestic Rent and Facilities | 0 | 0 | σ, |
| | | | |
| TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS | 0 | 0 | 48 |
| | | | |

Exhibit E. Justifications for Technical and Base Adjustments

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability
Foreign Claims Settlement Commission
Salaries and Expenses
(Dollars in Thousands)

| Program Activity | Ĺ | FY 2014 Enacted | acted | Reprog | ramming | Reprogramming/Transfers | Carryover | Recoveries/ Refunds | FY; | FY 2014 Availability | ability |
|------------------------------|--------|-----------------|--------|--------|---------------|-------------------------|-----------|------------------------|-----|----------------------|---------|
| | Direct | L`_ | Amount | Direct | Direct Actual | Amount | Amount | Amount | | Actual | Amount |
| | Pos. | FTE | | Pos. | FTE | | | | Pos | FTE | |
| Foreign Claims | 11 | 7 | 2,100 | 0 | 0 | 0 | 0 | 0 | 11 | 7 | 2,100 |
| Total Direct | 11 | 7 | 2,100 | 0 | 0 | Ó | 0 | О | 11 | 7 | 2,100 |
| Balance Rescission | | | 0 | | | O | Q | 0 | | | 0 |
| Total Direct with Rescission | | | 2,100 | | | Ò | 0 | Ô | | | 2,100 |
| Reimbursable FTE | | 0 | | | 0 | | | | | 0 | |
| Total Direct and Reimb, FTE | | 7 | | | 0 | | | | | 7 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | , | | | | |
| LEAP FTE | | 0 | | | 0 | | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | | 0 | |
| Grand Total, FTE | | 7 | | | 0 | | | | | 7 | |

Reprogramming/Transfers:

Carryover:

Recoveries/Refunds:

G. Cr. alk of 2015 Availability

Crosswalk of 2015 Availability Foreign Claims Settlement Commission Salaries and Expenses (Dollars in Thousands)

| Program Activity | L. | FY 2015 Enacted | acted | Repro | gramming | Reprogramming/Transfers | Carryover | Recoveries/ Refunds | FY 2015 Availability | ilability |
|------------------------------|--------|-----------------|------------------------|--------|----------|-------------------------|-----------|------------------------|------------------------|-----------|
| | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Est. FTE | Direct Est FTE Amount | Amount | Amount | Direct Est. FTE Amount | Amount |
| | Pos. | | | Pos. | | | | | Pos. | |
| Foreign Claims | 11 | 8 | 2,326 | 0 | 0 | 0 | 0 | 0 | 11 8 | 2,326 |
| Total Direct | 11 | 8 | 2,326 | 0 | 0 | 0 | 0 | 0 | 11 8 | 2,326 |
| Balance Rescission | | | 0 | | | 0 | 0 | 0 | | 0 |
| Total Direct with Rescission | | | 2,326 | | | 0 | 0 | 0 | | 2,326 |
| Reimbursable FTE | | 0 | | | 0 | | | | 0 | |
| Total Direct and Reimb. FTE | | 8 | | | 0 | | | | 8 | |
| | | | | | | | | | | |
| Other FTE: | | | | | | | | | | |
| LEAP FTE | | 0 | | | 0 | | | | 0 | |
| Overtime | | 0 | | | 0 | | | | 0 | |
| Grand Total, FTE | | 8 | | | 0 | | | | 8 | |

Reprogramming/Transfers:

Carryover:

Recoveries/Refunds:

1. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category

Foreign Claums Settlement Commission Salaries and Expenses (Dollars in Thousands)

| Category | FY 2014 | FY 2014 Enacted | FY 2015 | FY 2015 Enacted | | <u>e</u> | FY 2016 Request | ts. | |
|--|-------------|-----------------|-------------|---|----------------|----------|--------------------|--------------------------|-------------|
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Direct Pos. Reimb. Pos. Direct Pos. Reimb. Pos. | ATBs | Program | Program Offsets | Total Direct Total Reimb | Total Reimb |
| Clerical and Office Services (0300-0399) | 2 | 0 | 5 | 0 | ō | 0 | 0 | 5 | ō |
| Accounting and Budget (500-599) | _ | ō | _ | 0 | ō | 0 | ō | | 0 |
| Paralegals / Other Law (900-998) | | 0 | - | 0 | ō [*] | 0 | ō | - | <i>5</i> |
| Attorneys (905) | 4 | 0 | 4 | 0 | Ô | 0 | Ö | 4 | ō |
| Total | + | 0 | 11 | 0 | 0 | 0 | 0 | 11 | D I |
| Headquarters Washington D.C. | # | 0 | 11 | 0 | 0 | 0 | o | 11 | 0 |
| US Fields | - | 0 | 6 | 0 | ō | ō | Ö | 0 | 0 |
| Foreign Field | 0 | 0 | 0 | O | ō | O | 0 | 0 | 0 |
| Total | - | | 11 | - | 0 | - | ő | 11 | ō |

Summary of Requirements by Object Class

Foreign Claims Settlement Commission

Salaries and Expenses (Dollars in Thousands)

| Object Class | FY 20 | FY 2014 Actual | FY 201 | FY 2015 Enacted | FY 201 | FY 2016 Request | Increase | Increase/Decrease |
|---|---------|----------------|--------|-----------------|--------|-----------------|----------|-------------------|
| | Act FTE | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | | - | FTE | | FTE | | FTE | |
| 11.1 - Full-time permanent | 7 | 876 | æ | 1,216 | æ | 1,233 | 0 | 17 |
| 11.3 - Other than full-time permanent | 0 | 32 | 6 | 8 | 0 | 8 | 0 | 0 |
| 11.5 - Other personnel compensation | 0 | 0 | 0 | 0 | 0 | O | 0 | 0 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 - Special personal services payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 7 | 806 | 8 | 1,246 | 8 | 1,263 | 0 | 17 |
| Other Object Classes | | | | | | | | |
| 12.1 - Civilian personnel benefits | | 244 | | 329 | | 381 | 0 | 22 |
| 13.0 - Benefits for former personnel | | 25 | | 0 | | 0 | 0 | 0 |
| 21.0 - Travel and transportation of persons | | 15 | | 12 | • | 12 | 0 | 0 |
| 22.0 - Transportation of things | | 15 | | 15 | | 15 | 0 | 6 |
| 23.1 - Rental payments to GSA | | 347 | | 422 | | 431 | 0 | ത |
| 23.3 - Communications, utilities, and miscellaneous charges | | 28 | | 13 | | 13 | 0 | 0 |
| 24.0 - Printing and reproduction | | 9 | | 2 | | S | 0 | ō |
| 25.2 - Other services from non-federal sources | - | 442 | | 240 | | 240 | 0 | 0 |
| 26.0 - Supplies and materials | | ō | | 12 | | 12 | 0 | 0 |
| 31.0 - Equipment | | 4 | | 2 | | 2 | 0 | 0 |
| Total Obligations | | 2,043 | | 2,326 | | 2,374 | 0 | 48 |
| Subtract - Unobligated Balance, Start-of-Year | | 0 | | 0 | | 0 | 0 | ō |
| Subtract - Transfers/Reprogramming | | 0 | | Õ | | 0 | 0 | ō |
| Subtract - Recoveries/Refunds | | 0 | | 0 | | 0 | 0 | 0 |
| Add - Unobligated End-of-Year, Available | | 0 | | 0 | | 0 | 0 | 0 |
| Add - Unobligated End-of-Year, Expiring | | 25 | | 0 | | 0 | 0 | 0 |
| Total Direct Requirements | 0 | 2,100 | 0 | 2,326 | 0 | 2,374 | 0 | 48 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 0 | | 0 | | o | | ō | 0 |

United States Marshals Service FY 2016 Performance Budget President's Budget Submission

Salaries & Expenses and Construction Appropriations



February 2015

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I. Overview for the United States Marshals Service (USMS)

A. Introduction

The USMS ensures the functioning of the federal judicial process by protecting members of the judicial family (judges, attorneys, witnesses, and jurors), providing physical security in courthouses, safeguarding witnesses, transporting and producing prisoners for court proceedings, executing court orders and arrest warrants, apprehending fugitives, and managing seized property. All USMS duties and responsibilities emanate from this core mission.

For Fiscal Year (FY) 2016, the USMS requests a total of 5,554 positions, 4,134 Deputy U.S. Marshals (DUSMs), 19 Attorneys, 5,103 full time equivalent (FTE) excluding reimbursable FTE, and \$1,230,581,000 for the Salaries and Expenses (S&E) appropriation. This is an increase of \$35,581,000 from FY 2015 Enacted level. The USMS also requests \$15,000,000 for the Construction appropriation, an increase of \$5,200,000 from FY 2015 Enacted level.

For Information Technology (IT), the USMS requires 114 positions and \$122,405,840 in base resources, as reported in the FY 2016 Agency IT Portfolio Summary (formerly Exhibit 53-A). The USMS IT Division supports major IT areas such as: Tactical Radios infrastructure, IT Helpdesk support, IT Network supporting wide and local area network, Voice Communications support for voice and video teleconferencing, Unified Financial Management System (UFMS) program implementation, Detainee Management, secured systems for protective operations and other IT-related services performing security and associated functions supporting law enforcement missions and administrative operations.

In a separate submission, the USMS also requests an appropriations language change from the Fees and Expenses of Witnesses (FEW) appropriation to increase the funding cap for information technology from \$11,000,000 to \$13,000,000, an increase of \$2,000,000. Information technology costs include the purchase, installation, maintenance and upgrade of secure telecommunications equipment and a secure automated information network to store and retrieve the identities and locations of protected witnesses.

Electronic copies of the Department of Justice's (DOJ) Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.html.

B. Organizational History

The Judiciary Act of 1789 established the original 13 federal judicial districts and called for the appointment of a Marshal for each district. President Washington nominated the first Marshals and they were confirmed by the Senate on September 26, 1789.

The Attorney General began supervising the Marshals in 1861. The DOJ was created in 1870 and the Marshals have been under its purview since that time. The first organization to supervise Marshals nationwide, the Executive Office for United States Marshals, was established in 1956 by the Deputy Attorney General. DOJ Order 415-69 established the USMS on May 12, 1969. On November 18, 1988, the USMS was officially established as a bureau within the Department under the authority and direction of the Attorney General with its Director appointed by the President. Prior to 1988, the Director of the USMS was appointed by the Attorney General.

The role of the U.S. Marshals has had a profound impact on the history of this country since the time when America was expanding across the continent into the western territories. With changes in prosecutorial emphasis over time, the mission of the USMS has transitioned as well. In more recent history, law enforcement emphasis has shifted with changing social mandates. Examples include:

- In the 1960s, DUSMs provided security and escorted Ruby Bridges and James Meredith
 to school following federal court orders requiring segregated Southern schools and
 colleges to integrate.
- In 1973, the Drug Enforcement Administration (DEA) was created, resulting in a greater focus on drug-related arrests. The USMS immediately faced rapidly increasing numbers of drug-related detainees, protected witnesses, and fugitives.
- The Presidential Threat Protection Act of 2000 (Public Law (P.L.) 106-544) directed the
 USMS to provide assistance to state and local law enforcement agencies in the location
 and apprehension of their most violent fugitives. As a result, the USMS has increased the
 size and effectiveness of its regional and district-based fugitive apprehension task forces,
 thus providing a critical "force multiplier" effect that aids in the reduction of violent
 crime across the nation.
- The expansion of illegal immigration enforcement activities, including the implementation of Operation Streamline in 2005, which increased federal prosecutions of immigration offenders and resulted in a significant increase in the USMS' prisoner and fugitive workload along the Southwest Border.
- With more resources dedicated to apprehending and prosecuting suspected terrorists, the USMS continues to meet the increasing demands for high-level security required for many violent criminal and terrorist-related court proceedings.
- The Adam Walsh Child Protection and Safety Act of 2006 (AWA) (P.L. 109-248) strengthened federal penalties by making the failure to register (FTR) as a sex offender a federal offense. This Act directs the USMS to "assist jurisdictions in locating and apprehending sex offenders who violate sex offender registry requirements." In response, the USMS established the Sex Offender Investigative Branch (SOIB) and opened the National Sex Offender Targeting Center (NSOTC) to carry out its mission to protect the public by bringing non-compliant sex offenders to justice and targeting offenders who pose the most immediate danger to the public in general and to child victims in particular.
- The President signed the Child Protection Act (P.L. 112-206) into law on December 7, 2012. This law provides additional administrative authorities to prosecutors and law enforcement agencies to further combat sex crimes involving children, including administrative subpoena authority, to the USMS Director for cases involving unregistered sex offenders.

C. USMS Budget

The USMS' total request of \$1,245,581,000 consists of \$1,230,581,000 for the S&E appropriation and \$15,000,000 for the Construction appropriation. The requested funding provides the necessary resources to maintain and enhance USMS' core functions. The S&E request represents a base adjustment of \$39,346,000 reflecting an increase of \$17,785,000 for pay and benefits; \$16,663,000 for domestic rent and facilities; \$4,649,000 for Legacy Radio Operations and Maintenance; and, \$249,000 for foreign allowances. For S&E, the USMS proposes \$6,235,000 in program increases and \$10,000,000 in program decreases. The program increases include \$4,735,000 to support the Adam Walsh Act and \$1,500,000 to enhance the USMS' Law Enforcement Safety Training Program. Program decrease represents anticipated program and/or administrative savings. For Construction, the request includes \$5,200,000 in program increases that will allow the USMS to reduce the construction backlog, with an emphasis on courthouse security, while providing maintenance and repair of aging USMS space.

Priority mission areas for FY 2016 include enforcing the Adam Walsh Child Protection and Safety Act and specialized training to ensure that violent fugitives are located and apprehended. The USMS will also continue its traditional missions of providing judicial and courthouse security, managing the witness security program, and conducting detention operations. The FY 2016 request for Construction supports these missions by allowing the USMS to renovate and secure federal courthouse and other USMS facilities. These upgrades are essential for maintaining the security of federal court facilities and safety of judicial officials, courtroom participants, the public, USMS personnel, and prisoners.

The USMS also receives reimbursable and other indirect resources from a variety of sources. Some of the larger sources include:

- The Administrative Office of the United States Courts (AOUSC) provides funding for administering the Judicial Facility Security Program;
- The AFF provides funding for managing and disposing seized assets;
- The FEW appropriation provides funding for securing and relocating protected witnesses; and
- The Organized Crime Drug Enforcement Task Force (OCDETF) provides funding for apprehending major drug case fugitives.

The USMS S&E budget is divided into five decision units. These decision units contain the personnel and funds associated with the following missions:

- Judicial and Courthouse Security ensure a safe and secure environment for all who
 participate in federal judicial proceedings. This mission is accomplished by anticipating
 and deterring threats to the judiciary, maintaining the ability to deploy protective
 measures at any time, and implementing the necessary security measures for all federal
 court facilities;
- Fugitive Apprehension enhance the safety and security of our communities
 nationwide by locating and apprehending federal fugitives, egregious state or local
 fugitives and non-compliant sex offenders. This is accomplished by creating and
 maintaining cooperative working relationships with federal, state, local, and foreign law
 enforcement agencies; developing national expertise in sophisticated technical

- operations; conducting psychological assessments of sex offenders; and collecting and sharing criminal intelligence. The decision unit includes the management and disposal of all DOJ's seized and forfeited assets;
- Prisoner Security and Transportation ensure the custody of all federal prisoners is safe and humane from the time of arrest until the prisoner is acquitted, arrives at a designated Federal Bureau of Prisons facility to serve a sentence, or is otherwise ordered released from U.S. Marshal's custody. This includes providing housing, medical care, and transportation throughout the U.S. and its territories; producing prisoners for all court-ordered appearances; and protecting their civil rights through the judicial process;
- Protection of Witnesses provide for the security, health, and safety of government
 witnesses and their immediate dependents whose lives are in danger as a result of their
 testimony against drug traffickers, terrorists, organized crime members, and other major
 criminals; and
- Tactical Operations ensure that the USMS is able to respond immediately to any
 situation involving high-risk/sensitive law enforcement activities, national emergencies,
 civil disorders, or natural disasters. This is accomplished by maintaining a specially
 trained and equipped tactical unit deployable at any time; providing explosive detection
 canines; operating a 24-hour Emergency Operations Center; and ensuring that Incident
 Management Teams and Mobile Command Centers are always available.

D. Strategic Goals

The USMS mission supports all three goals within the DOJ Strategic Plan.

Goal I: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law

Objective 1.1 Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement to achieve a coordinated response to terrorist threats

The USMS directly contributes to preventing, disrupting and defeating terrorist operations by conducting threat assessments and investigating incoming threats or inappropriate communications made against members of the judicial family. DUSMs are assigned to the Federal Bureau of Investigation's (FBI) Joint Terrorism Task Forces (JTTF) to work terrorism cases and share information that may be critical to protect the federal judiciary.

Goal II: Prevent Crime, Protect the Rights of the American People and Enforce Federal Law

Objective 2.2 Prevent and intervene in crimes against vulnerable populations; uphold the rights of, and improve services to, America's crime victims

The USMS is the lead law enforcement agency responsible for investigating sex offender registration violations. The USMS has three distinct missions pursuant to the Adam Walsh Child Protection and Safety Act: (1) assisting state, local, tribal, and territorial authorities in the location and apprehension of non-compliant sex offenders; (2) investigating violations of 18

USC § 2250 and related offenses; and (3) assisting in the identification and location of sex offenders relocated as a result of a major disaster.

Measure: Opened investigations concerning non-compliant sex offenders

Goal III: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels

Objective 3.1 Promote and strengthen relationships and strategies for the administration of justice with law enforcement agencies, organizations, prosecutors, and defenders, through innovative leadership and programs

The USMS serves as the primary custodian for the DOJ Asset Forfeiture Program (AFP), whose mission is to support the use of asset forfeiture consistently and strategically to disrupt and dismantle criminal enterprises, deprive wrongdoers of the profits and instrumentalities of criminal activity, deter crime, and restore property to victims of crime while protecting individual rights. The USMS manages and disposes of assets seized and forfeited by participating federal law enforcement agencies (including the DEA, FBI, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), Food and Drug Administration (FDA), Department of State-Diplomatic Security Service (DOS-DSS), Department of Defense (DOD) Criminal Investigation Service, and U.S. Postal Inspection Service) and U.S. Attorneys nationwide.

Measure: Percent asset value returned to the fund

Objective 3.2 Protect judges, witnesses, and other participants in federal proceedings by anticipating, deterring, and investigating threats of violence

The USMS maintains the integrity of the federal judicial system by: 1) ensuring that U.S. Courthouses, federal buildings, and leased facilities occupied by the federal judiciary and the USMS are secure and safe from intrusion by individuals and technological devices designed to disrupt the judicial process; 2) guaranteeing that federal judges, attorneys, defendants, witnesses, jurors, and others can participate in uninterrupted court proceedings; 3) assessing inappropriate communications and providing protective details to federal judges or other members of the judicial system; 4) maintaining the custody, protection, and security of prisoners and the safety of material witnesses for appearance in court proceedings; and 5) limiting opportunities for criminals to tamper with evidence or use intimidation, extortion, or bribery to corrupt judicial proceedings.

Measure: Assaults against protected court members

Objective 3.3 Provide safe, secure, humane, and cost-effective confinement and transportation of federal detainees and inmates

The USMS is responsible for the national operational oversight of all detention management matters pertaining to individuals remanded to the custody of the Attorney General. The USMS ensures the secure care and custody of these individuals through several processes to include sustenance, secure lodging and transportation, evaluating conditions of confinement, providing medical care deemed necessary, and protecting their civil rights through the judicial process.

Measure: Average Detention Cost

Objective 3.5 Apprehend fugitives to ensure their appearance for federal judicial proceedings or confinement

The USMS is authorized to investigate domestic and international fugitive matters to include fugitive extraditions both within and outside the United States, as directed by the Attorney General. In addition, the USMS provides assistance and expertise to other federal, state, and local law enforcement agencies in support of fugitive investigations. The USMS is also responsible for the majority of OCDETF federal fugitive investigations.

Measure: Number and Percent USMS federal fugitives apprehended or cleared

E. Environmental Sustainability

The USMS continues to make significant progress in Environmental Sustainability to meet applicable Executive Orders and Presidential Directives.

The USMS Office of Fleet Management, in compliance with the procedures outlined in the Department of Energy's <u>Comprehensive Federal Fleet Management Handbook</u> dated January 2014, reduced its number of vehicles by four percent and replaced older model vehicles with smaller, more fuel efficient, flexible fuel vehicles. As a result, fuel consumption was reduced by 1.1 million gallons and Greenhouse Gas (GHG) emissions reduced by 19 percent.

To comply with the June 10, 2010 Presidential Memorandum—<u>Disposing of Unneeded Federal Real Estate</u>, the USMS reduced it rentable square footage at Headquarters (HQ) by 12,000 square feet in FY 2014. Furthermore, in FY 2015, the USMS plans to reduce its HQ rentable square footage by an additional 10 percent for a total reduction of more than 53,000 square feet.

The USMS is working with the White House Council on Environmental Quality (CEQ) to modify the National Environmental Policy Act (NEPA) to include the impact of GHG emissions and Climate Change in evaluation of proposed Federal Actions.

F. Challenges

USMS mission responsibilities continue to grow, making effective planning essential to meeting all workload expectations. Most of these challenges fall into broad categories:

Detention

The USMS detention resource needs are directly impacted by law enforcement and prosecutorial priorities. Linking law enforcement initiatives with detention funding requests is the key to providing Congress with accurate information for budget forecasting. The USMS must ensure sufficient resources are available to house and care for the corresponding detainees. This objective is made even more challenging given that in some judicial districts, detention space is limited with no opportunity for expansion. While fluctuations in the average daily population (ADP) of detainees are mainly outside of USMS direct control, the USMS continues to coordinate the acquisition of sufficient detention space in the most cost efficient manner. The USMS will continue the efforts that have proven effective to contain and manage detention costs

as detailed in the FPD budget's strategies and performance goals. The USMS will always refine and improve detention operations to be more cost-effective and to be more responsive to the needs of the fluctuating detention environment.

Financial Management

The USMS transitioned to the Unified Financial Management System (UFMS) during the first quarter of FY 2013. A subsequent software upgrade was released in the second quarter of FY 2014. The UFMS enables program managers to streamline and standardize financial business processes that provide timely financial, budget, and acquisitions data; and address significant deficiencies by providing real-time tracking of the status of funds, along with the seamless integration of spending against budgets and plans. End-to-end visibility throughout the entire request-to-pay lifecycle is significantly improved, as is monitoring and oversight of projects by tracking costs incurred against reimbursable agreements. Productivity improvements are being realized with automated routing and approvals. The UFMS provides effective audit tracking controls and drill down queries to support financial audits.

Some of the current activities include:

- Continuing to develop job aids and supplemental instructions for UFMS version 2.2 to
 ensure all financial staff are qualified for the financial tasks assigned to them.
- Maintaining operations of the UFMS Help Desk to provide users with technical support and assist in addressing policy issues.
- Continuing UFMS training through computer-based modules, which are especially critical for providing uniform instruction across the 94 districts.
- Developing in-house reports to further enhance agency financial management and internal controls in areas such as open obligations and purchase card reconciliations.
- Improving the delivery of procurement and financial management services through the
 Austin Processing Center (APC). The APC streamlines financial processes to improve
 the agency's audit readiness and reduces workload by centralizing financial processing
 and procurement transactions in 16 districts. With the success of the first 16 districts, the
 USMS expanded this initiative to all 94 districts beginning in the fourth quarter of FY
 2014.

II. Summary of Program Changes

| Item Name | Description | | | | Page |
|---|---|------|-----|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Adam Walsh Child Protection and Safety Act | Funds are requested for non-personnel costs associated with training, operations, and licensing fees. | 0 | 0 | \$4,735 | 54 |
| Law Enforcement Safety Training Program | To meet a critical agency need towards officer safety, the request will establish base funding to cover the annual officer safety training for all USMS operational personnel and the required equipment associated with officer safety training. | 0 | 0 | \$1,500 | 61 |
| USMS Construction | For an additional annual base funding for the USMS Construction appropriation. This increase will allow the USMS to work towards stabilizing its multi-year construction plan by reducing projects backlog and increase its ability to address the construction projects with major facility and security deficiencies, while providing maintenance and repair of aging USMS space. | 0 | 0 | \$5,200 | 65 |
| Program and/or Administrative Savings | Program and administrative savings that could be achieved through reducing the physical footprint, bulk purchases, and/or bundling IT investments. | 0. | 0 | -\$10,000 | 70 |

III. Appropriations Language and Analysis of Appropriations Language

Appropriation Language

United States Marshals Service

Salaries and Expenses

For necessary expenses of the United States Marshals Service, [\$1,185,000,000]\$1,230,581,000 of which not to exceed \$6,000 shall be available for official reception and representation expenses, and not to exceed \$15,000,000 shall remain available until expended.

Construction

For construction in space controlled, occupied or utilized by the United States Marshals Service for prisoner holding and related support, [\$9,800,000]\$15,000,000, to remain available until expended.

Analysis of Appropriation Language

No substantive changes proposed.

IV. Program Activity Justification

A. Judicial and Courthouse Security

| Judicial and Courthouse Security | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|-----------|
| 2014 Enacted | 2,222 | 1,970 | \$458,426 |
| 2015 Enacted | 2,222 | 2,042 | \$461,795 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$13,802 |
| 2016 Current Services | 2,222 | 2,042 | \$475,597 |
| 2016 Program Increases | 0 | 0 | \$600 |
| 2016 Program Decreases | 0 | 0 | (\$3,459) |
| 2016 Request | 2,222 | 2,042 | \$472,738 |
| Total Change 2015-2016 | 0 | 0 | \$10,943 |

| Construction | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|----------|
| 2014 Enacted | 0 | 0 | \$9,800 |
| 2015 Enacted | 0 | 0 | \$9,800 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$0 |
| 2016 Current Services | 0 | 0 | \$9,800 |
| 2016 Program Increases | 0 | 0 | \$5,200 |
| 2016 Program Decreases | 0 | 0 | \$0 |
| 2016 Request | 0 | 0 | \$15,000 |
| Total Change 2015-2016 | 0 | 0 | \$5,200 |

| Judicial and Courthouse Security and Construction - TOTAL | Direct Pos. | Estimate FTE | Amount |
|--|-------------|-----------------|-----------|
| 2014 Enacted | 2,222 | 1,970 | \$468,226 |
| 2015 Enacted | 2,222 | 2,042 | \$471,595 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$13,802 |
| 2016 Current Services | 2,222 | 2,042 | \$485,397 |
| 2016 Program Increases | 0 | 0 | \$5,800 |
| 2016 Program Decreases | 0 | 0 | (\$3,459) |
| 2016 Request | 2,222 | 2,042 | \$487,738 |
| Total Change 2015-2016 | 0 | 0 | \$16,143 |

1. Program Description

The Judicial and Courthouse Security decision unit encompasses personnel security (security protective detail for a judge or prosecutor), facility security (security equipment and systems to monitor and protect federal courthouses facilities), and security of in-custody defendants during court proceedings. The DUSMs are assigned to 94 judicial districts (93 federal districts and the Superior Court for the District of Columbia) to protect the federal judicial process, which handles a variety of cases including domestic and international terrorists, domestic and international organized criminal organizations, drug trafficking, gangs, and extremist groups.

The USMS determines the level of security required for high-threat situations by assessing the potential threat, developing security plans based on risks and threat levels, and assigning the appropriate security resources required to maintain a safe environment.

High-security, high-profile events require extensive operational planning and support from specially trained and equipped personnel due to the potential for terrorist attacks and threats from extremist groups. The complexity and threat levels associated with these cases require additional DUSMs for all aspects of USMS work.

Each judicial district is assigned a Judicial Security Inspector (JSI). These inspectors require intense training to enhance the general knowledge of DUSMs in every aspect of judicial security. The JSIs improve the USMS' ability to provide security due to their special experience in evaluating security precautions and procedures in federal court facilities and other venues where judicial events may occur. The inspectors assist with off-site security for judges, prosecutors, and other protectees. They also act as the USMS liaison with the various federal, state and local law enforcement agencies, government groups, and members of the court family.

In addition to JSIs, the USMS has a cadre of inspectors located in each of the 12 judicial circuits to supervise protective operations when additional personal security is required due to threat-related activity. Additionally, these inspectors oversee the protective mission required for key judicial conferences and assist in the security for members of the United States Supreme Court, when applicable.

Protective Intelligence

The USMS's Office of Protective Intelligence (OPI) provides guidance and oversight to the district offices for investigations of threats and inappropriate communications directed at USMS protected persons and facilities. The OPI serves as the central point of intelligence and information related to the safety and security of members of the judiciary and other USMS protectees. The protective intelligence information OPI collects, analyzes, and disseminates to districts ensures appropriate measures can be put into place to protect the judicial process.

The USMS and FBI work together to assess and investigate all inappropriate communications received. The FBI has responsibility for investigating threats for the purpose of prosecution. The USMS conducts protective investigations that focus on determining a suspect's true intent, motive, and ability to harm the targeted individual, regardless of the possibility for prosecution. These investigations are the USMS' highest priority and involve the systematic discovery, collection, and assessment of available information.

Protective Intelligence Inspectors (PIIs) are skillfully trained in the highly complex areas of protective investigations and threat management. PIIs assist in integrating protective, threat, and security based requirements through proactive and reactive means. PIIs help identify threat source groups and dangerous individuals, prepare and disseminate educational materials on security and threat issues, and establish and maintain interagency working relationships and partnerships.

Judicial Facility Security Program

The USMS also administers the Judicial Facility Security Program (JFSP), funded through the Court Security Appropriation within the federal judiciary. Central to JFSP's mission is the management of approximately 5,100 contracted Court Security Officers (CSO) who provide physical security at over 440 court facilities throughout the nation. Their duties include: monitoring security systems, responding to duress alarms, screening visitors at building entrances, controlling access to garages, providing perimeter security in areas not patrolled by the Department of Homeland Security's Federal Protective Service (DHS/FPS), and screening mail and packages.

In addition to maintaining physical security of federal courthouses, the USMS develops and implements electronic security system installation plans to protect courthouses. These capabilities are critical to the safety of judicial officials, courtroom participants, the general public, and USMS personnel. Cameras, duress alarms, remote door openers, and other security devices improve the overall security presence. When incidents occur, the USMS is equipped to record events, monitor personnel and prisoners, send additional staff to, identify and stabilize situations requiring a tactical response.

2. Performance and Resource Tables

| | | PER | FORMA | PERFORMANCE AND RESOURCES TABLE | RESOU | RCES TA | BLE | | | | | |
|--|--------------------------------|--|-------|---------------------------------|-------|------------------------|-------|-------------------------|---------------------------------------|--|---------|-------------------------|
| Decision Unit: Judicial and | Judicial an | d Courthouse Security | | | | | | | | | | |
| RESOURCES | | | Ta | Target | Aci | Actual | Ta | Target | Cha | Changes | Request | Requested (Total) |
| | | | FY | FY 2014 | FY | FY 2014 | FY : | FY 2015 | Current Adjustmer 2016 P | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE | d FITE | | FIE | 8000 | FTE | \$000 | FTE | 8000 | FTE | 8000 | FTE | \$000 |
| (reimbursable FIE arc inclu are bracketed and not inclu | FIE are inclu and not inclu | (reimbursable FIE arc included, but reimbursable costs are bracketed and not included in the total) | 2,125 | \$458,426 [\$10,878] | 2,039 | \$472,299 [\$5,920] | 2,125 | \$461,795 [\$10,990] | 1 | \$10,943 | 2,126 | \$472,738 [\$10,990] |
| TYPE | STRATEGIC OBJECTIVE | PERFORMANCE | FY | FY 2014 | FY | FY 2014 | ξ | FY 2015 | Current Adjustmer 2016 P Cha | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| | | | FTE | 2000 | FIE | 8000 | FIE | 2000 | FTE | 8000 | FTE | 2000 |
| Program Activity | | | 2.125 | \$458,426 [\$10,878] | 2,039 | \$472,299 | 2.125 | \$461,795 | | \$10.943 | 2,126 | \$472,738 [\$10,990] |
| Performance Measure: Workload | 1.1 | 1. Inappropriate Communications/Threats to Protected Court Family Members | | 1,198 | | 768 | | 749 | | (2) | | 747 |
| Performance Measure: Output | 1.1 3.2 | 2. Threats to Protected Courl Family Members Investigated | | 564 | | 399 | | 299 | | ε | | 298 |
| Performance Measure: Output | 1.1 | 3. Protective details required/provided to court family members | | 29 | | 13 | | 15 | | 0 | | 15 |
| Performance Measure: Outcome | 1.1 | Assaults against protected court family members * | | 0 | | 0 | | 0 | | ٥ | | O. |

* Denotes inclusion in the DOJ Quarterly Status Reports.

Data Definition, Validation, Verification, and Limitations:

Performance Measures - Workload:

1. Inappropriate communications/Threats to protected court family members:

- investigators based on any valid triggering event. A triggering event includes, but not limited to, either written and oral Data Definition: An inappropriate communication/threat is the number of protective investigations opened by district communications, or any activity of a suspicious nature.
- System (JDIS) and are validated against the USMS' Judicial Security Division/Office of Protective Intelligence (JSD/OPI) case Data Validation and Verification: Numbers are calculated based on case reporting from the Justice Detainee Information tracking records.

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Data Limitations: This data is accessible to all districts and updated as new information is collected. There may be a lag in the eporting of data. ن

Performance Measures - Outputs, Efficiencies, and Outcomes

2. Threats to protected court family members investigated:

- Data Definition: The total number of protective investigations opened which are assessed as potential or high risk at some point during the investigation. These cases typically involve a variety of protective measures including but not limited to 24-hour
 - Data Validation and Verification: Numbers are calculated based on case reporting from JDIS and are validated against continuous details, portal to portal details, security briefings, residential surveys, increased police patrols, etc. فہ
- Data Limitations: This data is accessible to all districts and updated as new information is collected. There may be a lag in the JSD/OPI case tracking records. eporting of data. ن

3. Protective details required/provided to court family members:

- a. Data Definition: A protective detail is a security assignment of 24 hours continuous detail and portal to portal protective details resulting from an inappropriate communication/threat.
 - Data Validation and Verification: Numbers are calculated based on case reporting from JDIS and are validated against ISD/OPI case tracking records. ف
- Data Limitations: This data is accessible to all districts and updated as new information is collected. There may be a lag in the ن ن

4. Assaults against protected court family members:

Ġ. ن

- a. Data Definition: Assaults against protected court family members are any criminal assaults motivated by the protectees status
- within the court family.

 Data Validation and Verification: Numbers are calculated based on case reporting from JDIS and are validated against
- Data Limitations: This data is accessible to all districts and updated as new information is collected. There may be a lag in the JSD/OPI case tracking records. reporting of data.

| | | PERF | ORMAN | PERFORMANCE MEAS URE TABLE | URETAB | LE | | | | |
|------------------------|-------------------------------------|---|---------|---------------------------------|---------|---------|---------|--------|-----------------|---------|
| | Decision Unit | Decision Unit: Judicial and Courthouse Security | | | | | | | | |
| | 74. | Performance Report and | FY 2010 | FY 2010 FY 2011 FY 2012 FY 2013 | FY 2012 | FY 2013 | FY 2014 | 014 | FY 2015 FY 2016 | FY 2016 |
| Strategic Objective | <u>.</u> | reriormance rian largets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.2 | Performance Mensure: Workload | 1. Inappropriate Communications/Threats to protected court family members | N/A | N/A | N/A | 1,155 | 1,198 | 768 | 749 | 747 |
| 1.1 | Performance Measure: Output | 2. Threats to protected court family members investigated | N/A | N/A | N/A | 472 | 564 | 399 | 299 | 298 |
| 1.1 | Performance Measure: Output | Performance Measure: Output Output | N/A | N/A | N/A | 28 | 62 | 13 | 15 | 15 |
| 1.1 | Performance Measure: Outcome | 4. Assaults against protected court family members *^ | N/A | N/A | N/A | 0 | 0 | 0 | 0 | 0 |

| N/A – Data unavallable * Denotes inclusion in the DOJ Quarterly Status Reports. ^ Denotes inclusion in the DOJ Annual Perférmance Plan |
|--|
|--|

3. Performance, Resources, and Strategies

The USMS maintains the integrity of the federal judicial system by: 1) ensuring that U.S. Courthouses, federal buildings, and leased facilities occupied by the federal judiciary and the USMS are secure and safe from intrusion by individuals and technological devices designed to disrupt the judicial process; 2) guaranteeing that federal judges, attorneys, defendants, witnesses, jurors, and others can participate in uninterrupted court proceedings; 3) assessing inappropriate communications and providing protective details to federal judges or other members of the judicial system; 4) maintaining the custody, protection, and security of prisoners and the safety of material witnesses for appearance in court proceedings; and 5) limiting opportunities for criminals to tamper with evidence or use intimidation, extortion, or bribery to corrupt judicial proceedings. The USMS assesses the threat level at all high-risk proceedings, develops security plans, and assigns the commensurate security resources required to maintain a safe environment, including the possible temporary assignment of DUSMs from one district to another to enhance security. Where a proceeding is deemed high-risk, the USMS district staff and JSIs develop an operational plan well in advance of when a proceeding starts.

Measure: Assaults against court members

FY 2014 Target: 0 FY 2014 Actual: 0

Strategy: Develop standardized training programs on personal security awareness for the court family and protectees

Standardized training was developed for personal security awareness for the workplace, home, off-site, and for those under USMS protection. This was accomplished by combining current policies and procedures in newly developed PowerPoint and handout materials accompanied by hands-on instruction. At the district level, training will be offered to the court members at least once a year. In addition, personal security awareness training will continue to be conducted at the onset of a protective detail and protective investigation for the protectee and their family. Personal security training will also be provided when residential security surveys are conducted.

Strategy: Develop a continuing education strategy for all protectees on protective capabilities and procedures

The USMS developed and distributed 10,000 copies of a pocket security guide, completed and distributed a Workplace Security video, and has partnered with the AOUSC to develop and Internet Security video. In addition, an Off-Site Security Book is in the publishing phase of completion.

Strategy: Formalize protective parameters for level of protection based on mitigation of efforts

Based on the recent policy update, the USMS established a training program on formal mitigation strategies. This includes OPI training, district protective investigations, JSI Basic and Sustainment training and Protective Intelligence Training Program (PITP) training. The positive feedback validates that USMS is better positioned to properly implement protection and creates greater standardization of protection parameters across the agency spectrum.

Strategy: Assess the USMS Behavioral Analytic Unit's capabilities to determine the required increase in staffing levels needed to support additional USMS-wide responsibilities.

The USMS assessed the current capabilities of the Investigative Operations Division, Sex Offender Investigations Branch - Behavioral Analysis Unit (BAU) and the potential to leverage this asset to protective and other USMS missions. JSD/OPI assists in protective investigations. This unit conducts behavioral assessments on subjects that threaten the judiciary and conduct behavioral studies to benefit the judicial security interests of USMS. With over 18,000 threat cases in the USMS historical database, behavioral studies of these cases and case consultation on ongoing threats involving protectees tremendously enhances the agency's ability to effectively provide protection.

Strategy: Conduct a staffing analysis of JFSP Federal Employee and contracts to determine how to more efficiently allocate resources

An organizational assessment of JSD Judicial Services was conducted to clearly define branch responsibilities, align staff tasks and responsibilities and reduce potential redundancies. Based on the results of this assessment, incremental changes were made to streamline operations, improve mission performance, enhance collaboration and better align existing resources with strategic goals and objectives. By centralizing similar actions, redefining roles and responsibilities, positioning personnel for optimal results, improving coordination and increasing transparency and accountability, this effort enhanced overall efficiency and effectiveness. This was accomplished by adopting a regional team concept and organizational shifts. Annual staffing allocation reviews ensure program areas remain appropriately staffed.

Strategy: Leverage and/or partner with other agencies for physical security research and development needs

The USMS created a dedicated unit to research, test and evaluate new equipment standards to ensure judicial security remains on the cutting edge. The new Research and Evaluation Branch (REB) is comprised of a Physical Security Specialist from the Office of Court Security (OCS) and the Office of Security Systems (OSS) as well as a Management and Program Analyst from OCS. A governance board ensures engagement and coordination on every project. Improvement to JFSP effectiveness and increased value for expenditures is accomplished through research and evaluation of products for replacement in current operations; new technology and methodologies to improve operations by reducing costs and/or improving security and business practices; leveraging research already being done; and providing technical and management support.

B. Fugitive Apprehension

| Fugitive Apprehension | Direct Pos. | Estimate | Amount |
|---|-------------|----------|-----------|
| | | FTE | |
| 2014 Enacted | 1,744 | 1,546 | \$399,353 |
| 2015 Enacted | 1,744 | 1,602 | \$402,681 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$11,044 |
| 2016 Current Services | 1,744 | 1,602 | \$413,725 |
| 2016 Program Increases | 0 | 0 | \$5,206 |
| 2016 Program Decreases | 0 | 0 | (\$2,715) |
| 2016 Request | 1,744 | 1,602 | \$416,216 |
| Total Change 2015-2016 | 0 | 0 | \$13,535 |

1. Program Description

The Fugitive Apprehension decision unit includes domestic and international fugitive investigations, to include fugitive extraditions and deportations, sex offender investigations, technical operations, and the management and disposal of seized and forfeited assets. The USMS is authorized to investigate such fugitive matters, both within and outside the United States, as directed by the Attorney General, although this authorization is not to be construed to interfere with or supersede the authority of other federal agencies or bureaus.

Domestic Fugitive Investigations

The USMS is the federal government's primary agency for apprehending fugitives and provides assistance and expertise to other federal, state, and local law enforcement agencies in support of fugitive investigations. The USMS works aggressively to reduce violent crime through the apprehension of fugitives through a nationwide network of task forces and other investigative resources such as electronic, air, and financial surveillance, and criminal intelligence.

Currently, the USMS is the lead agency for 60 district-led fugitive task forces and seven Regional Fugitive Task Forces (RFTFs), which are headquartered in Atlanta, Birmingham, Chicago, Los Angeles, New York, Orlando, and Washington, District of Columbia (DC). The seven RFTFs function within 34 federal judicial districts, partnering with federal, state, and local law enforcement agencies. The RFTFs focus investigative resources to locate and apprehend the most egregious fugitives, and to assist in high-profile investigations that identify criminal activities for future state and federal prosecutions.

The USMS complements its RFTFs with a network of 60 multi-agency Violent Offender Task Forces (VOTFs). These VOTFs operate in districts that do not currently have an RFTF. VOTF task force personnel are generally not assigned to these organizations full-time. Each VOTF focuses investigative efforts on felony fugitives wanted for federal, state, and local crimes. This includes, but is not limited to, murderers, sex offenders, gang members, and drug traffickers. These task forces are often granted funding through initiatives such as the Joint Law Enforcement Operations (JLEO) funding, which is administered by the DOJ Assets Forfeiture Fund, the High Intensity Drug Trafficking Area (HIDTA), and Project Safe Neighborhoods programs.

In addition, the USMS allocates resources and funding to its 15 Most Wanted Fugitive Program, which prioritizes the investigation and apprehension of high-profile offenders who are considered to be career criminals and some of the country's most dangerous fugitives. Since the program's inception in 1983, more than 225 of these fugitives have been apprehended. The USMS supplements the successful 15 Most Wanted Fugitive Program with its Major Case Fugitive Program. Much like its predecessor, the Major Case Fugitive Program prioritizes the investigation and apprehension of high-profile offenders who tend to be career criminals who have a history of violence and pose a significant threat to public safety. Current and past fugitives targeted by this program include murderers, violent gang members, sex offenders, major drug kingpins, organized crime figures, and individuals wanted for high-profile financial crimes.

The USMS is also responsible for the majority of OCDETF federal fugitive investigations. In FY 2013, USMS OCDETF inspectors worked closely with District DUSMs and other state and federal law enforcement agencies to clear over 1,200 OCDETF federal fugitive cases. In addition, the USMS provides assistance to state and local partner agencies in apprehending numerous drug-related and organized crime felons that are eventually prosecuted at the state level.

International Fugitive Investigations

In addition to domestic investigations, the USMS has statutory responsibility for all international extraditions, ensuring that there are no safe havens for criminals who flee the territorial boundaries of the United States. Globalization of crime, coupled with the immediate mobility of fugitives, requires an intensive effort to address the number of fugitives who flee U.S. territorial boundaries. The USMS has become a leader in the development of several international fugitive programs in order to effectively investigate, apprehend, and remove these fugitives back to the United States. The USMS Investigative Operations Division (IOD) manages foreign and international fugitive investigations, three foreign field offices, foreign law enforcement training, the Mexico and Canada Investigative Liaison programs, and the worldwide extradition program. IOD also oversees liaison positions at Interpol-United States National Central Bureau (USNCB), DOJ Office of International Affairs (OIA), the El Paso Intelligence Center (EPIC), and the DOS-DSS.

The IOD's International Investigations Branch (IIB) is responsible for processing, reviewing, and coordinating investigations concerning the pursuit and apprehension of international fugitives and foreign fugitives. The USMS defines international fugitives as "fugitives wanted in the United States who have fled to foreign countries to avoid prosecution or incarceration." The IIB staff coordinates international investigations with district field offices and other domestic law enforcement agencies to provide guidance and direction on the international process. The IIB also provides points of contact in foreign countries to facilitate these investigations. Additionally, it is responsible for oversight and coordination of the USMS Extraterritorial Investigations Policy. This policy sets forth the manner in which law enforcement activities are conducted outside of U.S. territorial jurisdiction. Through an agreement with the DOJ Criminal Division, the USMS is responsible for investigating foreign fugitive cases referred by Interpol, DOJ-OIA, other domestic law enforcement agents stationed overseas, and through foreign embassies in the United States.

Interaction with law enforcement agencies and representatives of foreign governments occurs daily. The United States has no jurisdiction outside of its borders; therefore, the IIB relies heavily on its working relationships with foreign countries. The IIB emphasizes relationships with foreign embassies in the Washington, D.C. area and, through district offices, with consulates around the United States. The IIB staff participates in the Washington, D.C.-based Liaison Officers Association, which is comprised of foreign law enforcement officials assigned to embassies in the United States. The USMS coordinates foreign fugitive cases with these offices, thereby expanding the network of foreign law enforcement resources available to the USMS.

Sex Offender Investigations

The USMS is the lead law enforcement agency responsible for investigating sex offender registration violations. The USMS has three distinct missions pursuant to the Adam Walsh Child Protection and Safety Act: (1) assisting state, local, tribal, and territorial authorities in the location and apprehension of non-compliant sex offenders; (2) investigating violations of 18 USC § 2250 and related offenses; and (3) assisting in the identification and location of sex offenders relocated as a result of a major disaster. The USMS carries out its duties in partnership with state, local, tribal, and territorial law enforcement authorities and works closely with the National Center for Missing and Exploited Children (NCMEC).

To further enhance its capabilities and support state and local partners, the USMS established the National Sex Offender Targeting Center (NSOTC). The NSOTC has partnered with several agencies, including Interpol, the DOS-DSS, and Customs and Border Protection to identify Adam Walsh Act violations by tracking sex offenders who travel in and out of the United States and fail to comply with the mandated registration requirements. The NSOTC has also created an initiative with the DOD's Military Correctional Branch to expand their notification procedures to include the NSOTC when military convicted sex offenders are released, which will allow enforcement officials to better identify non-compliant sex offenders for arrest and prosecution. SOIB activities also support the DOJ's National Strategy for Child Exploitation Prevention and Interdiction.

Technical Operations

The USMS' Technical Operations Group (TOG) provides the USMS, other federal agencies, and requesting state or local law enforcement agencies with the most timely and technologically advanced electronic surveillance and investigative intelligence. Annually, TOG assists hundreds of other federal, state, and local law enforcement agencies in support of thousands of the nation's most critical and time-sensitive investigations. TOG operates from eight Regional Technical Operations Centers (RTOCs) and 21 field offices throughout the United States and Mexico. TOG is comprised of approximately 100 personnel, including technically trained criminal investigators, investigator-pilots, intelligence analysts, and administrative specialists. The RTOCs are strategically located in the major metropolitan areas throughout the United States. TOG is comprised of two branches that work synergistically—the Electronic Surveillance Branch (ESB) and the Air Surveillance Branch (ASB).

The ESB provides state-of-the-art electronic surveillance assistance in fugitive investigations in response to the criminal element's increasing reliance on technology to continue criminal enterprise and flight. ESB deploys sophisticated commercial and sensitive technical surveillance

technologies for the interception of hard line and cellular telecommunications, Wi-Fi collection and emitter location, Global Positioning System (GPS) and Radio Frequency (RF) tagging/tracking, computer and cellular exploitation and on-scene forensic extraction, photo/video surveillance, and Technical Surveillance and Countermeasure (TSCM) sweeps to detect surreptitious monitoring devices.

ASB provides aerial support to the various missions of the USMS with seven specially-equipped fixed wing aircraft outfitted with advanced avionics, surveillance, and communications capabilities. The aircraft and pilots are co-located with the RTOCs to provide a variety of Investigative, Surveillance, and Reconnaissance capabilities that include still and motion aerial imagery and enhancement, aerial RF beacon tracking, mobile communication command and control, and electronic surveillance package deployment in support of fugitive investigative missions.

Due to TOG's unique ability of identifying and locating persons of interest to the United States by way of electronic surveillance and technical operations, TOG is the sole USMS liaison to the U.S. Intelligence Community (IC) with respect to Signal Intelligence (SIGINT), Measurement & Signature Intelligence (MASINT), Imagery Intelligence (IMINT), Electronic Intelligence (ELINT), and Communications Intelligence (COMINT). Additionally, TOG shares its investigative Tactics, Techniques, and Procedures (TTP) with certain members of the IC and DOD. This collaborative effort has allowed all participants to enhance their capabilities and mission readiness.

Seizure of Assets

The USMS serves as the primary custodian for the DOJ Asset Forfeiture Program (AFP), whose mission is to support the use of asset forfeiture consistently and strategically to disrupt and dismantle criminal enterprises, deprive wrongdoers of the profits and instrumentalities of criminal activity, deter crime, and restore property to victims of crime while protecting individual rights. The three goals of the AFP are to: (1) strip criminals of money or other possessions acquired through illegal activities; (2) compensate victims of crime; and (3) enhance law enforcement through the sharing of forfeited proceeds. The USMS manages and disposes of assets seized and forfeited by participating federal law enforcement agencies (including DEA, FBI, ATF, FDA, DOS/DSS, DOD Criminal Investigation Service, and U.S. Postal Inspection Service) and U.S. Attorneys nationwide.

To proactively identify assets during an investigation, DUSMs funded by the AFF, work exclusively in the USMS AFP. These positions are in addition to those DUSMs who are currently performing AFF-related duties and funded through the USMS S&E appropriation.

The USMS works in conjunction with investigative agencies and U.S. Attorney's offices to conduct financial analyses to determine net equities of assets targeted for forfeiture, review title/ownership issues which could delay or prevent forfeiture proceedings, execute court orders, and assist in the physical seizure and security of the assets. A trained, national cadre of USMS employees manages and disposes of assets. At time of disposition, the USMS ensures that all assets are disposed of in a timely, cost-efficient manner using best business practices.

2. Performance and Resource Tables

| | | PERF | ORMAN | PERFORMANCE AND RESOURCES TABLE | RESOU | RCES TA | BLE | | | | | |
|--|--------------------------------------|--|-------|----------------------------------|---------|----------------------------------|-------|----------------------------------|--|--|---------|----------------------------------|
| Decision Unit: Fugitive App | Fugitive Ap | prehension | | | | | | | | | | |
| RESOURCES | | | Ta | Target | Actual | uai | Tar | Target | Cha | Changes | Request | Requested (Total) |
| | | | FY | FY 2014 | FY 2014 | 014 | FY. | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | Current Services djustments and FY 6 Program Changes | FY 2016 | FY 2016 Request |
| Total Costs and FTE | d FTE | | FT | 8000 | FTE | \$000 | FTE | \$000 | FTE | 0008 | FTE | 8000 |
| (reimbursable FTE are included, i bracketed and not included in the | E are included, t included in the | but reimbursable costs arc e total) | 906.1 | \$399,353 [\$13,220] | 1,799 | \$370,755 [S9,854] | 1,906 | \$402,681 [\$12,603] | 1 | \$13,535 [\$0] | 1,907 | \$416,216 [\$12,603] |
| TYPE | STRATEGIC | 2 PERFORMANCE | FY | FY 2014 | FY 2 | FY 2014 | FY: | FY 2015 | Current Adjustmer 2016 Progri | Current Services Adjustments and FY 2016 Program Changes | FY 2010 | FY 2016 Request |
| | | | FTE | 2000 | FTE | \$000 | FTE | 8000 | FTE | \$000 | FTE | 8000 |
| Program Activity | | | 1,906 | \$399,353 [\$13,220] | 1,799 | \$370,755 [\$9,854] | 1,906 | \$402,681 | - | \$13,535 [\$0] | 1,907 | \$416,216 [S12,603] |
| Performance Measure: Workdoad | 3.5 | Number of Federal fugitives (warrants) | | 51,258 | · | 48,493 | | 51,258 | | 14 | | 51,272 |
| Performance Measurc: Workload | 3,1 | 2. Number of assets in inventory a. Cash b. Complex Assets c. All Other Assets | | 23,071 15,346 160 7,565 | | 21,107 13,324 185 7,598 | | 22,386 14,779 187 7,421 | | | | 22,386 14,779 187 7,421 |
| Performance Measure: Output | 3.5 | 3. Number of Federal warrants cleared | | 32,171 | | 31,900 | | 32,171 | | (3) | | 32,168 |
| Performance Measure: Output | 2.2 | 4. Non-compliant Sex Offender Investigations | | 1,736 | | 2,059 | | 1,841 | ٠, | 28 | | 698'1 |

| RESOURCES | | | Target | Actual | Turget | Changes | Requested (Total) | <u> </u> |
|------------------------------------|------------------------|---|---------------------------------|---------------------------------|---------------------------------|--|-------------------|---------------------------------|
| TYPE | STRATEGIC OBJECTIVE | PERFORMANCE | FY 2014 | FY 2014 | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | FY 2016 Request | ğ |
| Performance Measure: Output | 3.1 | 5. Number of assets disposed a. Cash b. Complex Assets c. All Other Assets | 24,083 15,944 44 8,095 | 21,431 14,367 93 6,971 | 21,496 14,276 67 7,153 | | 0 | 21,496 14,276 67 7,153 |
| Performance Measure: Output | 3.1 | 6. Percent of asset value returned to the fund * | 55% | %09 | %55 | %0 | | \$5% |
| Performance Measure: Outcome | 3.1 | 7. Percant of All Other Assets disposed within procedural time frames * | %09 | %09 | %09 | %0 | | %09 |
| Performance Measure; Outcome | 3.5 | 8. Numbor of USMS federal and egregious non-federal fugitives apprehended/eleared | 104,638 | 105,226 | 104,638 | (01) | | 104,628 |
| Performance Measure: Outcome | 3.5 | 9. Number and Percent of USMS federal fugitives apprehended/cleured* | 30,711 58% | 30,792 63% | 30,711 58% | (3) 1% | 30.708 | 29% |

* Denotes inclusion in the DOI Quarterly Status Reports.

Data Definition, Validation, Verification, and Limitations:

Performance Measures - Workload:

- 1. Federal fugitives (warrants):
- a. Data Definition: Wanted fugitives include all those wanted at the beginning of the fiscal year, plus all fugitive cases received by the USMS throughout the fiscal year. Fugitives with multiple warrants are counted once.
 - Information Center (NCIC) records generated by the FBI. The USMS coordinates with district offices to verify that warrants Data Limitations: This data is accessible to all districts and updated as new information is collected. There may be a lag in Data Validation and Verification: Warrant and fugitive data is verified by a random sampling of National Crime are validated against the signed paper records. The USMS then forwards the validated records back to NCIC. 6 ن
- 2. Number of assets in inventory:

the reporting of data.

- Data Definition: The number of assets currently in USMS custody that are pending forfeiture decision/disposal instructions.
- Data Validation and Verification: Assets are recorded by seizing agencies and verified by District Offices. Data is entered by individuals in District Offices and Headquarters and is audited by internal and external controls.
 - Data Limitations: Data are estimates based upon the date extracted as data entry in the Consolidated Asset Tracking System CATS) is a continuous process. ن

Performance Measures - Outputs, Efficiencies, and Outcomes

- 3. Number of federal warrants cleared:
- a. Data Definition: A warrant is considered cleared if the fugitive is arrested, has a detainer issued, or the warrant is dismissed.
- by the FBI. The USMS coordinates with district offices to verify that warrants are validated against the signed paper records. Data Validation and Verification: Warrant and fugitive data is verified by a random sampling of NCIC records generated The USMS then forwards the validated records back to NCIC.
- Data Limitations: This data is accessible to all districts and updated as new information is collected. There may be a lag in he reporting of data. ن

4. Non-compliant Sex Offender Investigations:

- Data Definition: Opened investigations of violators of the Adam Walsh Child Protection and Safety Act that reach the level of the Attorney General's Guidelines for Conducting Domestic Investigations.
 - Data Validation and Verification: Annual Office of Inspections (OI) Self-Assessment Guide (SAG) review of files vs. the database. OI also conducts 10 annual in-person inspections of Districts and Divisions each year.

Data Limitations: Data entry often lags behind operations causing a delay in timely and accurate information. This lag raries by office size, staffing and other intangibles. ಬ

5a. Number of assets disposed (Cash):

ė

- Data Definition: The number listed for "Cash" signifies the total separate cash asset IDs in USMS custody.
- Data Validation and Verification: Data is entered by individuals in District Offices and Headquarters and is audited by nternal and external controls
- Data Limitations: Data are estimates based upon the date extracted as data entry in the CATS is a continuous process.

5b. Number of assets disposed (Complex Assets):

- Data Definition: The number listed for "Complex Assets" signifies the sum of total assets categorized as "Commercial Business," "Financial Instrument," or "Intangible Asset."
- Data Validation and Verification: Assets are recorded by seizing agencies and verified by District Offices. Data is entered by individuals in District Offices and Headquarters and is audited by internal and external controls. <u>م</u>
 - **Data Limitations:** Data are estimates based upon the date extracted as data entry in the CATS is a continuous process.

5c. Number of assets disposed (All Other Assets):

- a. Data Definition: The number listed for "All Other Assets" signifies the sum of assets disposed minus "Cash" and "Complex
- Data Validation and Verification: Assets are recorded by seizing agencies and verified by District Offices. Data is entered by individuals in District Offices and Headquarters and is audited by internal and external controls. نم
 - Data Limitations: Data are estimates based upon the date extracted as data entry in the CATS is a continuous process.

6. Percent of asset value returned to the fund:

- disposal, less maintenance fees, victim payments and equitable sharing; divided by the value collected from the asset at Data Definition: The percent of asset value returned to the fund is calculated by the value collected from the asset at
- Data Validation and Verification: Assets are recorded by seizing agencies and verified by District Offices. Data is entered by individuals in District Offices and Headquarters and is audited by internal and external controls. نہ
- Data Limitations: Data are estimates based upon the date extracted as data entry in the CATS is a continuous process.

7. Percent of All Other Assets disposed within procedural time frames:

- Data Definition: The number listed for "percent of all other assets disposed" signifies the total assets disposed within procedural timeframes.
- Data Validation and Verification: Data is an estimation based upon the date extracted as data entry in CATS is a 6

Data Limitations: Data are estimates based upon the date extracted as data entry in the CATS is a continuous process.

8. Number of USMS federal and egregious non-federal fugitives apprehended/cleared:

- federal fugitive is taken into custody on a detainment order, and warrants that are dismissed to the other cleared categories. It homicide, kidnapping, sexual assault, robbery, assault, threats, arson, extortion, burglary, vehicle theft, dangerous drugs, sex also includes egregious non-federal felony fugitives which include targeted state and local fugitives with an offense code of: Data Definition: This includes physical arrest, directed arrest, surrender, dismissal, and arrest by another agency, when a offenses, obscenity, family offenses, obstructing the police, escape, obstruction of justice, weapon offenses, and/or crime against persons.
 - Supervisory Deputy U.S. Marshal (SDUSM) or their designee is responsible for reviewing each case to verify that it meets Data Validation and Verification: See federal fugitives (warrants) above. Prior to assigning state and local warrants, the <u>ئ</u>
 - .. Data Limitations: See federal fugitives (warrants) above.

9. Number and Percent of federal fugitives apprehended/cleared:

- Data Definition: The percent cleared is calculated by taking the number of cleared fugitives divided by the sum of received fugitives (fugitives that had a warrant issued during the fiscal year) and on-hand fugitives (fugitives that had an active warrant at the beginning of the fiscal year).
- by the FBI. The USMS coordinates with district offices to verify that warrants are validated against the signed paper records. Data Validation and Verification: Warrant and fugitive data is verified by a random sampling of NCIC records generated The USMS then forwards the validated records back to NCIC.
 - Data Limitations: This data is accessible to all districts and updated as new information is collected. There may be a lag in

7

| | | PERFO | RMANC | E MEASI | PERFORMANCE MEASURE TABLE | LE | | | | |
|-----------|---|--|---------|---------|---------------------------|---------|--------|---------|---------|---------|
| Strategic | Decision Unit: | Decision Unit: Fugitive Apprehension | | | | | | | | |
| Objective | | Performance Report and | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2 | FY 2014 | FY 2015 | FY 2016 |
| | | Performance Plan Targets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.5 | Performance Measure: Workload | l. Number of federal fugitives (warrants) | N/A | N/A | N/A | 48,525 | 51,258 | 48,493 | 51,258 | 51,272 |
| 3.1 | Performance Measure: Workload | 2. Number of assets in inventory | N/A | N/A | N/A | 22,448 | 23,071 | 21,107 | 22,386 | 22,386 |
| 3.5 | Performance Measure: Workload | 2a. Number of assets in inventory (eash) | N/A | N/A | N/A | 14,704 | 15,346 | 13,324 | 14,779 | 14,779 |
| 3.5 | Performance Measure: Workload | 2b. Number of assets in inventory (complex assets) | N/A | K/N | N/A | 187 | 160 | 185 | 187 | 187 |
| 3.5 | Performance Measure: Workload | 2c. Number of Assets in Inventory (all other assets) | K,X | ΚŅ | A/N | 7.557 | 7,565 | 7,598 | 7,421 | 7,421 |
| 3.5 | Performance Measure: Output | 3. Number of federal warrants cleared | N/A | N/A | N/A | 39,267 | 32,171 | 31,900 | 32,171 | 32,168 |
| 2.2 | Performance Measure: Output | 4. Non-compliant sex offender investigations | K/N | ď Ž | K/N | 2,009 | 1,736 | 2,059 | 1,841 | 1,869 |
| 3.1 | Performance Measure: Output | 5. Number of assets disposed | N/A | N/A | K/A | 21,983 | 24,083 | 21,431 | 21,496 | 21,496 |
| 3.1 | Performance Measure: Output | Sa. Number of assets disposed (cash) | N/A | Z/X | N/A | 14,720 | 15,944 | 14,367 | 14,276 | 14,276 |
| 3.1 | Performance Measure: Output | Performance 5b. Number of assets disposed Measure: Output (complex assets) | N/A | N/A | N/A | 65 | 44 | 93 | 29 | . 67 |
| 3.1 | Performance 5c. Number of as Measure: Output (all other assets) | 5c. Number of assets disposed (all other assets) | A/N | N/A | ٧× | 7,198 | 8,095 | 6,971 | 7,153 | 7.153 |

| | | PERI | PERFORMANCE MEAS URE TABLE | CE MEAS | URETAE | ile | | | | |
|-----------|--------------------------------------|--|----------------------------|---------|---------|---------|---------|---------|---------|---------|
| Strategic | Decision Unit | Decision Unit: Fugitive Apprehension | | | | | | | | |
| Objective | Δ. | Performance Report and | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | 014 | FY 2015 | FY 2016 |
| | <u>,</u> | eriormance rian largeis | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.1 | Performance Measure: Output | 6. Percent of asset value returned to the fund * | N/A | N/A | N/A | %99 | | %09 | | 55% |
| 3.1 | Peformance Mesaure: Efficiency | 7. Percent of all other assets disposed within procedural time frames * | N/A | N/A | N/A | 57% | %09 | %09 | %09 | %09 |
| 3.5 | Performance Measure: Outcome | 8. Number of USMS federal and egregious non-federal fugitives apprehended/cleared | N/A | N/A | N/A | 104,651 | 104,638 | 105,226 | 104,638 | 104,628 |
| 3.5 | Performance Measure: Outcome | 9. Percent of federal fugitives apprehended/cleared *^ | N/A | W/A | V/N | 64% | 28% | 63% | 58% | 29% |
| 3.5 | Performance Measure: Outcome | 9a. Number of federal fugitives apprehended/cleared *^ | N/A | N/A | N/A | 32,811 | 30,711 | 30,792 | 30,711 | 30,708 |
| | | | | | | | | | | |
| | N/A = Data unav | availáble | | | | | | | | |
| | * Denotes inclus ^ Denotes inclus | * Denotes inclusion in the DOJ Quarterly Status Report O Denotes inclusion in the DOJ Annual Performance Plan | . = | | | | | | | |
| | niam carama | | | | | | | | | |

3. Performance, Resources, and Strategies

Fugitive Apprehension

One of the challenges facing the fugitive apprehension program is the volume of program responsibility. To affect the greatest public protection, the fugitive program focuses on the most egregious federal, state and local offenders. This requires strategic selection of state and local fugitive cases. The current measures focus on cases in which the USMS has held the primary arresting authority and cases that arguably have a greater impact on public safety, making them a USMS fugitive apprehension priority.

Measure: Number of USMS federal and egregious non-federal fugitives apprehended/cleared

FY 2014 Target: 104,638 FY 2014 Actual: 105,226

Measure: Number and percent of USMS federal fugitives apprehended/cleared

FY 2014 Target: 30,711/58% FY 2014 Actual: 30,792/63%

Strategy: Allocate resource effectively to maximize effectiveness in state and local fugitive apprehension

In the past, Violent Offender Task Forces (VOTF) received disparate levels of funding, without a coordinated USMS strategy. To address this issue, USMS created a working group of Subject Matter Experts (SMEs) to formulate an agency-wide strategy to disperse Joint Law Enforcement Operations (JLEO) resources. The working group developed a formula based on fugitives, crime rates and existing resources. The formula was communicated to all VOTFs and implemented in phases so as to not radically change current operations. Finally, the agency plans to periodically review the formulation and adjust as needed. VOTFs funding was adjusted to address workload and align with USMS and DOJ strategic priorities. Certain previously funded items, such as fuel, were cut from further funding to ensure that JLEO resources were evenly distributed based on workload metrics alone.

Strategy: Clearly define and communicate standard requirements and procedures regarding state and local case adoption

In order to standardize state and local case adoption across RFTFs and VOTFs, the USMS identified offenses associated with the cases proposed for adoption that are considered the most egregious and have the greatest effect on our communities. These include homicide, kidnapping, sexual assault, robbery, assault, threats, arson, extortion, burglary, vehicle theft, drug offenses, sex offenses, obscenity, family offenses, obstructing the police, escape, obstruction of justice, weapon offenses, and/or crime against persons. A Standard Operation Procedure (SOP) was then established for taskforces outlining the case adoption criteria, procedures and validation. As a result, the USMS has narrowed the scope (and occasionally the quantity) of state and local case adoption to focus on those cases posing a greater risk to communities.

Strategy: Instill program accountability through the implementation of a fugitive case adoption validation process

To ensure that state and local cases adopted adhere to the Enforcement SOP, the USMS clearly communicated the enforcement SOP with district leadership and VOTF members,

and implemented standardized training for supervisors to district Chiefs on the SOP criteria and procedures. Quarterly metrics for district and VOTFs are established, which measure compliance with the SOP. The training and performance requirements have increased compliance with the enforcement SOP agency-wide from 78% to 89% in one year.

Asset Forfeiture

Assets targeted for forfeiture are becoming increasingly complex, creating the need for greater collaboration at all phases of a case. Successful forfeiture is dependent upon a cadre of trained individuals with specialized skills and a focus on pre-seizure planning to permit evaluation of the assets seized and the corresponding potential value returned to the fund. Continued focus on evaluation of the type of asset seized and effective management of inventory and disposal ensures the highest return to the fund for reinvestment in state and local law enforcement and the community.

Measure: Percent of asset value returned to the fund

FY 2014 Target: 55% FY 2014 Actual: 60%

Strategy: Increase success by leveraging collaboration between USMS AFP and domestic law enforcement partners to include pre-seizure planning and training

The USMS AFP leveraged collaboration and training opportunities for optimal outcomes to ensure continued success. AFP increased representation in high level and financial investigative working groups through various levels of participation with international governments, state and local law enforcement agencies and investigative agencies on asset forfeiture topics and financial investigation subject matter. The USMS oversaw the most recent onboarding effort of DUSMs as Asset Forfeiture Financial Investigators, solidifying the presence of highly trained, skilled financial investigators within the AFP. Recognizing the importance and emphasis of training as a continued element for success, the USMS AFP developed and implemented the AF Blended Learning Initiative, a hybrid training approach using distance learning with classroom training to decrease training costs and improve efficiency and deliver a learning platform during budgetary training restrictions.

Strategy: Implement automated inventory management technology to provide the capability to affect real time, comprehensive and compliant inventory controls. Currently, inventory management is a labor intensive, manual process without opportunities for real time, on-site data capturing. USMS recently procured the Property Asset Control Enterprise System (PACES). Implementation of the system will continue through 2015. Once fully realized, the new system will enable better optimization of business processes, potentially reduce operational cost, and thereby strengthen efficiency, effectiveness, and internal controls over the program.

DOJ Priority Goals

The USMS contributes to DOJ Priority Goal 4 Vulnerable People: "Protect vulnerable populations by increasing the number of investigations and litigation matters concerning child exploitation, human trafficking, and non-compliant sex offenders; and by improving programs to prevent victimization, identify victims, and provide services." Working with federal, state, local, and tribal partners, USMS contributes to the protection of potential victims from abuse and

exploitation through increased opened investigations concerning non-compliant sex offenders. The USMS also coordinates enforcement efforts with Interpol National Central Bureau in Washington, D.C., to identify sex offenders engaging in international travel to ensure they are in compliance with their registration.

Measure: Non-compliant Sex Offender Investigations

FY 2014 Target: 1,736 FY 2014 Actual: 2,059

Strategy: Strengthen USMS, state, and local task force investigators' acumen through innovative training and communication

The USMS maintains partnerships with state and local law enforcement agencies and registering officials to coordinate efforts to identify, apprehend, and prosecute non-compliant sex offenders. Sex offender investigation training is held on a routine basis to ensure all relevant USMS personnel are operating efficiently with our partners.

Strategy: Focus on communities lacking specialized sex offender law enforcement resource to include Tribal lands

Sex Offender Investigation Coordinators (SOICs) in tribal regions are engaged in strengthening relationships with tribes and tribal law enforcement. In addition, a Senior Inspector is assigned at the NSOTC to serve as point of contact on tribal issues. Concurrently, an additional detail is in place at the Sentencing, Monitoring, Apprehending, Registering and Tracking (SMART) office to serve as the NSOTC liaison on tribal issues.

Strategy: Implement accountability-based performance requirements for Sex Offender Investigators

Annually, SOICs are required to open a minimum of 15 Adam Walsh Act cases, present five cases to the US Attorney's Office for prosecution and conduct two sex offender compliance and enforcement operations.

C. Prisoner Security and Transportation

| Prisoner Security and Transportation | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|-----------|
| 2014 Enacted | 1,204 | 1,067 | \$251,555 |
| 2015 Enacted | 1,204 | 1,106 | \$253,381 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$7,468 |
| 2016 Current Services | 1,204 | 1,106 | \$260,849 |
| 2016 Program Increases | 0 | 0 | \$325 |
| 2016 Program Decreases | 0 | 0 | (\$1,873) |
| 2016 Request | 1,204 | 1,106 | \$259,301 |
| Total Change 2015-2016 | 0 | 0 | \$5,920 |

1. Program Description

The Prisoner Security and Transportation decision unit is a complex and multi-layered function, both in scope and execution. The USMS is responsible for the national operational oversight of all detention management matters pertaining to individuals remanded to the custody of the Attorney General. The USMS ensures the secure care and custody of these individuals through several processes to include sustenance, secure lodging and transportation, evaluating conditions of confinement, providing medical care deemed necessary, and protecting their civil rights through the judicial process. Every detainee that comes into USMS custody must be processed by a DUSM. This includes processing prisoners in the cellblock (prisoner intake) and securing the cellblock area; locating confinement that provides adequate detention services that is cost effective, safe, secure, and humane; and transporting prisoners (by ground or air).

Prisoner Processing and Securing the Cellblock

Receiving prisoners into custody, processing them through the cellblock, and transporting them are labor-intensive activities. Processing includes interviewing the prisoner to gather personal, arrest, prosecution, and medical information; fingerprinting and photographing the prisoner; preparing an inventory of received prisoner property; entering/placing the data and records into the Justice Detainee Information System (JDIS) and the prisoner file; and sending the electronic fingerprint information to the FBI Integrated Automated Fingerprint Identification System (IAFIS). The USMS tracks prisoners primarily in JDIS from the point a prisoner is received until released from USMS custody or sentenced to the Federal Bureau of Prisons (BOP) for service of sentence.

The cellblock is the secured area for holding prisoners in the courthouse before and after they are scheduled to appear in their court proceedings. DUSMs follow strict safety protocols in the cellblocks to ensure the safety of USMS employees and all members of the judicial process, including prisoners. Prior to entrance into the cellblock, DUSMs search prisoners and their belongings to ensure that prisoners and their property are free of contraband. A minimum of two DUSMs are required to be present when cells are unlocked or entered, when prisoners are moved into or out of the cellblock or holding cell areas, when prisoners of the opposite sex are being handled, or when meals are being served. Female and juvenile prisoners must be separated by sight and sound from adult male prisoners within the cellblock. While in the cellblock, DUSMs

must observe the prisoners at least every 30 minutes and must count them every eight hours. DUSMs minimize the amount of time that prisoners exhibiting violent behavior or signs of possible drug overdose, severe mental disorder, or suicidal tendencies are held in the cellblock and closely monitor them during that time. DUSMs also provide meals to prisoners if held in the cellblock during normal lunch or dinner hours.

Prisoner Transportation

The USMS is responsible for transporting prisoners to and from judicial proceedings. Producing prisoners for court and detention-related activities requires the USMS to coordinate with the U.S. Courts, Probation and Pretrial Service Offices, the BOP, U.S. Attorneys, and other law enforcement agencies. This involves an enormous amount of coordination and scheduling to ensure that the courts' needs are met and that prisoners are moved in a safe and timely manner. Some jails agree to transport prisoners to and from the courthouse at specified rates through an Intergovernmental Agreement (IGA) for guard services; others are transported by the USMS operational personnel and contract guards. DUSMs coordinate with jails to prepare prisoners for transport, search prisoners prior to transport, and properly restrain prisoners during transportation.

In addition, the USMS is responsible for transporting prisoners between detention facilities for attorney visits, to medical appointments when necessary, and to a designated BOP facility after sentencing. As prisoners progress through their court proceedings, districts often move prisoners from one detention facility to another. This is done for a variety of reasons: to locate a prisoner closer to or farther from the courthouse, to accommodate the housing limitations at detention facilities, to take advantage of lower-cost jails which may be further from the courthouse, to place prisoners at facilities better equipped to deal with any medical requirements, or to separate prisoners due to conflict or litigation concerns with other prisoners. When prisoners are wanted in more than one district, the USMS is responsible for transporting prisoners to the requesting district upon completion of the court process in the home district.

Finally, the USMS operates and maintains the fleet of aircraft and ground transportation assets that comprise JPATS. JPATS is a revolving fund with total operating costs being reimbursed by customer agencies such as the USMS FPD and the BOP. JPATS coordinates the movement of the majority of federal prisoners and detainees, including sentenced, pretrial and criminal aliens, in the custody of the USMS and the BOP. JPATS also transports Department of Defense, and state and local prisoners on a reimbursable, space-available basis.

Prisoner Confinement and Services

The USMS must ensure sufficient resources are available to house and care for the corresponding detainees. To ensure that prisoners are being confined securely and humanely, DUSMs conduct annual inspection of all active Intergovernmental Agreement (IGA) facilities. Additionally, inspections are required before the USMS enters into an IGA with a facility to house prisoners or upon completion of major changes in operations or physical structure of any facility already being used. Detention facility inspections enable the districts and headquarters to identify problem areas early and identify facilities that provide the best value. The USMS established the Conditions of Confinement Program to ensure the safe and humane confinement of federal detainees and to protect their statutory and constitutional rights. There are Detention

Facility Inspectors in each district that receive Conditions of Confinement training to ensure that these objectives are met.

The care of federal detainees in private, state, and local facilities and the costs associated with these efforts are funded from the FPD appropriation. FPD resources are expended from the time a prisoner is brought into USMS custody through termination of the criminal proceeding and/or commitment to BOP. Detention resources provide for detainee housing and subsistence, health care and medical guards, intra-district transportation, JPATS transportation, and incidental costs associated with prisoner housing and transportation such as prisoner meals while in transit, prisoner clothing, and parking for government vehicles.

2. Performance and Resource Tables

| | | PERF | ORMAN | PERFORMANCE AND RESOURCES TABLE | RESOU | RCES TA | BLE | | | | | |
|--|---------------------------------|---|-----------|---------------------------------|-------|--------------------|-------|--------------------|-------------------------------------|--|---------|--------------------|
| Decision Unit: | Prisoner Sec | Decision Unit: Prisoner Security and Transportation | | | | | | | | | | |
| RESOURCES | | | r. | Target | Act | Actual | Ta | Target | Cha | Changes | Request | Requested (Total) |
| | | | È | FY 2014 | FV 2 | FY 2014 | 7. | FY 2015 | Current Adjustmen 2016 Progrs | Current Services Adjustments and FY 2016 Program Changes | FY 2010 | FY 2016 Request |
| Total Costs and FTE | d FYE | | FTE | 2000 | FTE | 0008 | FTE | 0005 | FTE | 8000 | зы | 2000 |
| (reimbursable FTE are inclu- and not included in the total) | E are included, n the total) | (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total) | 1,106 | \$251,555 | 1,067 | \$256,222 [\$0] | 1,106 | \$253,381 [\$0] | 0 | \$5,920 [\$0] | 1,106 | \$259,301 [\$0] |
| TYPE | STRATEGIC | PERFORMANCE | FY | FY 2014 | FY 7 | FY 2014 | FY | FY 2015 | Current Adjustmer 2016 Progra | Current Services Adjustments and FY 1016 Program Changes | FY 201 | FY 2016 Request |
| | | | FTE | 2000 | FTE | 2000 | FTE | 2000 | FTE | \$000 | ата | \$000 |
| Program Activity | | | 1,106 | \$251,555 | 1,067 | \$256,222 | 1,106 | \$253,381 [\$0] | 0 | \$5,920 [\$0] | 1,106 | \$259,301 |
| Performance Measure: Workload | 3.3 | 1. Average daily prisoner population | | 58,791 | | 55,420 | | 57,484 | | (661) | | 56,823 |
| Performance Measure: Outcome | 3.3 | 2. Percent of Monituring reviews completed for active IGAs | Establish | Establishing baseline | | 94% | | 98% | | 0% | | %86 |
| Performance Measure: Outcome | 3.3 | 3. Total Prisoner Productions | | 1,043,301 | | 940,636 | | 865,506 | | (15,785) | : | 849,721 |
| Performance Measure: Outcome | 3.3 | 4. Average Detention Cost (Housing, Medical, and In-District Transportation) | | \$86.16 | | \$82.92 | | \$84.16 | | \$2.27 | | \$86.43 |

Denotes inclusion in the DOI Quarterly Status Reports. ** Reported also as part of the USMS Federal Detention Appropriation.

Data Definition, Validation, Verification, and Limitations:

Performance Measures -- Workload:

- 1. Average Daily Prisoner Population:
- a) Data Definition: Average Daily Prisoner Population is calculated on a per capita, per day basis.
- b) Data Validation and Verification: Data is maintained by the Justice Detainee Information System (JDIS). Monthly data from JDIS relating to paid detention beds is verified each month by completing a comparison, by district, between obligation data being reported out of UFMS and prisoner program data reported from JDIS.
 - Data Limitations: Limited by the timely entry of prisoner data into JDIS.

Performance Measures - Outputs, Efficiencies, and Outcomes

- a) Data Definition: Percentage of IGA facilities used by the USMS to house prisoners with a completed monitoring review. 2. Percent of Monitoring reviews completed for active IGAs:
- b) Data Validation and Verification: Each year USMS personnel run reports comparing the facilities that should be inspected to those that were inspected.
- Data Limitations: Limited by the timely entry of monitoring review results and identifying the appropriate facilities.
- 3. Total Prisoner Productions:
- includes the number of times prisoners are produced for judicial proceedings, meetings with attorneys, or transported for medical a) Data Definition: Total prisoners produced data combines both the USMS District counts and DC Superior Court counts, and care, between offices and between detention facilities.
 - Data Validation and Verification: USMS District data is maintained by JDIS. DC Superior Court data is maintained by a locally managed database and is updated daily. Please note DC Superior Court will be transitioning to JDIS in the near future.
- Data Limitations: Limited by the timely entry of prisoner data into JDIS and DC Superior Court's database, as appropriate. For DC Superior Court, more than 95% of prisoner productions that occur each day are entered into the system on the same day they occur.
- 4. Average Detention Cost (Housing, Medical, and In-District Transportation):
- a) Data Definition: Total detention costs represent the aggregation of paid jail costs and health care costs on a per capita, per day basis.
 - b) Data Validation and Verification: Data reported is validated and verified against monthly reports describing district-level jail utilization and housing costs prepared by the USMS. In accordance with generally accepted accounting principles, the USMS routinely monitors its financial data for new obligations and de-obligations.

between the rendering of services and the payment of invoices, several weeks may lapse before the actual cost of health care services different from the anticipated cost, additional funds may need to be obligated or obligated funds, de-obligated. Due to the time lag often necessary to delay reporting of official statistics several weeks to ensure that prisoner movement records have been properly compromised by time lags between the actual movement of prisoners and data entry of those events into JDIS. Accordingly, it is c) Data Limitations: Maintaining prisoner movement data is a labor-intensive process. The reliability of the reported data is often updated. Data reported reflect the anticipated cost of services provided to USMS prisoners. In the event that the actual cost is provided to an individual prisoner can be determined.

| | | 1 | PERFOR | MANCE | MEASUR | PERFORMANCE MEASURE TABLE | : | | | |
|------------------------|-------------------------------------|---|---------|---------|---------|---------------------------|-------------------------|---------|---------|---------|
| | Decision Unit | Decision Unit: Prisoner Security and Transporation | ion | | | | | | | |
| | | Performance Report and | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | 114 | FY 2015 | FY 2016 |
| Strategic Objective | | reflormance rian largets | Actuat | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.3 | Performance Measure: Workload | 1. Average Daily Prisoner Population | N/A | N/N | N/A | 59,542 | 162'85 | 55,420 | 57,484 | 56,823 |
| 3.3 | Performance Measure: Outcome | 2. Number of monitoring reviews completed for active IGAs | | | | Established Baseline | Established Baseline | 94% | %86 | %86 |
| 3.3 | Performance Measure: Outcome | 3. Total Prisoner Productions | N/N | N/N | N/A | 1,018,693 | 1,043,301 | 940,636 | 865,506 | 849,721 |
| 3.3 | Performance Measure: Outcome | 4. Average Detention Cost (Housing, Medical, and In-District Transportation)*, ** | N/A | N/A | N/A | \$80,33 | \$86.16 | \$82.92 | \$84.16 | \$86.43 |
| | N/A = Data unavailable | allabie | | | | | | | | |
| | | | | | | : : | | | | |

* Denotes inclusion in the DOJ Annual Performance Plan. ** Reported also as part of the USMS Federal Detention Appropriation.

3. Performance, Resources, and Strategies

The USMS maintains the integrity of the federal judicial system by maintaining the custody, protection, and security of prisoners and ensuring that criminal defendants appear for judicial proceedings. Efficient management of detention resources necessitates that the USMS continuously analyze the courts' need for prisoners in relation to detention facility location and cost. This evaluation results in prisoners strategically being moved to various detention facilities as their cases progress through the judicial process. Prisoners are moved to closer facilities when they are more often needed to appear for court (e.g., pretrial prisoners). Prisoners are moved to more distant facilities, which are often less costly, as their need to appear in court decreases. Throughout this process, the USMS must annually review utilized detention facilities to ensure that conditions of confinement are humane and provide adequate security.

Measure: Average Detention Cost

FY 2014 Target: \$86.16 FY 2014 Actual: \$82.92

Strategy: Establish the parameters of IGA reviews

The USMS completed a comprehensive review and update of its Quality Assurance Program. This effort included the revision and publication of USM Policy 9.7, Review of Non-Federal Detention Facilities, which establishes procedures for each type of facility review, to include a comprehensive review and update of the USMS Federal Performance-Based Detention Standards and a revised IGA facility review checklist aligned with USMS Federal Performance-Based Detention Standards. Furthermore, a risk-based selection process, which includes a baseline number of facilities to be reviewed annually, was implemented to include accompanying procedures for addressing corrective actions. In an effort to be more efficient, the USMS incorporated the use of Certified State Inspections programs within its review process of IGA facilities. This effort resulted in the implementation of a cost effective approach to ensure more standardized routine inspections based on risk.

Strategy: Automate the IGA review process to increase standardization, meet applicable regulations and laws, and target areas for improvement

The USMS promoted full integration and automation of its detention facility review program. An automated facility review checklist was developed and implemented to include web-based training and user manuals for the conduct of facility reviews. The automated process allows for the review and analysis of the review findings leading to early identification of trending patterns that provides for early awareness and subsequent implementation of mitigating measures. The USMS is now furthering its efforts to move its Jail Inspector Resident Training to a web-based training approach.

D. Protection of Witnesses

| Protection of Witnesses | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|----------|
| 2014 Enacted | 207 | 184 | \$35,399 |
| 2015 Enacted | 207 | 190 | \$35,715 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$1,284 |
| 2016 Current Services | 207 | 190 | \$36,999 |
| 2016 Program Increases | 0 | 0 | \$56 |
| 2016 Program Decreases | . 0 | 0 | (\$321) |
| 2016 Request | 207 | 190 | \$36,734 |
| Total Change 2015-2016 | 0 | 0 | \$1,019 |

1. Program Description

The Protection of Witnesses program provides protection for government witnesses whose lives are threatened as a result of their testimony against drug traffickers, terrorists, organized crime members, and other major criminals. The Witness Security Program (WSP) provides physical security during the trial proceedings and assistance to create new identities and relocate witnesses and their families after the trial. The successful operation of this program is widely recognized as providing a unique and valuable tool in the government's war against organized crime, drug cartels, violent criminal gangs, and terrorist groups.

Three DOJ components work collaboratively to administer the WSP. The Criminal Division's Office of Enforcement Operations (OEO) authorizes the entry of witnesses into the program. The BOP protects witnesses incarcerated in federal prison facilities. For civilian witnesses and their families, the USMS provides protection, relocation, re-identification and assistance with housing, medical care, job training, and employment until they become self-sufficient.

2. Performance and Resource Tables

| | | PERFC | ORMAN | PERFORMANCE AND RESOURCES TABLE | ESOUF | RCES TA | BLE | | | | | |
|--|---------------------------------|--|-------|---------------------------------|-------|-------------------------|-----|-----------------------|---|---------------------------|---------|-----------------------|
| Decision Unit: Protection of Witnesses | t: Protection | of Witnesses | | | | | | | | | | |
| RESOURCES | | | Ē | Target | Act | Actual | T. | Turget | Changes | ıges | Request | Requested (Total) |
| | | | 2 | FY 2014 | FY. | FY 2014 | FY | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | Services its and FY ogram | FY 2016 | FY 2016 Request |
| Total Costs and FTE | nd FTE | | FTE | \$000 | FIE | 8000 | FTE | 8000 | FTE | 2000 | FIE | \$000 |
| (reimbursable FIE are included, but reis bracketed and not included in the total) | FIE are inclu I not included | (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total) | 191 | \$35,399 [\$703] | 185 | 185 \$43,688 [\$358] | 161 | \$35,715 [\$1,103] | 0 | \$1,019 | 161 | \$36,734 [\$1,103] |
| TYPE | STRATEGIC | PERFO RMANCE | Ē | FY 2014 | FY. | FY 2014 | FY | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | Services its and FY ogram | FY 2016 | FY 2016 Request |
| | | | al e | 8000 | FIE | 8000 | FTE | 8000 | FIE | \$000 | FIE | \$000 |
| Program Activity | | | 161 | \$35,399 [\$703] | 185 | \$43,688 | 161 | \$35,715 [\$1,103] | 0 | \$1,019 | 161 | \$36,734 [\$1,103] |
| Performance Measure; Workload | 3.2 | 1. Total number of witness security program participants | | 18,584 | | 18,574 | | 18,652 | | 7.5 | | 18,727 |
| Performance Measure: Output | 3.2 | 2. Protective services required/provided for witnesses (includes court productions) | | 3,154 | : | 3,629 | | 3,185 | | | | 3,185 |
| Performance Measure: Outcome | 3.2 | 3. Security breaches mitigated * | | 221 | | 210 | | 223 | | | | 223 |

^{*} Denotes inclusion in the DOJ Quarterly Status Reports.

Data Definition, Validation, Verification, and Limitations:

Performance Measures – Workload

- 1. Total number of witness security program participants:
- Data Definition: Total Witness Security Program participants are the total number of participants, including immediate family members, currently in the program.
- Data Validation and Verification: Case managers ensure the accuracy of data submitted to headquarters. ف
 - Data Limitations: Case management provides data on a monthly basis.

Performance Measures - Outputs, Efficiencies, and Outcomes

- Protective services required/provided for witnesses (includes court productions):
- a. Data Definition: Protected services required/provided for witnesses is defined as witness productions, prisoner witness transports, prisoner witness family visits, preliminary interviews, temporary relocations, documentation initiations, documentation services (delivery-other), and breach investigations.
 - Data Validation and Verification: Regional managers ensure the accuracy of data submitted to headquarters.
- Data Limitations: Witness Security Division (WSD) Regions provides data to headquarters on a monthly basis.
- Security breaches mitigated: щ.
- Data Definition: An action taken to mitigate a reported or detected event capable of compromising a protected witness' identity, location or general security.
 - Data Validation and Verification: Validation occurs when the actions taken have been documented, reviewed, and approved. Verification occurs when internal audits are conducted to identify the efficiency and effectiveness of the actions taken.
 - Actions to mitigate the security breaches only occur when security breaches are detected or reported. A substantial number of Data Limitations: The total number of security breaches is dependent upon the number of breaches reported or detected security breaches are believed to be unreported or undetected. ن

| | | PERF | FORMAN | CEMEAS | PERFORMANCE MEAS URE TABLE | ILE | | | | |
|------------------------|-------------------------------------|---|---------|---------|---------------------------------|---------|--------------------------|--------|-----------------|---------|
| | Decision Unit | Decision Unit: Protection of Witnesses | | | ٠ | | | | | |
| | 2.6 | Performance Report and | FY 2010 | FY 2011 | FY 2010 FY 2011 FY 2012 FY 2013 | FY 2013 | FY 2014 | 014 | FY 2015 FY 2016 | FY 2016 |
| Strategic Objective | | reflormance rian targets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.2 | Performance Measure: Workload | Total number of witness security program participants | N/A | N/A | | 18,516 | N/A 18,516 18,584 18,574 | 18,574 | 18,652 | 18,727 |
| 3,2 | Performance Measure: Output | Performance 2. Protective services Measure: required/provided for witnesses Output (includes court productions) | N/A | N/A | N/A | 3,334 | 3,154 | 3,629 | 3.185 | 3,185 |
| 0 | Performance Measure: Outcome | 3. Security breaches mitigated * | N/A | N/A | N/A | 256 | 221 | 210 | 223 | 223 |

| | ly Status Report |
|----------------------|--|
| ple | enotes inclusion in the DOJ Quarterly Status Repor |
| N/A = Data unavailab | * Denotes inclusion |
| | |

3. Performance, Resources, and Strategies

The funding is necessary to ensure that critical protective services are provided to protected witnesses testifying in direct support of significant DOJ prosecutorial efforts against organized crime, international drug trafficking organizations, violent street gangs, and international terrorist groups. The USMS continues to examine WSP methodologies to ensure that effective protection and security services are provided to protected witnesses and authorized participants while also exercising cost efficiencies.

Measure: Security Breaches Mitigated

FY 2014 Target: 283 FY 2014 Actual: 210

Strategy: Identify and address problems impeding successful relocation and employment

The USMS believes a substantial number of security breaches are unreported or undetected. One of the efforts underway to support this strategy is the development of a protocol for orientation to address standards of conduct to minimize security breaches. Additionally, training inspectors to identify and prioritize security breaches ensures mitigation efforts are directed toward the most egregious breaches. Finally, the USMS will implement action plans to mitigate broad categories of systemic security breaches. The long term results of these efforts will be a reduced cost and increase in security for the program and the protectees.

E. Tactical Operations

| Tactical Operations | Direct Pos. | Estimate FTE | Amount |
|---|-------------|-----------------|-----------|
| 2014 Enacted | 177 | 157 | \$40,267 |
| 2015 Enacted | 177 | 163 | \$41,428 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$5,748 |
| 2016 Current Services | 177 | 163 | \$47,176 |
| 2016 Program Increases | 0 | 0 | \$48 |
| 2016 Program Decreases | 0 | 0 | (\$1,632) |
| 2016 Request | 177 | 163 | \$45,592 |
| Total Change 2015-2016 | 0 | 0 | \$4,164 |

1. Program Description

The Tactical Operations decision unit includes special operations and emergency management.

Special Operations

The USMS Special Operations Group (SOG) supports the DOJ and other government agencies with a highly-trained, rapidly deployable force of law enforcement officers for tactical response. SOG is a unit of 80-100 volunteer DUSMs who must meet high qualification standards and complete rigorous training in specialties such as high-risk entry, explosive breaching, sniper/observer, rural operations, evasive driving, less-than-lethal munitions, waterborne operations, and tactical medical support. SOG supports all U.S. judicial districts by providing assistance in high-risk, sensitive law enforcement operations including protective details, national emergencies, civil disturbances, and national disasters. Due to the extensive training of SOG members, the unit is often called upon to train military, federal, state, local, and foreign law enforcement groups in various tactical specialties. SOG also oversees the Operational Medical Support Unit (OMSU). The OMSU program manages, trains, and equips USMS Deputies who presently possess an Emergency Medical Technician (EMT) or EMT-Paramedic certification. The OMSU is comprised of approximately 15 Special Operations Group Medics and 75 Collateral DUSM Medics.

Based at Camp Beauregard, Louisiana, a major staging area for Federal Emergency Management Agency (FEMA) disaster response in the Southeast and a geographically central location for domestic operations, the Special Operations Group Tactical Center (SOGTC) is able to provide a rapid response throughout the country. From this base, SOG deploys its fleet of armored vehicles, specialized equipment, tactical operators, and medics in support of domestic USMS operations such as the 15 Most Wanted Fugitive Program investigations, fugitive task forces, terrorist trials and other high-threat or high-profile judicial proceedings, motorcade protection for high-value individuals, and execution of court orders relating to the seizure of assets belonging to militia groups, domestic terrorist groups, and other anti-government organizations.

The USMS is specifically relied upon to conduct national security operations on behalf of various U.S. government entities due to its broad authority and jurisdiction. SOG is selected due

to the sensitive, covert nature of these missions requiring elevated security clearances and specific training, equipment, and tactical assets.

The USMS also participates in international Stabilization and Reconstruction programs, working closely with DOJ, DOD, and Department of State personnel in support of Operation Enduring Freedom. SOG developed the concept of Judicial Security for the Afghan judiciary and court facilities and provided technologically-advanced security equipment and programs to improve judicial and witness security, helping to lay the foundation for a more effective judicial system and assisting in the stabilization of the Afghanistan government.

Emergency Management and Response

The USMS responds to national emergencies and domestic crises with a cadre of resources. All USMS operational missions that fall into this category are coordinated through the USMS Communications Center and the Emergency Operations Center (EOC). The Communications Center operates 24 hours-a-day, 7 days-a-week to ensure inter-agency and intra-agency flow of communication. It provides informational assistance to DUSMs in the field who are tracking fugitives, developing leads, and confirming warrants. It also has the ability to receive, track, and disseminate classified information relevant to the USMS. All significant incidents such as shootings in the line of duty, employee injury or death, assaults/attempted assaults of an individual under USMS protection, deaths of prisoners in USMS custody, escapes of federal prisoners, major arrests, and district emergencies are reported to the Communications Center. The Communications Center then notifies the appropriate personnel and districts and ensures that the proper action is taken. The EOC is also activated during emergency incidents involving a coordinated agency-wide response, including with participation from SOG. This includes responses under the federal government's National Response Framework. The EOC is a critical element to ensure coordination and oversight of USMS deployments during emergencies. particularly when other government agencies are also involved.

Emergency management officials also maintain the Continuity of Operations (COOP) plan for the USMS Headquarters and coordinate the COOP plans of all 94 districts in accordance with Federal Continuity Directives and DOJ Order 1900.8.

The USMS also maintains four Incident Management Teams (IMTs), which are trained under the principles and doctrines of the National Incident Management System and the Incident Command System, in accordance with Homeland Security Presidential Directive 5. These teams deploy in support of USMS operations when an incident or event exceeds the capabilities of the district's or division's resources or when multiple districts or divisions are affected.

2. Performance and Resource Tables

| | | PERF | FORMA | PERFORMANCE AND RESOURCES TABLE | RESOU | RCES TAE | 3LE | | | | | |
|--|-------------------------------|--|-------|---------------------------------|-------|----------|-----|------------------------|--|---------------------------|---------|------------------------|
| Decision Unit: Tactical Operations | : Tactical Op | erations | | | | | | | | | | |
| RESOURCES | | | T. | Iarget | Ac | Actual | r. | Target | Changes | nges | Request | Requested (Total) |
| | | | Š | FY 2014 | F | FY 2014 | Æ | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | Services tts and FY ogram | FY 2016 | FY 2016 Request |
| Total Costs and FTE | nd FTE | | FIE | 8000 | 315 | 0008 | FIE | 0008 | alu | 0005 | FTE | 2000 |
| (reimbursable FRare included, but reli bracketed and not included in the total) | FTE are inclu not included | (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total) | 200 | \$40,267 [\$20,880] | 190 | \$37,784 | 200 | \$41,428 [\$13,924] | 0 | \$4,164 [\$0] | 200 | \$45,592 [\$13,924] |
| J.XPE | STRATEGIC | PERFO RMANCE | È | FY 2014 | Ĕ | FY 2014 | FY | FY 2015 | Current Services Adjustments and FY 2016 Program Changes | Services Its and FY ogram | FY 2016 | FY 2016 Request |
| | | | FIE | 0005 | ыя | 0008 | FTE | 8000 | FIE | \$000 | FIE | 2000 |
| Program Activity | | | 200 | \$40,267 [\$20,880] | 061 | \$37,784 | 200 | \$41,428 [\$13,924] | 0 | \$4,164 [\$0] | 200 | \$45,592 |
| Performance Measure: Output | 3.2 | Number of high-threat and omorgoncy situations supported through special operations and assignments | | 59 | | 113 | | 59 | | | | 59 |

Data Definition, Validation, Verification, and Limitations:

Performance Measures - Outputs, Efficiencies, and Outcomes

- 1. Number of high-threat and emergency situations supported through special operations and assignments:
- a. Data Definition: This represents the number of times a special occurrence or event happened where special operations and assignment resources and/or staff were deployed in response.
 - b. Data Validation: Deployments are validated against financial and special assignment data.
 c. Data Limitation: Denloyments are tracked vio a mannel account.
 - Data Limitation: Deployments are tracked via a manual process.

| | | PERF | PERFORMANCE MEASURE TABLE | CE MEAS | URETAB | LE | | 1 | | |
|------------------------|-----------------------------------|---|---------------------------|---------|---------------------------------|----------------------|---------|--------|-----------------|---------|
| | Decision Unit: | it: Tactical Operations | | | | | | | | |
| | Pe | erformance Report and | FY 2010 | FY 2011 | FY 2010 FY 2011 FY 2012 FY 2013 | FY 2013 | FY 2014 | 014 | FY 2015 FY 2016 | FY 2016 |
| Strategic Objective | re | Feriormance Flan largets | Actual | Actual | Actual | Actual Actual Target | Target | Actual | Target | Target |
| 3.2 | Performance Measure: Output | Number of high-threat and emergency situations supported through special operations and assignments | | . 59 | 52 | 75 | 59 | 113 | 59 | 59 |

3. Performance, Resources, and Strategies

The USMS strives to provide effective assistance to all levels of government during emergencies and disasters and at times of heightened law enforcement requirements. The USMS deploys personnel and equipment in support of extraordinary district requirements, ensuring adequate resources are provided to maintain the integrity of the judicial process. The USMS will attempt to: improve its capability to deploy personnel and equipment in response to terrorist acts, natural disasters, and other external missions directed by the Attorney General; maintain operational readiness for efficient movement of people and equipment; and coordinate efforts and increase communication lines between the Strategic National Stockpile Security Operations Unit and the Centers for Disease Control and Prevention to ensure adequate dissemination of intelligence information to thwart or respond to terrorist activities.

Measure: Number of high-threat and emergency situations supported through special operations and assignments

FY 2014 Target: 59 FY 2014 Actual: 113

Strategy: Develop a strategy to enable a rapid response of the Mobile Command Centers (MCC)

The USMS required the ability to deploy MCC units within a reasonable response time for unplanned incidents. Each MCC was deployed to maximize the response geographical area while minimizing the deployment time. MCC operators were recruited, trained and equipped within close proximity to an MCC to ensure availability and rapid deployment. The result is an increased ability to respond to unplanned incidents, lower operating costs and an increase in MCC deployments.

Strategy: Assess Special Operations Group (SOG) capabilities for rapid deployment to all USMS missions as required

The increase risk to USMS officer safety in executing our mission requires the need for SOG's expertise across the agency. To mitigate this risk, the USMS is utilizing SOG resources, training facilities and methodologies to support the Law Enforcement Safety Training Program (LESTP). SOG assisted in the development of consistent, sustainable LESTP training and direct medical support of USMS missions within the districts. The result is enhanced district operations by utilizing available SOG equipment, tactical and medical expertise, and conduct district-based reoccurring training.

V. Program Increases by Item

Item Name: A. Adam Walsh Child Protection and Safety Act

Strategic Goal: 2 - Prevent Crime, Protect the Rights of the American

People, and enforce Federal Law

Strategic Objective: 2.2 - Prevent and intervene in crimes against vulnerable

populations and uphold the rights of, and improve services to

America's crime victims

Budget Decision Unit(s): Fugitive Apprehension

Organizational Program: Sex Offender Investigations Branch

Component Ranking of Item: 1 of 2

Program Increase: Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars <u>\$4,735,000</u>

Description of Item

The USMS requests \$4,735,000 to support operations, training, and software licensing fees required for maintaining current levels of enforcement of the Adam Walsh Child Protection and Safety Act (AWA). In FY 2014, the USMS managed initiatives within its AWA responsibilities with 211 positions (160 DUSMs and 51 administrative) and \$55,435,000.

The AWA was signed into law on July 27, 2006. The USMS was designated as the lead federal agency to investigate violations of the Act and given the mandate to assist state, local, tribal, and territorial jurisdictions in locating and apprehending non-compliant sex offenders. As such, the USMS' principal responsibilities are:

- Assist state, local, tribal and territorial authorities in the location and apprehension of non-compliant and fugitive sex offenders;
- Investigate violations of the act for federal prosecution;
- Work to stem the violence committed against children by targeting apprehension of sex offenders who prey on this vulnerable segment of the population; and
- Assist in the identification and location of sex offenders relocated as a result of a major disaster.

With the passage of The Child Protection Act of 2012, Congress granted the Director of the USMS the authority to issue administrative subpoenas to obtain records pertinent to the investigation of an unregistered sex offender. Congress defined the term "sex offender" to mean an individual required to register under the Sex Offender Registration and Notification Act (SORNA) (42 U.S.C. § 16901).

Following the passage of the AWA, the USMS created the Sex Offender Investigations Branch (SOIB) and the National Sex Offender Targeting Center (NSOTC) to carry out its responsibilities in connection with the AWA. The USMS SOIB and NSOTC work in conjunction with the DOJ's Sex Offender Management Apprehension Research and Tracking (SMART) Office to assist at all levels of domestic, international, military, and tribal law enforcement to identify, locate, and prosecute non-compliant sex offenders. In addition, the USMS Sex Offender Investigations Coordinators (SOIC) manage sex offender enforcement with participating law enforcement partners in their districts, including Assistant U.S. Attorneys (AUSAs), registering agencies, local law enforcement, U.S. Probation, and local prosecutors.

Further, personnel from the USMS and the National Center for Missing and Exploited Children (NCMEC) are assigned to the NSOTC, along with an agent from the DOS-DSS and two members from the United States Army. The NSOTC has also assigned an Intelligence Analyst to the DHS U.S. Customs and Border Protection Targeting Center, a Senior Inspector to the United States National Central Bureau (USNCB)-International Criminal Police Organization (INTERPOL) Human Trafficking and Child Protection Division, and a contractor to serve as a liaison with the SMART Office. These personnel work to track and verify information on sex offenders who travel abroad. The NSOTC also meets with the Office of Tribal Justice (OTJ) to discuss and coordinate DOJ programs and training related to Native American sex offenders.

Justification

The USMS requests \$4,735,000 for non-personnel costs associated with operational funding, training, and software licensing.

Of the requested increase, \$3,000,000 will support the operational mission. The USMS conducts sex offender operations within its 94 USMS Districts. These operations largely rely on state and local agency cooperation and the availability of both USMS, state, local, tribal, and territorial law enforcement personnel. The planning and execution of these operations require extensive coordination among participants and incur costs outside of normal district operating costs. Conducting these operations also allows each SOIC to meet the current Performance Initiatives' mandate for a minimum of two operations per SOIC a year. Currently, each SOIC plans and conducts an average of 3.75 operations per fiscal year with state and local law enforcement agencies. In FY 2014, the 94 full-time SOICs planned and conducted 356 operations, costing approximately \$2,096,000 (averaging \$5,900 per operation). Additional funding would be utilized to assist SOICs in expanding the number and scope of sex offender operations within their districts. Increased funding for enforcement and compliance operations in the districts would assist with travel for additional USMS personnel to participate, additional state and local overtime funding, and any logistical/equipment funding necessary to safely conduct these additional operations.

¹ The National Center for Missing and Exploited Children opened in 1984 to serve as the nation's clearinghouse on issues related to missing and sexually exploited children. It is the leading nonprofit organization in the U.S. providing assistance to law enforcement and families to find missing children, reduce child sexual exploitation, and prevent child victimization.

The increased operational funding will be used to create and fund rotating temporary duty (TDY) positions at both the regional and NSOTC levels for SOIC and SOPC personnel. These TDY opportunities will provide a unique opportunity for USMS personnel to strengthen their investigative acumen by exposing them to different, other unique aspects of the mission and the overall role and strategies of the branch.

Additionally, \$1,430,000 will support the Basic and Advanced SOIC training and other courses necessary to provide continuing education to the USMS Sex Offender investigators. The USMS has implemented a training/communication strategy focused on non-compliant sex offender investigations and prosecutions for USMS, state, local, tribal, and territorial law enforcement. In addition, the Congress granted the Director of the USMS authority in 2012 to issue administrative subpoenas in the investigation of non-compliant sex offenders. The USMS has developed and provided training to USMS investigators on Administrative Subpoena Standard Operating Procedures (SOP) and policies.

Finally, the requested funding will be used to pay for software licensing to ensure continuous funding for the current and future software, enhancements to existing software (LexisNexis, OffenderWatch, Accurint, Tableau, and AdobeProX) and new computer technology required by investigators and the NSOTC to fulfill the SOIB mission. The annual cost for licensing fees is approximately \$305,000.

Since program inception on July 26, 2006 to September 30, 2014, approximately 21,000 criminal investigations for violations of 18 U.S.C. § 2250, 3,930 federal warrants were issued and 3,206 AWA fugitives were arrested. Additionally, the USMS has planned and participated in over 1,621 sex offender-related enforcement operations with 7,677 law enforcement agencies; assisted state and local law enforcement agencies perform 241,539 compliance checks of known registered sex offenders; and closed 30,122 state and local warrants for failure to register by arrest.

The NCMEC estimates that there are approximately 769,000 sex offenders living in the United States. It is estimated that approximately 100,000 of those offenders are non-compliant with their requirement to register. The USMS plays a critical role with our state, local, tribal and territorial partners in the investigation, location, apprehension, and prosecution of these non-compliant sex offenders.

The USMS SOICs are required to coordinate sex offender enforcement with all necessary law enforcement partners in their districts, including registering agencies, local law enforcement, AUSAs, U.S. Probation, and local prosecutors. The USMS bridges the gap between law enforcement and the state registries and acquires the evidence necessary to apprehend and prosecute unregistered fugitive sex offenders. The USMS also provides their state, local, military, tribal and territorial law enforcement partners a conduit for funding for enforcement activities and are a source of expertise in organizing fugitive sex offender apprehension initiatives.

The USMS assists state and local jurisdictions in locating and apprehending fugitive sex offenders, both within and outside the United States. The USMS is mandated to assist state and

local jurisdictions identify and locate displaced sex offenders in the event of a major national disaster.

In addition, the USMS works in conjunction with NCMEC to safely recover missing children. The USMS SOIB investigators target missing child cases when a felony warrant is outstanding for the abductor or companion of an abducted, missing, or endangered child. This partnership teams deputies from the USMS and NCMEC's resources as the nation's clearinghouse for missing children. Since the program's inception in July 2006 through FY 2014, SOIB investigators safely recovered 557 missing children, and 453 fugitive arrests were made in conjunction with the recovery of the missing children.

While the USMS continues to vigorously pursue AWA violators, these cases are becoming more complex, and are straining existing resources. Operational personnel investigate AWA violations and related offenses; assist jurisdictions to locate and apprehend sex offenders who fail to comply with their sex offender registration requirements; and exercise administrative subpoena authority for cases involving unregistered sex offenders. Administrative support personnel handle the financial transactions associated with the program and provide a broad array of administrative support functions to support the DUSMs, such as securing \$25,000+ warrants, procuring authorized items for the sex offender investigative program, maintaining district asset inventory, assisting with any audit-related functions, and assisting with regional reporting and correspondence..

The SOIB consists of eight regions nationwide. Additional operational funding would allow SOIB the ability to create regional working groups which would schedule meetings on an annual or bi-annual basis. These meetings would include all district and SOIB personnel in each region and would provide program knowledge oversight to not only district management, but to all district personnel involved in non-compliant sex offender investigations. The regional working groups would provide the opportunity for SOIB to communicate more effectively with district personnel and create a forum in which the investigators in each region can come together to discuss regional topics such as tribal, prosecutorial, or other programmatic and legal issues.

The SOIB has identified the military and tribal lands as vulnerable populations and is developing an outreach program in both these areas in an effort to develop and strengthen relationships and enhance sex offender investigations and registration concerns. The SOIB will establish a working group in each targeted location to provide guidance, resources and direction to law enforcement, sex offender registries, and DOD personnel in support of the Adam Walsh Act.

The National Sex Offender Targeting Center has identified DOD as a vulnerable entity lacking specialized sex offender law enforcement resources. DOD currently lacks institutional knowledge and resources to implement SORNA. However, the DOD is currently in the process of revising several key directives to become SORNA compliant and the NSOTC has selected an initial seven major installations to facilitate the transition and implementation of SORNA.

The level of experience on tribal lands varies significantly from tribe to tribe. The NSOTC is establishing an outreach program with tribal jurisdictions in order to facilitate the communication between tribes and state, local, federal, and DOD counterparts. The NSOTC goal is to increase

knowledge and awareness of changes to sex offender registration laws to increase sex offender registration compliance and AWA prosecutions.

The SOIB can provide supplemental funding to state, local, tribal, and territorial jurisdictions lacking the specialized equipment necessary to manage, locate, and apprehend sex offenders. The funding will support law enforcement and registry agencies that work in conjunction with the USMS to investigate sex offender registration and other Adam Walsh Act violations.

The SOIB international efforts continue to receive high-level scrutiny. The expansion of resources will allow the SOIB to properly review, vet, and process additional travel notifications. Additional resources will increase communication with law enforcement both domestically and internationally, as well as improve the current tracking processes.

The Basic SOIC Training is a week-long integrated training program, designed for new USMS SOIB employees, newly promoted district SOICs and district-designated SOICs. Annual funding is required to provide the training twice a year to educate newly promoted SOICs, collateral-duty SOICs, and fill vacancies created by promotions and retirements. Students learn the criminal investigative process from a legal and operational perspective. The courses are essential to ensure that investigators know the extent of their responsibilities without crossing into areas outside of their scope of authority. This is the only formal training USMS employees receive regarding the AWA mission. Once trained, the investigator is considered a subject matter expert in this area. The USMS has trained over 600 USMS criminal investigators since 2007; however, these crucial trainings have not been conducted since FY 2012. It is necessary to continue this training cycle in order to maintain a pool of trained SOICs in each district to fill vacancies created by promotions and retirements and to ensure the USMS continues to meet its AWA responsibilities.

The Advanced SOIC training is an annual one to four-day integrated training program required to inform Sex Offender Investigations Coordinators, Sex Offender Program Coordinators, and District Management of legal, statutory, and policy updates pertaining to sex offenders and the USMS sex offender mission. This training explains the programmatic aspects of the SOIB mission and helps district managers understand the duties of the SOIC and reinforces the importance of allowing the SOIC the necessary time and providing them the appropriate resources to conduct thorough investigations.

Impact on Performance

This initiative fully supports the Attorney General's Targeted Priority Goal 4 – Protecting the most vulnerable members of society. The USMS also supports the DOJ Strategic Goal 2 "Prevent Crime, Protect the Rights of the American People, and enforce Federal Law" and Objective 2.2 "Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims."

The \$4,375,000 increase for non-personnel costs will allow the USMS to fund sex offenderspecific operations within the districts and on tribal lands, as well as increase outreach efforts to state, local, military, tribal, and territorial law enforcement. It will allow the sex offender specific operations to increase in not only in number, but more importantly, in scope, providing the ability to work with law enforcement agencies not previously partnered with. The districts will be able to reach out to law enforcement in more remote, rural areas, not just the agencies within close proximity to the district offices.

An increase in funding will allow the SOIB to communicate more effectively with, and better inform, district management and the SOICs. It will also give the USMS the opportunity to use resources to stay abreast of cutting edge technology.

Additional funding to support training USMS, state, local, military, tribal, and territorial investigators will allow the USMS to ensure that SOICs and SOPCs are properly trained and up to date on all applicable legal, programmatic, and policy issues. It will allow SOIB critical opportunities to connect and communicate with these groups of investigators and uphold the USMS's role as a key partner in fighting crimes against the most vulnerable members of society.

As indicated in the FY 2014 – 2015 DOJ Agency Priority Goal statement, the USMS must increase the number of investigations of non-compliant sex offenders. As such, the USMS Performance Measure states that the USMS must "Increase by four percent opened investigations concerning non-compliant sex offenders." This measure is reported by the USMS and targeted quarterly and annually. During FY 2014, the USMS goal was to initiate 1,805 investigations into non-compliant sex offenders. The USMS exceeded the FY 2014 goal and is on pace to meet or exceed the FY 2015 goal of initiating 1,841 investigations. In 2012, the USMS implemented internal "Performance Initiatives" for each of the full-time SOICs, mandating that each conduct a minimum of 15 investigations per fiscal year.

Funding

Base Funding

| [| FY | 2014 E | nacted | FY 2015 President's Budget | | | | FY 2016 Current Services | | | |
|-----|------|--------|----------|----------------------------|------|-----|-----------------|--------------------------|------|---------|-----------------|
| Pos | Agt/ | FTE | \$(000) |)) Pos Agt/ FTE \$(000) | | | Pos | Agt/ | FTE | \$(000) | |
| 1 | Atty | | | | Atty | | | | Atty | | |
| 211 | 161 | 211 | \$55,435 | 211 | 161 | 211 | <u>\$55,733</u> | 211 | 161 | 211 | <u>\$56,103</u> |

Non-Personnel Increase Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--------------------------------|--------------|----------|-------------------------------|---|--|
| SOIC Training Classes | \$110 | 8 | \$880 | \$0 | \$0 |
| Advanced SOIC Training | \$110 | 3 | \$330 | \$0 | \$0 |
| State, Local, Tribal Training | \$110 | 2 | \$220 | \$0 | \$0 |
| Sex Offender Operations | \$500 | 6 | \$3,000 | \$0 | \$0 |
| Sex Offender Tracking Licenses | | | \$305 | \$0 | \$0 |
| Total Non-Personnel | | | \$4,735 | \$0 | \$0 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 211 | 161 | 211 | \$30,564 | \$25,539 | \$56,103 | | |
| Increases | 0 | 0 | 0 | \$0 | \$4,735 | \$4,735 | \$0 | \$0 |
| Grand Total | 211 | 161 | 211 | \$30,564 | \$30,274 | \$60,838 | \$0 | \$0 |

Affected Crosscuts
Adam Walsh Act/Crimes Against Children
Violent Crime

Item Name:

B. Law Enforcement Safety Training Program

Strategic Goal:

3 - Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice the Federal, State.

Local, Tribal and International Levels

Strategic Objective:

3.2 - Protect judges, witnesses, and other participants in the

federal proceedings by anticipating, deterring and

investigating threats of violence

3.5 - Apprehend fugitives to ensure their appearance for

federal judicial proceedings or confinement

Budget Decision Unit(s):

Judicial and Courthouse Security

Fugitive Apprehension

Prisoner Security and Transportation

Protection of Witnesses **Tactical Operations**

Organizational Program:

High Risk Fugitive Apprehension Training

Component Ranking of Item:

2 of 2

Program Increase: Positions 0 Agt/Atty 0 FTE 0 Dollars \$1,500,000

Description of Item

The USMS requests \$1,500,000 to meet a critical agency need for annual officer safety training for all USMS operational personnel. Recent flat budgets and rising mandatory costs have eliminated USMS' base resources for essential training. Requested funding will support a minimum of 12 regional courses a year, support district-based officer safety training, and cover the required equipment associated with officer safety training. The funding request will support this annual requirement and the goal to ensure that all law enforcement personnel remain safe as they carry out their duties.

Justification

In 2011, following the tragic line-of-duty deaths of two DUSMs and seven task force officers, the USMS developed the High Risk Fugitive Apprehension (HRFA) Training Program. This week-long training program is an intensive and comprehensive curriculum in advanced tactics, operational planning and communications, and trauma medicine. The training incorporates real life situations to challenge the participants' mindsets when in a potential fight to save their partners' lives or their own. The training was designed to be more fluid rather than static with the goal of having the student learn advanced tactical skills to promote officer safety. This training is in addition to the Basic DUSM training for officer safety and to maintain or increase skills using realistic or scenario-based training, without an increase in tactical training space.

The courses covered in HRFA training are:

- Trauma Medicine 8-hour block of instruction on trauma combat casualty care where students learn medical life-saving skills. USMS has received numerous testimonials from the field on successful implementation of this training.
- Exigent Planning Course outlining operational planning for complex operations.
- Basic Room Clearing Course of instruction teaching students during the execution of high risk warrants of arrest on how to move as a team inside structures/buildings/residences.
- Basic Shield Instruction on how to use ballistic shields in enforcement operations.
- Basic Mechanical Breaching Instruction on how to breach/open doors and windows to quickly get inside structures.
- 2-8 Man Entries Follow-on class to above topics when students get to practice the room clearing, shield and team movement inside structures.
- Fire Arms Range Day Instructions on basic marksmanship skills and how to safely and effectively shoot in close-quarters engagement. Includes rifle instruction with moving and shooting. Course addresses trends in violence against officers related to firearms.
- Vehicle Take Downs Instruction to safely pin, block in vehicles and extract non-compliant suspects. Course teaches students how to safely maneuver and eliminate target vehicles so they cannot be used as a deadly weapon against officers and the general public.
- Practical Exercises Block instruction where students get to apply skills learned during HRFA training.
- Officer Survival Lecture based on officers killed in the line of duty. Lessons learned and discussions on how to prepare both mentally and physically from such situations.
- Tactical Radio Communication Instruction on basic radio use coverage as a primary source of communications.
- Observe, Orient, Decide, and Act Loop Mindset class based on bodies' reactions under stress.

To continue building upon officer safety and reaching even more of the Marshals Service's operational employees and task force officers, a working group was established to develop the Law Enforcement Officer Safety Training Program (LESTP). The LESTP is a multi-phased approach that includes the development of a HRFA Tactical Training Officer (TTO) Program and the development of policy guidance to ensure consistency in training. One goal of this program is to have a TTO in each district to maximize officer safety training. There are over 100 TTOs in the field who have been trained to assist with conducting officer safety training. Through this program, the TTOs will be able to conduct annual regional and district-based officer safety training maximizing the number of personnel trained in an effective and efficient manner. Aside from regional training, the USMS Training Division is also proposing to host 12 HRFAs a year at the Federal Law Enforcement Training Center (FLETC) at Glynco, Georgia.

Impact on Performance

This initiative supports the Attorney General's Targeted Priority Goal 2 – Protecting Americans from Violent Crime. It also supports DOJ Strategic Goal and Objectives under Goal 3 "Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice the Federal, State, Local, Tribal and International Levels," Objective 3.2 "Protect judges, witnesses, and other participants in the federal proceedings by anticipating, deterring and investigating threats of violence," and Objective 3.5 "Apprehend fugitives to ensure their appearance for federal judicial proceedings or confinement."

The USMS supports these objectives through the administration of LESTP and the development of the HRFA Training Program. These programs ensure the development and execution of training programs are geared towards officer safety for USMS operational personnel.

Without base funding resources, the USMS will not have the ability to ensure deputies are provided proper training needed in continuing to locate and arrest violent fugitives in a safe manner. Currently, the USMS Training Division leads this training at a few approved locations; in the future, the training would include assigned TTOs and be more regionally and/or locally-based to limit travel expenses and maximizing training courses provided.

Funding

Base Funding

| | FY 2014 Enacted | | | FY 2015 Enacted | | | | | FY 2016 Current Services | | | |
|-----|-----------------|-----|---------|-----------------|----------------------|---|-----|-----|--------------------------|-----|---------|--|
| Pos | agt/ | FTE | \$(000) | Pos | Pos agt/ FTE \$(000) | | | Pos | agt/ atty | FTE | \$(000) | |
| 0 | 0 | 0 | \$0 | Q | <u>0</u> | 0 | \$0 | 0 | 0 | 0 | \$0 | |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--------------------|--------------|----------|-------------------------------|---|---|
| HRFA Training | | | \$780 | \$0 | \$0 |
| Travel | | | 400 | \$0 | \$0 |
| Equipment | | | 320 | \$0 | \$0 |
| Total | | | \$1,500 | \$0 | 02 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|------------------|-----|--------------|-----|----------------------|------------------------------|------------------|--|--|
| Current Services | 0 | 0 | 0 | 0 | \$0 | \$0 | | |
| Increases | 0 | 0 | 0 | 0 | \$1,500 | \$1,500 | \$0 | \$0 |
| Grand Total | 0 | 0 | 0 | 0 | \$1,500 | \$1,500 | \$0 | \$0 |

Affected Crosscuts None

Item Name: C. USMS Construction

Strategic Goal: Goal 3: Ensure and Support the Fair, Impartial, Efficient, and

Transparent Administration of Justice the Federal, State,

Local, Tribal and International Levels

Strategic Objective: 3.2 Protect judges, witnesses, and other participants in the

federal proceedings by anticipating, deterring and

investigating threats of violence

Budget Decision Unit(s): Construction

Organizational Program: Construction

Component Ranking of Item: 1 of 1

Program Increase: Positions 0 Agt/Atty 0 FTE 0 Dollars \$5,200,000

Description of Item

The USMS requests \$5,200,000 in annual base funding for the USMS Construction appropriation. This increase will allow the USMS to stabilize its multi-year construction plan by supporting new renovation requests received each year while maintaining and repairing facilities that require immediate attention.

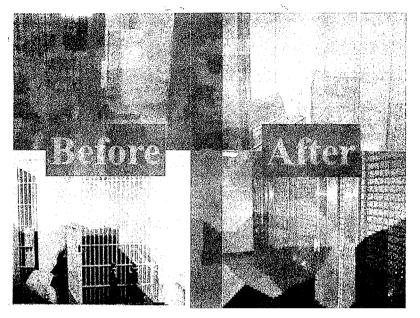
The current base funding of \$9,800,000 addresses only high priority construction and renovation projects throughout the USMS. The USMS currently has a backlog of courthouse renovation projects amounting to approximately \$160,274,000, of which approximately \$50,000,000 is shovel-ready.

Justification

The USMS Management Support Division's Office of Construction Management (OCM) is responsible for the programming, planning, acquisition, budgeting, design, and construction of any space occupied by the USMS. In federal courthouses and other leased federal buildings, the non-judicial portion of the building is what the USMS pays "rent" to the General Services Administration (GSA).

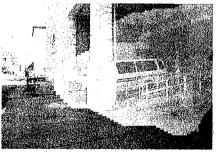
The Construction Appropriation provides funding for construction in space controlled, occupied, or utilized by the USMS for prisoner holding and related support. USMS spaces include vehicle sally ports (secure, controlled entryways), cellblock space (a group of cells used for holding prisoners), attorney/prisoner interview rooms, secure corridors, prisoner elevators, and holding cells adjacent to courtrooms, USMS office space, and special purpose space.

Cellblock Renovations



Pictured above is USMS cellblock space before and after renovations.

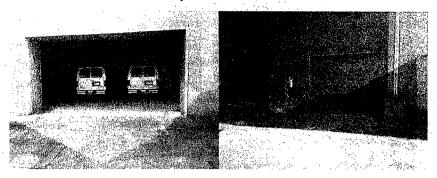
Sally Port Renovations



Sally Port w/ fence blocking sidewalk and illustrating open access to prisoner movement

Before

Sally Port Renovations



After

The USMS occupies over 400 courthouse facilities across the country.

While some of the newer facilities benefit from very positive security features, older courthouses require upgrades. The maintenance of the USMS infrastructure is critical to the safety of judicial officials, courtroom participants, the general public, and USMS personnel.

Current construction project designs focus on: critical needs for courthouse security; space deficiencies; detention safety; rehabilitation of outdated cellblocks; meeting Occupational Safety and Health Administration (OSHA) standards; upgrading the historical buildings, spaces, and obsolete equipment that do not meet current security and safety standards; and supporting the Department-wide footprints and cost reduction initiatives.

The USMS construction projects are currently prioritized into the following seven categories.

- Immediate Life/Safety Request Address critical failures to security, and immediate
 health and/or life safety issues. Examples are failures of the USMS detention locks and
 control systems that may result in prisoner escape; and exposure to contagions such as
 tuberculosis or methicillin-resistant Staphylococcus aureus (MRSA).
- Agency Initiative Follows mandates from senior leadership to address national
 priorities. One example is the freezing of footprint initiative or reduction in space
 projects that allow the USMS to reduce rent while providing sufficient work space.
- 3. Court-Related Addresses the need for new US Courthouses and holding cells for new courtrooms; to upgrade capital security infrastructure that are failing due to age; and to renovate buildings that do not meet current safety and detention standards. These projects are planned and combined with the US Courts to reduce the overall project cost while providing the necessary facility and security improvements needed to protect and support the US Courts.

- Detention Safety Focuses on safety standards for all spaces within the cellblock to include vehicle sally port, courtroom holding cells, interview rooms, and secure corridors.
- 5. Publication 64 Compliance Follows the requirements of Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance and of GSA's Strategic Sustainability Performance Plan. This publication provides construction requirements, specifications, and security product information for the USMS space in federal courthouses and leased spaces.
- Lifecycle Replacement Supports the need to replace vehicle sally port overhead doors; detention doors, locks, and controllers; vault doors and locks; and furniture, paint, and carpeting that are deemed obsolete or have reached end of life cycle, and due to normal wear and tear.
- Office Space Covers all non-detention space renovation to include the squad room, galley, conference rooms, vaults, and storage.

Project scheduling is regulated through a phased and funding availability approach and risk assessment. As a result, the project schedule is a living document that is frequently adjusted based on changes in funding availability and updated risk assessments. The phasing of new courthouses start with conceptual designs, construction documents, actual construction up to project completion. Funding for these projects are provided in multiple years (first year for site survey, second year for design, and third year for construction). Projects are scheduled based on agency need in a given fiscal year, project knowledge, contract progression, project development, relocation schedule, project staffing, funding availability, damage levels caused by natural disasters, mandates through executive orders, and safety concerns due to high threat trials. For older buildings that require major renovation, project plans are phased over a number of fiscal years due to the magnitude of areas that need renovation and limited construction funds available.

Impact on Performance

This initiative supports the Attorney General's Targeted Priority Goal Option #1 – Protecting Americans from National Security Threats. It also supports DOJ Strategic Goal and Objectives under Goal 3 "Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice the Federal, State, Local, Tribal and International Levels" and Objective 3.2 "Protect judges, witnesses, and other participants in the federal proceedings by anticipating, deterring and investigating threats of violence."

The USMS supports this goal through its efforts to stabilize a multi-year construction plan.

With sufficient funding, the USMS will be able to reduce project backlogs, maintain aging facilities, and increase safety and security for judicial officials, courtroom participants, the public, USMS personnel, and prisoners.

Funding

Base Funding

| | FY 2014 Enacted | | | FY 2015 Enacted | | | | FY 2016 Current Services | | | |
|----------|-----------------|-----|----------------|----------------------|------|----------|---------|--------------------------|------|---------|---------|
| Pos | agt/ | FTE | \$(000) | Pos agt/ FTE \$(000) | | | Pos | agt/ | FTE | \$(000) | |
| <u> </u> | atty | | | | atty | | | | atty | | |
| 0 | 0 | 0 | <u>\$9,800</u> | <u>0</u> | 0 | <u>0</u> | \$9,800 | 0 | 0 | 0 | \$9,800 |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------------------|-----------|----------|-------------------------------|---|---|
| Construction | | | \$5,200 | \$0 | \$0 |
| Total Non- | | | | | |
| Personnel | | | \$5,200 | \$0 | \$0 |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 0 | 0 | 0 | \$0 | \$9,800 | \$9,800 | | |
| Increases | 0 | 0 | 0 | \$0 | \$5,200 | \$5,200 | \$0 | \$0 |
| Grand Total | 0 | 0 | 0 | \$0 | \$15,000 | \$15,000 | \$0 | \$0 |

Affected Crosscuts
National Security

VI. Program Decreases by Item

Item Name: A. Program and/or Administrative Savings

Strategic Goals I, II, and III

Strategic Objective: DOJ Objectives 1.1, 2.2, 3.1, 3.2,3.3, and 3.5

Budget Decision Unit(s): Judicial and Courthouse Security

Fugitive Apprehension

Prisoner Security and Transportation

Protection of Witnesses
Tactical Operations

Organizational Program: U.S. Marshals Service

Program Decrease: Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars <u>-\$10,000,000</u>

Description of Item

Program and/or administrative savings.

Justification

Reductions to existing operations and services necessary to pay for increases in existing costs, including pay raises, FERS contributions, and GSA rent, among others. Program and administrative savings, such as those achieved through reducing the physical footprint, bulk purchases, and/or bundling IT investments, will be realized in FY 2016.

Impact on Performance

Performance impact information is not yet available for this program decrease.

Funding

Base Funding

| | FY 201 | 4 Enacte | đ | FY 2015Enacted | | | | FY 2016 Current Services | | | |
|-------|--------|----------|-------------|----------------|--------|-------|-------------|--------------------------|--------|-------|-------------|
| Pos | Agt/ | FTE | \$(000) | Pos | Agt/ | FTE | \$(000) | Pos | Agt/ | FTE | \$(000) |
| | Atty | | | | Atty | | | | Atty | | |
| 5,554 | 4,134/ | 4,924 | \$1,112,069 | 5,554 | 4,134/ | 5,103 | \$1,195,000 | 5,554 | 4,134/ | 5,103 | \$1,234,346 |
| | 19 | | | | 19 | | | | 19 | | |

Non-Personnel Offset Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------------------------|--------------|----------|-------------------------------|---|---|
| Program and/or Administrative Savings | | | -\$10,000 | \$0 | \$0 |
| Total Non-Personnel | | | -\$10,000 | \$0 | \$0 |

Total Decrease for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-------|--------------|-------|----------------------|------------------------------|------------------|--|--|
| Current Services | 5,554 | 4,134/ 19 | 5,103 | \$778,645 | \$455,701 | \$1,234,346 | \$0 | \$0 |
| Decrease | 0 | 0 | 0 | \$0 | -\$10,000 | -\$10,000 | \$0 | \$0 |
| Grand Total | 5,554 | 4,134/ 19 | 5,103 | \$778,645 | \$445,701 | \$1,224,346 | \$0 | \$0 |

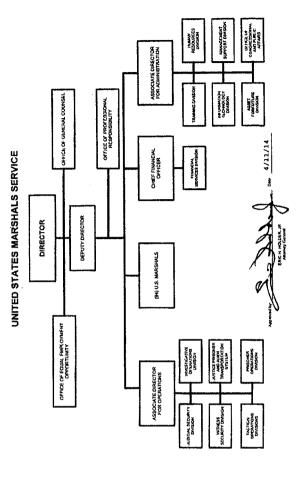


Exhibit A - On ational Chart

B. Summary of Requirements

Summary of Requirements
U.S. Marshals Service
Salaries and Expenses
(Dollars in Thousands)

| | ш | FY 2016 Request | |
|---|-------------|-----------------|-----------|
| | Direct Pos. | Estimate FTE | Amount |
| 2014 Enacted | 5,554 | 4,924 | 1,185,000 |
| Total 2014 Enacted | 5,554 | 4,924 | 1,185,000 |
| 2015 Enacted | 5,554 | 5,103 | 1,195,000 |
| Base Adiustments | | | |
| Pay and Benefits | 0 | o | 17,785 |
| Domestic Rent and Facilities | 0 | 0 | 16,663 |
| Other Adjustments | 0 | 0 | 4,649 |
| Foreign Expenses | 0 | 0 | 249 |
| Total Base Adjustments | 0 | 0 | 39,346 |
| Total Technical and Base Adjustments | 0 | 0 | 39,346 |
| 2016 Current Services | 5,554 | 5,103 | 1,234,346 |
| Program Changes | | | |
| Increases: | | | |
| Adam Walsh Act | 0 | 0 | 4,735 |
| Law Enforcement Safety Training Program | 0 | 0 | 1,500 |
| Subtotal, Increases | 0 | 0 | 6,235 |
| Decreases: | | | |
| Program and/or Administrative Savings | 0 | 0 | -10,000 |
| Subtotal, Decreases | 0 | 0 | -10,000 |
| Total Program Changes | 0 | 0 | -3,765 |
| 2016 Total Request | 5,554 | 5,103 | 1,230,581 |
| 2015 - 2016 Total Change | 0 | 0 | 35,581 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

B. Summary of Requirements

Summary of Requirements
U.S. Marshals Service
Salaries and Expenses
(Dollars in Thousands)

| Program Activity | | 2014 Enacted | ted | | 2015 Enacted | ted | 2016 | Technical | 2016 Technical and Base | 2016 | 2016 Current Services | services |
|------------------------------------|--------|--------------|-----------|--------|-------------------|-----------|--------|-------------------|-------------------------|--------|-----------------------|-----------|
| | | | | | | | | Adjustments | ints | | | |
| | Direct | Actual | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est FTE | Amount |
| | Pos. | FTE | | Pos. | | | Pos | | | Pos. | | |
| Judicial and Court House Security | 2,222 | 1,970 | 458,426 | 2,222 | 2,042 | 461,795 | 0 | o | 13,802 | 2,222 | 2,042 | 475 597 |
| Fugitive Apprehension | 1,744 | 1,546 | 399,353 | 1,744 | 1,602 | 402,681 | Ó | Ö | 11,044 | 1,744 | 1,602 | 413,725 |
| Prisoner Security & Transportation | 1,204 | 1,067 | 251,555 | 1,204 | 1,106 | 253,381 | 0 | 0 | 7,468 | 1,204 | 1,106 | 260,849 |
| Protection of Witnesses | 207 | 184 | 35,399 | 207 | 190 | 35,715 | o | 0 | 1,284 | 207 | 190 | 36,999 |
| Tactical Operations | 177 | 157 | 40,267 | 177 | 163 | 41,428 | 0 | 0 | 5,748 | 177 | 163 | 47,176 |
| Total Direct | 5,554 | 4,924 | 1,185,000 | 5,554 | 5,103 | 1,195,000 | 0 | 0 | 39,346 | 5,554 | 5,103 | 1,234,346 |
| Balance Rescission | | | 0 | | | ō | | | 0 | | | 0 |
| Total Direct with Rescission | | | 1,185,000 | | - | 1,195,000 | | | 39,346 | | | 1,234,346 |
| Reimbursable FTE | | 356 | | | 425 | | | 2 | | | 427 | |
| Total Direct and Reimb. FTE | | 5,280 | | | 5,528 | | | 2 | | | 5,530 | |
| | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 774 | | | 774 | | | 0 | | | 774 | |
| Overtime | | 207 | | | 207 | | | 0 | | | 207 | |
| Grand Total, FTE | | 6,261 | | | 6,509 | | | 2 | | | 6,511 | |

| 2016 Request | Est. FTE Amount | | 2,042 472,738 | 1,602 416,216 | 1,106 259,301 | 190 36,734 | 163 45,592 | 5,103 1,230,581 | | 1,230,581 | 427 | 5,530 | | 774 | 207 | 6.511 |
|------------------|-----------------|------|-----------------------------------|-----------------------|------------------------------------|-------------------------|---------------------|-----------------|--------------------|------------------------------|------------------|-----------------------------|------------|--------|----------|------------------|
| 22 | Direct | Pos. | 2,222 | 1,744 | 1,204 | 207 | 177 | 5,554 | | | | | | | - | |
| ases | Amount | | -3,459 | -2,715 | -1,873 | -321 | -1,632 | -10,000 | 0 | -10,000 | | | | | | |
| 2016 Decreases | Direct Est FTE | | Ó | 0 | ā | 0 | 0 | 0 | | | 0 | 0 | | 0 | 0 | 0 |
| 2 | Direct | Pos. | 0 | 0 | 0 | 0 | 0 | ٥ | | | | | | | | |
| ses | Amount | | 900 | 5,206 | 325 | 56 | 48 | 6,235 | o | 6,235 | | | | | | |
| 2016 Increases | Direct Est. FTE | | ō | 0 | 0 | 0 | Ô | 0 | | | 0 | 0 | | 0 | 0 | 0 |
| 2 | Direct | Pos. | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | | |
| Program Activity | | | Judicial and Court House Security | Fugitive Apprehension | Prisoner Security & Transportation | Protection of Witnesses | Tactical Operations | Total Direct | Balance Rescission | Total Direct with Rescission | Reimbursable FTE | Total Direct and Reimb. FTE | Other FTE: | . LEAP | Overtime | Grand Total, FTE |

B. Sun....ary of Requirements

Summary of Requirements
U.S. Marshals Service
Construction
(Dollars in Thousands)

| | | FY 2016 Request | |
|--------------------------|-------------|-----------------|--------|
| | Direct Pos. | Estimate FTE | Amount |
| 2014 Enacted | 0 | 0 | 6,800 |
| Total 2014 Enacted | 0 | 0 | 9,800 |
| 2015 Enacted | 0 | 0 | 9,800 |
| Base Adjustments | | | |
| 2016 Current Services | 0 | 0 | 9,800 |
| Program Changes | | | |
| Increases: | | | |
| USMS Construction | 0 | 0 | 5,200 |
| Subtotal, increases | 0 | 0 | 5,200 |
| Total Program Changes | 0 | 6 | 5,200 |
| 12016 Total Request | 0 | 0 | 15,000 |
| 2015 - 2016 Total Change | 0 | 0 | 5,200 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

Summary of Requirements U.S. Marshals Service Construction (Dollars in Thousands)

| Program Activity | | 2014 Enacted | ited | | 2015 Enacted | ted | FY 201 | Technica | FY 2016 Technical and Base | 207 | 2016 Current Services | ervices |
|------------------------------|--------|--------------|--------|--------|-----------------|--------|--------|-------------|----------------------------|--------|-----------------------|---------|
| | | | | | | | | Adjustments | nts | | | |
| | Direct | Actual | Amount | Direct | Direct Est. FTE | Amount | Direct | Est. FTE | Direct Est. FTE Amount | Direct | Direct Est. FTE | Amount |
| | Pos. | FTE | | Pos. | | | Pos. | | | Pos | | |
| USMS Construction | 0 | 0 | 9,800 | 0 | 0 | 9,800 | 0 | 0 | 0 | ٥ | 0 | 9.800 |
| Total Direct | 0 | 0 | 008'6 | 0 | 0 | 9,800 | 0 | 0 | 0 | ٥ | 0 | 9,800 |
| Balance Rescission | | | 0 | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 9,800 | | | 6'800 | | | 0 | | | 9,800 |
| Reimbursable FTE | | o | | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 0 | | | 9 | |
| | | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 0 | | | 0 | | | • | | | 9 | |
| | | | | | | | | | | | | |

| Program Activity | | 2016 Increases | 3868 | 2 | 2016 Decreases | ases | | 2016 Request | uest |
|------------------------------|--------|-----------------|--------|--------|-----------------|--------|--------|-----------------|--------|
| | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount | Direct | Direct Est. FTE | Amount |
| | Pos | | | Pos. | | | Pos. | | |
| USMS Construction | 0 | 0 | 5,200 | 0 | 0 | 0 | 0 | 0 | 15,000 |
| Total Direct | ٥ | 0 | 5,200 | 0 | 0 | 0 | ٥ | 0 | 15,000 |
| Balance Rescission | | | 0 | | | 0 | | | |
| Total Direct with Rescission | | | 5,200 | | | 0 | | | 15,000 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | ٥ | |
| | | | | | | | | | |
| Other FTE: | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | ٥ | |
| Overtime | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 0 | | | 0 | | | 0 | |
| | | | | | | | | | |

:

-10,000 ~10,000 Amount

-1,632 -1,632

32

2

Program and/or Administrative

Savingss

Total Program Decreases

C. Program Changes by Decision Unit

FY 2016 Program Increases/Offsets by Decision Unit U.S. Marshals Service Salaries and Expenses (Dolars in Thousands)

| Program Increases | Location of | Judio | Judicial and Court House Security | ur House | Security | | Fugitive A | Fugitive Apprehension | on | Priso | Prisoner Security & Transportation | ty & Trans | sportation |
|--|------------------|--------|-----------------------------------|------------|----------|--------|------------|----------------------------|--------|--------|------------------------------------|-----------------|------------|
| | Description by | Direct | Agt./Atty. Est. FTE | Est. FTE | Amount | Direct | Agt./Atty. | Agt/Atty. Est. FTE | Amount | Direct | Direct Agt./Atty Est. FTE | Est. FTE | Amount |
| | Program Activity | Pos. | | | | Pos. | | | | Pos. | | | |
| Adam Walsh Act | \$2 | 0 | 0 | O | 0 | 0 | 0 | ٥ | 4,735 | 0 | 0 | | |
| Law Enforcement Safety Training Program | 19 | 0 | 0 | 0 | 009 | 0 | 0 | o | 471 | 0 | 0 | 0 | 325 |
| Total Program Increases | | ٥ | 0 | 0 | 900 | 0 | 0 | 0 | 5,206 | ٥ | | | 325 |
| | | | | | | | | | | | | | |
| Program Increases | Location of | | Protection of Witnesses | of Witnes: | ses | | Tactical | Tactical Operations | S | | Total | otal Increases | |
| | Description by | Direct | Agt./Atty. Est. FTE | Est. FTE | Amount | Direct | Agt./Atty. | Agt./Atty. Est. FTE | Amount | Direct | Agt./Atty. Est. FTE | Est. FTE | Amount |
| | Program Activity | Pos | | | | Pos | | | | Pos. | | | |
| Adam Walsh Act | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,735 |
| Law Enforcement Safety Training | 61 | 0 | 0 | 0 | 29 | 0 | 0 | 0 | 48 | 0 | 0 | 0 | 1,500 |
| Total Program Increases | | 0 | 0 | 0 | 56 | 0 | o | 0 | 48 | 0 | | 0 | 6,235 |
| | | | | | | | | | | | | | |
| Program Decreases | Location of | Judic | Judicial and Court House Security | urt House | Security | | Fugitive A | Fugitive Apprehension | ou | Priso | Prisoner Security & Transportation | ty & Trans | portation |
| | Description by | Direct | Agt./Atty. Est. FTE | Est. FTE | Amount | Direct | Agt./Atty. | Agt/Atty. Est. FTE | Amount | Direct | Agt./Alty. Est. FTE | Est. FTE | Amount |
| | Program Activity | Pos. | | | | Pos. | | | | Pos. | | | |
| Program and/or Administrative Savingss | 20 | ٥ | 0 | 0 | -3,459 | 0 | 0 | 0 | -2,715 | 0 | 0 | 0 | -1,873 |
| Total Program Decreases | S | 0 | 0 | 0 | -3,459 | 0 | 0 | 0 | -2,715 | ٥ | Î | | -1,873 |
| | | | | | | | | | | | | | |
| Program Decreases | Location of | | Protection of Witnesses | of Witness | 998 | | Tactical | Factical Operations | s | | Total | Total Decreases | |
| ì | Description by | Direct | Agt./Atty. Est. FTE | Est. FTE | Amount | Direct | Agt./Atty. | Agt./Atty. Est. FTE | Amount | Direct | Agt./Atty. Est. FTE | Est. FTE | Amount |
| | Program Activity | Pos. | | | | Pos. | | | | Pos. | | | |
| | C.F. | ľ | | | ,00 | • | | • | 1 | | | Ĺ | 000 |

Exhibit C - Program Changes by Decision Unit

Exhibit C - Program C* ages by Decision Unit

FY 2016 Program Increases/Decreases by Decision Unit

C. Program Changes by Decision Unit

U.S. Marshals Service Construction

| Program increases | Location of | | USMS Construction | struction | | | Total l | Total Increases | |
|-------------------------|----------------|--------|-------------------------------------|-----------|--------|--------|-----------------------------------|-----------------|--------|
| | Description by | Direct | Direct Agt./Atty. Est. FTE Amount D | st. FTE | Amount | Direct | Direct Agt./Atty. Est. FTE Amount | Est. FTE | Amount |
| | | Pos | | | | Pos. | | | |
| USMS Construction | | 0 | 0 | 0 | 5,200 | 0 | ° | 0 | 5,200 |
| Total Program Increases | | 0 | 0 | 0 | 5,200 | 0 | 0 | 0 | 5,200 |

| | | <u>Q</u> | (Dollars in Thousands) | ands) | | | | | |
|----------------------|-----------------------|----------|------------------------|-------------------|--|--------|------------|-----------------|-----|
| Program Increases | Location of | | USMS C | USMS Construction | - | | Total I | Total Increases | 1 1 |
| | > | Direct | Agt./Atty. | Est. FTE | Direct Agt./Atty. Est. FTE Amount Direct Agt./Atty. Est. FTE | Direct | Agt./Atty. | Est. FTE | |
| | Program Activity Pos. | Pos. | | | | Pos. | | | |
| Construction | 65 | 0 | 0 | 0 | 5,200 | 0 | 0 | 0 | |
| Taked Danaman Income | | | • | • | 5 200 | _ | _ | _ | |

Resources by Department of Justice Strategic Goal and Objective U.S. Marshals Service States and Expenses (Dollars in Thousands)

D. Resources by DOJ Stragetic Goal and Strategic Objective

| Strategic Goal and Strategic Objective | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 Sei | 2016 Current Services | 2016 | 2016 Increases | 2016 | 2016 Decreases | 2016 To | 2016 Total Request |
|--|--------------------------|------------------|--------------------------|------------------|--------------------------|--------------------------|--------------------------|------------------|--------------------------|------------------|--------------------------|--------------------|
| | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount |
| Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law 1. Prevent, disrupt, and defeat terrorist operations before they cocur by integrating intelligence and law entorcement efforts to achieve a coordinated response to terrorist threats. | 388 | 103,726 | 391 | 101,120 | 391 | 106,460 | 0 | 0 | 0 | C | 391 | 106,460 |
| Subtotal, Goal 1 | 398 | 103,726 | 39.1 | 101,120 | 391 | 106,460 | • | - | • | • | 394 | 106,460 |
| Goal 2 Prevent crime, protect the rights of the American people, and surface federal tow. 2. Prevent and intervene in crimes against vulnerable populations and unbold the dights of, and improve services to America's crime victims. | 211 | 55,435 | 211 | 55,733 | 211 | 56,103 | 0 | 4,735 | o | 0 | 211 | 60,838 |
| Subtotal, Goal 2 | 211 | 55,435 | 21 | 55,733 | 211 | 56,103 | • | 4,735 | • | 0 | 211 | 60,838 |
| Gool 3 Ensure and support the fair, impartial, efficient, and transparent administration of justice at the federal, state, local, triba, and international levels 3.1 Promote and strengthen relationships and strategies for the administration of lustice with law enforcement agencies, organizations, prosecutors, and defenders, through innovative leadership and programs. | 37 | | | 17,926 | | | | 0 | | | | 18,205 |
| 3.2 Protect judges, witnesses, and other participants in federal proceedings by anticipating, deterring, and investigating threats of violence. | 2,117 | 430,366 | 2,125 | 437,818 | 2,127 | 453,312 | 6 | 704 | - | | 2,127 | 448,604 |
| 3.3 Provide safe, secure, humane, and cost effective confinement and transportation of federal detainees and immales. | 1,106 | 251,555 | 1,106 | 253,381 | 1,106 | 260,849 | 6 | 325 | ٥ | -1,873 | 1,106 | 259,301 |
| 3.5 Apprehend fugitives to ensure their appaarance for federal judicial proceedings or confinement. | | | | 329,022 | | | | 471 | | | | 337,173 |
| Subtotal, Goal 3 | 4,918 | - | 4,926 | 1,038,147 | 4,928 | | • | 1,500 | • | | | 1,063,283 |
| TOTAL | 5,528 | 1,185,000 | 5,528 | 1,195,000 | 5,530 | 1,234,346 | ٥ | 6,235 | 0 | -10,000 | 5,530 | 1,230,581 |

D. Resources by DOJ Stragetic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal and Objective U.S. Marchiel Service Construction (Construction (Collers in Thousands)

| Strategic Goal and Strategic Objective | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 | 2016 Current | | 2016 Increases | | 2016 Decreases 2016 Total Request | 2016 To | tal Request |
|--|--------------------------|------------------|--------------------------|--------------|--------------------------|--------------|--------------------------|----------------|--------------------------|-----------------------------------|--------------------------|------------------|
| | | | | | Sei | Services | | | | | | |
| | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct | Direct & Reimb FTE | Direct | Direct & Relmb FTE | Direct | Direct & Reimb FTE | Direct Amount | Direct & Reimb FTE | Direct Amount |
| Goal 3 Ensure and support the fair, impartial, efficient, and | | | | | | | | | | | | |
| transparent administration of justice at the federal, state, | | | | | | | | | | | | |
| local, tribal, and international levels | _ | | | | | | | | | | | |
| 3.2 Protect judges, witnesses, and other participants in federal | ٥ | 6 | 0 | 9,800 | 0 | 9,800 | ^ | 5,200 | 0 | 0 | 0 | 15,000 |
| proceedings by anticipating, deterring, and investigating threats of violence. | | | | | | | | | | | | |
| Subtotal, Goal 3 | • | • | - | 9,800 | • | 9,800 | • | 5,200 | 0 | 0 | 0 | 15,000 |
| ITAL | ^ | | • | 000 | ٥ | 0000 | ١ | 2000 | • | | • | 15,000 |

E. Justincations for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

| | Direct Pos. | Estimate FTE | Amount |
|---|----------------|-----------------|--------|
| Pay and Benefits | | | |
| 1 2016 Pay Raise This request provides for a proposed 1.3 percent pay raise to be effective in January of 2016. The amount request, \$6,825, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$4,656 for pay | 0 | 0 | 6,825 |
| and \$2,169 for benefits.) 2 Annualization of 2015 Pay Raise This pay annualization represents first quarter amounts (October through December) of the 2015 pay increase of 1,0 percent included in the 2015 President's Budget. The amount requested \$1,657, represents the pay | 0 | 0 | 1,657 |
| amounts for 1/4 of the fiscal year plus appropriate benefits (\$1,150 for pay and \$527 for benefits). 3 Changes in Compensable Days The increased cost for one more compensable day in FY 2016 (262) compared to FY 2015 (261) is calculated by dividing the FY 2015 estimated personnel compensation \$516,774 and applicable benefits \$187,062 by 261 | 0 | 0 | 2,689 |
| Outpelisable tays. 4 <u>Employees Compensation Fund</u> The -\$427 request reforms anticipated changes in payments to the Department of Labor for injury benefits under the England Employee Compensation Δου | 0 | 0 | 427 |
| are redata Linguyge Compensation Pol. 5 <u>FERS Rata Lincasse</u> 5 <u>FERS Rata Lincasses</u> Ffective October 1, 2015 (FY 2016), the new agency contribution rates of 13.2% (up from the current 11.9%, or an increase of 1.3%) and 28.8% for law enforcement personnel (up from the current 26.3%, or an increase of 2.5%). The amount requested 55.85% represents the funds needed to cover this increase. | 0 | - o | 5,855 |
| 6 Health Insurance Effective January 2016, the component's contribution to Federal employees' health insurance increases by 3.2 percent Annied analist the 2015 etimale of \$21 969 the additional amount required is \$703. | 0 | 0 | 703 |
| Agency relifement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 1.3 percent per year. The requested increase of \$483 is necessary to make our increase of strangard relifements as a result of this conversion. | 0 | 0 | 483 |
| ineet our increased remement obligations as a result of this conversion. Subtotal, Pay and Benefits | 0 | 0 | 17,785 |

Exhibit E. Justifications for Technical and Base Adjustments

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

| | Direct Pos. | Estimate FTE | Amount |
|--|----------------|-----------------|--------|
| Domestic Rent and Facilities | | | |
| 1 GSA Rent CEA will continue to about control rates that assessionate these abouted to commercial bounds for continual and | 0 | 0 | -896 |
| GOA WILL COLLINIOR TO CARLYE TOTAL A REPUBLICATION CALLADARY OF COLLINIOR CALLADARY OF SHAREST TO ENGINEER OF SERVICES. THE REQUESTED TO EXPRESSE IS REQUIRED TO THE COMMITTEMENT TO GOA. THE CARLADARY OF THE SERVICES AND THE CARLADARY OF THE SERVICES AND THE SER | | | |
| inventory data, including rate increases to be effective FY 2015 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provides data on the | | | |
| rate increases. | | C | 270 |
| This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective | ······ | | 5 |
| Service charges and other secunity services across the counity. The requested increase of \$3/8 is required to meet these commitments. | | | |
| 3 Moves - FY 2016 | 0 | 0 | 17,181 |
| GSA requires all agencies to pay relocation costs associated with lease expirations. This request provides for the costs associated with new office relocations caused by the contration of leases in EV 2018. | | | |
| Subtotal, Domestic Rent and Facilities | 0 | 0 | 16,663 |
| Other Adjustments | | | |
| 1 Legacy Radio O&M | - | 0 | 4,649 |
| In FY 2013, the funding for the Department's Radio/Interoperability program was realigned. This change generated savings and allowed the Department to increase our investments in improved technology and | | | |
| interoperability. As part of the realignment, base operations and maintenance (O&M) funding for radios was transferred back to components. In order to fully fund the O&M requirements an ATB increase of \$4.649 is | | | |
| requested for the USMS. | | | |
| Subtotal, Other Adjustments | | 0 | 4,649 |
| Foreign Expenses | | | |
| 1 Capital Security Cost Sharing | 0 | 0 | -160 |

Exhibit E. Justifications for Tr. 'rical and Base Adjustments

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

| | | 32 | 36 | 49 | 292 | 249 | 46 |
|----------|---|------------------------------|---|--|---|----------------------------|---|
| | | | | | | ri . | 39,346 |
| FTE | | 0 | 0 | 0 | 0 | 0 | 0 |
| Pos. FTE | | 0 | 0 | 0 | 0 | • | 0 |
| | Per P.L. 108-447 and subsequent acts, all agencies, with personnel overseas subject to chief of mission authority, shall participate and provide funding in advance for their share of costs of providing new, safe, secure U.S. diplomatic facilities, without offsets, on the basis of the total overseas presence of each agency, as determined by the Secretary of State. Originally authorized for FY 2000-2004, the program has been extended annually by OMB and Congress and has also been expanded beyond new embassy construction to include maintenance and renovation costs of the new facilities. For the purpose of this program, State's personnel totals for DOJ include current and projecting staffing. The estimated cost to the Department, as provided by State, for FY 2016 is TBD. The USMS currently has 15 positions overseas, and funding of -\$160 is requested for this | 2 <u>Education Allowance</u> | For employees stationed abroad, components are obligated to meet the educational expenses incurred by an employee in providing adequate elementary (grades K-8) and secondary (grades 9-12) education for dependent children at post. \$32 reflects the increase in cost to support existing staffing levels. 3 Foreign Affairs Counter-Threat (FACT) Training The FACT Training costs are developed using the number of personnel requiring the training, multiplied by estimated training costs and travel costs. This ATB may be adjusted the State Department certify that existing | raining for DCJ personnel satisfies the FAC i requirement. 4 <u>Government Leased Quarters (GLQ)</u> GLQ is a program managed by the Department of State (DOS) and provides government employees stationed | overseas with housing and utilities. DOS exercises authority for leases and control of the GLQs and negotiates the lease for components. \$49 reflects the change in cost to support existing staffing levels. 5 <u>ICASS</u> The Department of State charges agencies for administrative support provided to staff based overseas. Charges are determined by a cost distribution system. The FY 2016 request is based on the projected FY 2015 bill for post invoices and other ICASS costs. [CRM, USMS, FBI, DEA, ATF, CIV only] | Subtotal, Foreign Expenses | TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS |

Exhibit E. Justifications for Technical and Base Adjustments

E. Justifications for Technical and Base Adjustments

Justifications for Technical and Base Adjustments U.S. Marshals Service Salaries and Expenses (Dollars in Thousands)

| | | Direct | Direct Estimate | Amount |
|---------------------------------|--|--------|-----------------|--------|
| | | Pos. | FTE | |
| ATB Reimbursable FTE Changes | | | | |
| ATB Reimblysable FTE Adjustment | | 0 | 2 | |
| | Subtotal, ATB Reimbursable FTE Changes | 0 | 2 | |

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability U.S. Marshals Service

Salaries and Expenses (Dollars in Thousands)

| Program Activity | | FY 2014 Enacted | acted | Reprog | ramming | Reprogramming/Transfers | Carryover Recoveries/ | Recoveries/ Refunds | Œ | FY 2014 Availability | ability |
|------------------------------------|--------|-----------------|-----------|--------|---------|-------------------------|-----------------------|------------------------|--------|----------------------|-----------|
| | Direct | Actual | Amount | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount |
| | Pos | FTE | | Pos. | 벁 | | | | Pos. | FTE | |
| Judiclal and Court House Security | 2,222 | 1,970 | 458,426 | 0 | 0 | 5,002 | 4,542 | 2,470 | 2,222 | 1,970 | 470,440 |
| Fugitive Apprehension | 1,744 | 1,546 | 399,353 | 0 | 0 | 5,031 | 4,742 | 1,957 | 1,744 | 1,546 | 411,083 |
| Prisoner Security & Transportation | 1,204 | 1,067 | 251,555 | 0 | 0 | 2,709 | 2,460 | 1,338 | 1,204 | 1,067 | 258,062 |
| Protection of Witnesses | 207 | 184 | 35,399 | 0 | To | 465 | 423 | 230 | 202 | 184 | 36,517 |
| Tactical Operations | 177 | 157 | 40,267 | 0 | 0 | 399 | 963 | 197 | 177 | 157 | 41,226 |
| Total Direct | 5,554 | 4,924 | 1,185,000 | 0 | 0 | 13,606 | 12,530 | 6,192 | 5,554 | 4,924 | 1,217,328 |
| Balance Rescission | | | Ö | | | Ö | 0 | 0 | | | 0 |
| Total Direct with Rescission | | | 1,185,000 | | | 13,606 | 12,530 | 6,192 | | | 1,217,328 |
| Reimbursable FTE | | 356 | | | 0 | | | | | 356 | |
| Total Direct and Reimb, FTE | | 5,280 | | | 0 | | | | | 5,280 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | | |
| LEAP FTE | | 774 | | | 0 | | | | | 774 | |
| Overtime | | 207 | | | 0 | | | | | 202 | |
| Grand Total ETE | | R 284 | | | - | | | | | 6 261 | |

Reprogramming/Transfers:

Transfers amounting to \$13,606,255 are comprised of actual unobligated balance and appropriation transfers.

Vear (15-1314-0324) from HIDTA (11-1314-1070); and \$12,500,000 to SRE No-Year (15-X-0324) from prior year SRE appropriations (\$10,000,000 from 15-13-0324, \$2,000,000 from 15-13-0324) Unobligated transfer out includes -\$107,288 from S&E Multi-Year (15-1314-0324) to High Intensity Drug Trafficking Area (HIDTA 11-1314-1070). Transfers in include \$65,000 to S&E Multi-0324, and \$500,000 from 15-11-0324).

Appropriation transfer includes \$1,148,543 to the USMS (15-1415-0324) from HIDTA (11-1415-1070).

Carryover:

Unabligated balances brought forward amounting to \$12,529,664 include \$1,180,276 from HIDTA (11-1314-1070) and \$11,349,388 from S&E No-Year (15-X-0324).

Recoveries/Refunds:

Recoveries from prior year obligations of \$2,326,467 from S&E No-Year (15-X-0324) include \$2,307,110 to support information technology enhancements, and \$19,357 from HIDTA (11-1314-1070) for HIDTA task force-related activities. Sources from Refunds and other collections of \$3,865,770 include Service of Process Fees, Visa Rebates, Proceeds from Vehicle Sales, Purchase Refunds, and Commissions.

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability

U.S. Marshals Service Construction (Dollars in Thousands)

| Construction Direct Pos. FTE Pos. Amount Pres. Amount Pres. Amount Pres. Amount Pres. Amount Pres. Amount Pres. Amount Pres. Amount Pres. Amount Pres. Amount Pres. Direct Pres. Pos. Pres. <th< th=""><th>Program Activity</th><th></th><th>2014 E</th><th>2014 Enacted</th><th>Repro</th><th>gramming</th><th>/Transfers</th><th>Carryover</th><th>Reprogramming/Transfers Carryover Recoveries/</th><th></th><th>2014 Availability</th><th>bility</th></th<> | Program Activity | | 2014 E | 2014 Enacted | Repro | gramming | /Transfers | Carryover | Reprogramming/Transfers Carryover Recoveries/ | | 2014 Availability | bility |
|---|----------------------------|--------|--------|--------------|--------|----------|------------|-----------|---|--------|-------------------|--------|
| Oirect Notual Pois. Actual | | | | | | | | | Refunds | | | |
| Construction Pos. FTE Pos. FTE Pos. FTE Pos. Construction 0 | | Direct | Actua | L | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount |
| Construction 0 0 9,800 0 0 824 Secission 0 0 0 0 824 secission 0 0 0 0 t with Rescission 0 0 824 ursable FTE 0 0 824 inect and Reimb. FTE 0 0 824 AP FTE 0 0 6 AP FTE 0 0 0 edition 0 0 0 continue 0 0 0 | | Pos. | H | | Pos. | FTE | | | | Pos. | FTE | |
| Section Column | USMS Construction | | | 008'6 | 0 | 0 | 0 | 824 | | 0 | 0 | 12,113 |
| ssion 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Total Direct | | | 0 9,800 | 0 | 0 | 0 | 824 | | 0 | 0 | 12,113 |
| cission 9,800 0 824 Reinb. FTE 0 0 624 Reinb. FTE 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | nce Rescission | _ | | 0 | | | 0 | 0 | 0 | | | 0 |
| Veimbursable FTE 0 0 0 Otal Direct and Reimb. FTE 0 0 0 Dihar FTE: 0 0 0 LEAP FTE 0 0 0 Shand Total. FTE 0 0 0 | Direct with Rescission | | | 008'6 | | | 0 | 824 | Ì | | | 12,113 |
| Otal Direct and Reimb. FTE 0 0 Where FTE: 0 0 LEAP FTE 0 0 Overline: 0 0 Pand Total: FTE 0 0 | Reimbursable FTE | | | 0 | | 0 | | | | | 0 | |
| Where FTE: Constitution LEAP FTE: 0 Overline: 0 Shand Total: FTE: 0 | otal Direct and Reimb. FTE | | | 0 | | 0 | | | | | ō | |
| Wher FTE: 0 0 LEAP FTE 0 0 Overline 0 0 nand Total: FTE 0 0 | | | | | | | | | | | | |
| LEAP FTE 0 0 Overline Stand Total, FTE 0 0 | Other FTE: | | _ | | | | | | | | | |
| Overlime 0 0 0 0 20 20 20 20 20 20 20 20 20 20 2 | LEAP FTE | | | 0 | | 0 | | | | | 0 | |
| shand Todal, FTE 0 0 | Overtime | _ | | 0 | | 0 | | | | | 0 | |
| | Grand Total, FTE | | _ | 0 | | 0 | | | | | 0 | |

Carryover:

Unobligated Balances of \$823,618 carried over from Construction No-Year (15-X-0133).

Recoveries/Refunds:

Recoveries from prior year obligations amount to \$1,078,062 from Construction No-Year (15-X-0133) and other collections of \$410,913 from refunds, for a total of \$1,488,975 to support courthouse renovation and related costs.

G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability U.S. Marshals Service

Salaries and Expenses (Dollars in Thousands)

| Program Activity | - | FY 2015 Enacted | acted | Reprog | Iramming | Reprogramming/Transfers | Carryover | Carryover Recoveries/ | FY | FY 2015 Availability | lability |
|------------------------------------|--------|-----------------|-----------|--------|----------|-------------------------|-----------|-----------------------|--------|----------------------|-----------|
| | | | | | | | | Refunds | | | |
| | Direct | Estim. | Amount | Direct | Actual | Amount | Amount | Amount | Direct | Actual | Amount |
| | Pos. | FTE | | Pos. | F | | | | Pos. | FE | |
| Judicial and Court House Security | 2,222 | 2,042 | 461,795 | 0 | 0 | 8,003 | 3,449 | 3,931 | 2,222 | 2,042 | 477,178 |
| Fugitive Apprehension | 1,744 | 1,602 | 402,681 | 0 | 0 | 6,391 | 3,657 | 2,536 | 1.744 | 1.602 | 415.265 |
| Prisoner Security & Transportation | 1,204 | 1,106 | 253,381 | 0 | 0 | 4,335 | 1,868 | 1,723 | 1,204 | 1,106 | 261,307 |
| Protection of Witnesses | 207 | 190 | 35,715 | 0 | 0 | 744 | 321 | 296 | 207 | 190 | 37.076 |
| Tactical Operations | 177 | 163 | 41,428 | 0 | 0 | 639 | 276 | 254 | 1771 | 163 | 42,597 |
| Total Direct | 5,554 | 5,103 | 1,195,000 | 0 | 0 | 20,112 | 9,571 | 8,740 | 5,554 | 5,103 | 1,233,423 |
| Balance Rescission | | | 0 | | | Ö | 0 | 0 | | | 0 |
| Total Direct with Rescission | | | 1,195,000 | | | 20,112 | 9,571 | 8,740 | | | 1,233,423 |
| Reimbursable FTE | | 425 | | | O | | | | | 425 | |
| Total Direct and Reimb. FTE | | 5,528 | | | o | | | | | 5.528 | |
| | | | | | | | | | | | |
| Other FTE: | _ | | | | | | | | | | |
| LEAP FTE | | 774 | | | 0 | | | | | 774 | |
| Overtime | | 207 | | | 0 | | | | | 202 | |
| Grand Total, FTE | | 605'9 | | | 0 | | | | | 6.509 | |

Reprogramming/Transfers:

fransfers amounting to \$20,112,182 are comprised of actual and anticipated unobligated balance and appropriation transfers.

Net actual unobligated balance transfers are \$5,112,182. Transfers in include \$112,182 to S&E Mult-Year (15-1415-0324) from HIDTA (11-1415-1070); and \$5,000,000 to S&E No-Year (15-X-0324) from a prior year S&E appropriation (15-13-0324). Anticipated unobligated balance transfers to S&E No-Year (15-X-0324) from prior year S&E appropriations amount to \$15,000,000.

Carryover:

Unobligated balances brought forward include \$950,795 from HIDTA (11-1415-1070) and \$8,619,709 from S&E No-Year (15-X-0324).

Recoveries/Refunds:

Recoveries from prior year obligations are estimated at \$3,000,000 from S&E No-Year (15-X-0324) as reported in the FY 2015 Spend Plan under Section 210 Notification, to fil gaps in mission critical areas, and \$40,000 from S&E Multi-Year (15-1415-0324). Sources from Refunds and other collections estimated at \$5,700,000 include Service of Process Fees, Visa Rebates, Proceeds from Vehicle Sales, Purchase Refunds, and Commissions.

G. Crosswalk of 2015 Availability

Crosswalk of 2015 Availability

U.S. Marshals Service Construction (Dollars in Thousands)

| | | | | | | | | | 18 | A A Samuel | 1.5114. |
|--|---|---------------|--------|--------|----------|---|-----------|------------------------|------|-------------------|---------|
| Program Activity | | 2015 Enacted | cted | Repro | gramming | Reprogramming/Transfers Carryover Recoveries/ | Carryover | Recoveries/ Refunds | 3 | ZU15 AVallability | Dillity |
| | Direct | Direct Actual | Amount | Direct | Actual | Amount | Amount | Amount | | Actual | Amount |
| | Pos. | FIE | | Pos. | FTE | | | | Pos. | | |
| LICATE Construction | c | C | 9.800 | 0 | 0 | O | 2,345 | 2,000 | 0 | 0 | 14,145 |
| TOTAL CONTROL OF THE PARTY OF T | ֓֞֜֝֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓ | - | 9 800 | - | 0 | 0 | 2,345 | 2,000 | 0 | 0 | 14,145 |
| i otal Direct | <u>`</u> | ì | | | | | | 0 | | | 0 |
| Balance Rescission | | | 5 | | | | | | - | | 44.445 |
| Total Direct with Rescission | _ | | 9,800 | | | 0 | 2,345 | 2,000 | | ľ | 14,140 |
| Reimbursable FTE | | O | | | 0 | | | | | 5 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | | | 0 | |
| | | | | | | | | | | | |
| Other FTE: | | | | | | | | | | 0 | |
| LEAP FTE | | 0 | | | 0 | | | | | 5 0 | |
| Overtime | | 0 | | | 0 | | | | | 5 0 | |
| Grand Total, FTE | | 0 | | | • | | | | | | |

Carryover:

Unobligated Belances that were carried over from FY 2014 include \$2,345,038 from Construction No-Year (15-X-0133) for construction purposes which are consistent with the manner in which funding was originally appropriated.

Recoveries/Refunds:

Recoveries from Prior Year obligations are estimated at \$2,000,000 from Construction No-Year (15.X-0133) as reported in the FY 2015 Spand Plan under Section 210 Notification, for construction purposes which are consistent with the manner in which funding was originally appropriated.

Summary of Reimbursable Resources

H.. Summary of Reimbursable Resources

| Collections by Source | | 2014 Actual | ual | | 2015 Estimate | nate | | 2016 Request | uest | lnc | Increase/Decrease | rease |
|--|--------|-------------|--------|--------|---------------|--------|--------|--------------|--------|--------|-------------------|--------|
| • | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount |
| | Pos. | FTE | | Pos. | H H | • | Pos. | FTE | | Pos. | FTE | |
| Administrative Office of the U.S Courts | 72 | 28 | 200 | 72 | 72 | 400 | 72 | 72 | 400 | 0 | 0 | 0 |
| Asset Forfeiture Fund | 254 | 207 | 0 | 254 | 254 | 0 | 254 | 254 | 0 | 0 | 0 | 0 |
| Centers for Disease Control | 98 | 32 | 7,207 | 36 | 36 | 9,300 | 36 | 36 | 9,300 | 0 | 0 | 0 |
| Department of Defense | 0 | 0 | 2,679 | 0 | 0 | 200 | 0 | 0 | 200 | 0 | 0 | 0 |
| Department of Homeland Security | 0 | 0 | 602 | 0 | 0 | 1,128 | 0 | 0 | 1,128 | 0 | 0 | 0 |
| Department of Justice | 2 | 2 | 3,747 | 2 | 2 | 5,084 | 3 | 3 | 5,084 | 1 | 1 | 0 |
| Department of State | 0 | 0 | 6,564 | 0 | 0 | 1,700 | 0 | 0 | 1,700 | 0 | 0 | 0 |
| U.S Tax Court | 3 | 3 | 2,339 | 3 | 3 | 2,354 | 3 | 3 | 2,354 | 0 | 0 | 0 |
| Federal Bureau of Investigation | € | 3 | 1,255 | 9 | 3 | 1,572 | 3 | 3 | 1,572 | 0 | 0 | 0 |
| Federal Law Enforcement Training | 0 | 0 | 8 | 0 | 0 | 30 | 0 | 0 | 30 | 0 | 0 | 0 |
| Center | | | | | | | | | | | | |
| Office of National Drug Control Policy | 8 | 8 | 876 | 8 | 8 | 915 | 8 | ω | 915 | 0 | 0 | Ö |
| Organized Crime Drug Enforcement | 14 | 36 | 8,150 | 41 | 40 | 6,637 | 42 | 41 | 9,637 | Ψ- | - | 0 |
| Task Force | | | | | | | | | | | | |
| Service of Process | 2 | 7 | ي. 0 | 7 | 7 | 750 | 7 | 7 | 750 | 0 | 0 | 0 |
| U.S. Attorneys | 0 | 0 | 2,030 | 0 | 0 | 2,800 | 0 | 0 | 2,800 | 0 | 0 | 0 |
| Various Federal Sources | 0 | 0 | 0 | 0 | 0 | 2,450 | 0 | 0 | 2,450 | 0 | 0 | 0 |
| Administrative Office of the U.S. Courts | 0 | 0 | 0 | 0 :: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Budgetary Resources | 426 | 356 | 35,657 | 426 | 425 | 38,620 | 428 | 427 | 38,620 | 2 | 2 | 0 |

| Obligations by Program Activity | | 2014 Actual | ler | | 2015 Estimate | nate | ., | 2016 Request | est | Ē | ncrease/Decrease | crease |
|------------------------------------|--------|-------------|--------|--------|---------------|--------|--------|--------------|--------|--------|------------------|--------|
| | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | Reimb. | Amount |
| | Pos. | FIE | | Pos. | 댎 | | Pos. | FTE | | Pos. | FTE | |
| Judicial and Court House Security | 83 | 69 | 5,920 | 83 | 83 | 10,990 | 85 | 85 | 10,990 | 2 | 2 | 0 |
| Fugitive Apprehension | 305 | 253 | 9,854 | 305 | 304 | 12,603 | 305 | 304 | 12,603 | 0 | 0 | 0 |
| Prisoner Security & Transportation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Protection of Witnesses | 1 | 1 | 358 | 1 | 1 | 1,103 | 1 | - | 1,103 | 0 | 0 | 0 . |
| Tactical Operations | 37 | 33 | 19,525 | 37 | 37 | 13,924 | 37 | 37 | 13,924 | 0 | 0 | 0 |
| Budgetary Resources | 426 | 356 | 35,657 | 426 | 425 | 38,620 | 428 | 427 | 38,620 | 2 | 2 | 0 |

Note: MAX A-11 reflects approximately \$40 million in reimbursable resources for FY 2015 and FY 2016. Current negotiations with the Department of State reduced the total estimate by approximately \$1 million.

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category U.S. Marshals Service Salantes and Expenses (Dollars in Thousands)

| Category | 2014 E | 2014 Enacted | 2015 Enacted | nacted | | | 2016 Request | | |
|---|-------------|--------------|--------------|--------------|------|----------------------|----------------------|----------------------|----------------------|
| | Direct Pos. | Reimb. Pos. | Direct Pos. | Reimb. Pos. | ATBs | Program Increases | Program Decreases | Total Direct Pos. | Total Reimb. Pos. |
| Miscellaneous Operations (001-099) | 32 | 0 4 | 8 % | 0 30 | 0 0 | 0 | o c | 6 | 0 4 |
| Social Science, Psychology, Welfare (0100-0199) | 3 43 | 30 | , ro | 30 | 0 0 | - | 0 | , r | 10 |
| Intelligence Series (132) | 47 | m | 47 | ਨ | ō | • | 0 | 47 | n |
| Personnel Management (0200-0260) | 43 | n | 43 | 6 | ō | 0 | 6 | 43 | 6 |
| Clerical and Office Services (0300-0399) | 799 | 117 | 799 | 117 | ō | 0 | 0 | 799 | 117 |
| Accounting and Budget (500-599) | 136 | 16 | 136 | 16 | ō | 0 | O | 136 | 16 |
| Medical, Dental & Public Health (600-799) | 3 | _ | 6 | - | ō | 0 | 0 | 8 | _ |
| Engineering and Architecture Group (800-899) | 2 | 2 | 2 | 2 | 0 | 0 | 6 | 2 | N |
| Architects | 6 | 0 | 8 | 0 | ō | 0 | ō | e | 0 |
| Paralegals / Other Law (900-998) | Ψ- | Ó | 0 | 0 | ō | 0 | 6 | 0 | 0 |
| Attorneys (905) | 19 | e | 19 | 6 | õ | 0 | 0 | 19 | ო |
| Information & Arts (1000-1099) | 12 | - | 12 | 0 | Ö | 0 | 0 | 12 | 0 |
| Paralegal Specialist (0950) | 0 | 0 | - | 0 | ō | 0 | 6 | - | 0 |
| Business & Industry (1100-1199) | 97 | 84 | 97 | 8 | ō | 0 | 0 | 97 | 84 |
| Mathematics and Statistics Group | 9 | 0 | n | 0 | Õ | 0 | 0 | 8 | 0 |
| Equipment/Facilities Services (1600-1699) | 4 | 0 | 4 | 0 | o | 0 | 0 | 4 | 8 |
| Misc.Inspectors/Investigative Assistants (1802) | 114 | 0 | 114 | 0 | ō | 0 | 0 | 114 | 0 |
| Criminal Investigative Series (1811) | 4,134 | 169 | 4,134 | 169 | ō | 0 | 0 | 4,134 | 171 |
| Transportation (2100-2199) | 9 | 0 | 9 | - | Ó | 0 | 0 | 9 | 0 |
| Information Technology Mgmt (2210-2299) | 97 | က | 97 | eo | Ó | 0 | ٥ | 97 | m |
| Total | . 5,554 | 426 | 5,554 | 426 | 0 | 0 | 0 | 5,554 | 428 |
| Headquarters Washington D.C. | 121 | 157 | 721 | 157 | ō | 0 | Õ | 721 | 157 |
| US Fields | 4,816 | 266 | 4,816 | 266 | Õ | 0 | 0 | 4,816 | 268 |
| Foreign Field | 17 | e | 17 | m | ō | 0 | 0 | 17 | 6 |
| Total | 2,554 | 426 | 5.554 | 426 | P | 0 | 0 | 5.554 | 428 |

Footnote: Foreign Field Office Reimbursable positions are supporting Plans Columbia, Menda/CARSI, and Niger

Financial Analysis of Program Changes U.S. Marshals Service Salatine and Expenses (Dalastin mousands)

| Grades | υľ | dicial and Co. | Judicial and Court House Security | urlty | | Fugitive A | Fugitive Apprehension | | Pr | Prisoner Security & Transportation | & Transported | uo |
|---|------------|-------------------|-----------------------------------|-----------|-------------|-------------------|-----------------------|-------------------|------------|------------------------------------|---------------|-------------------|
| | Program | Program Increases | Program Decreases | Decreases | Program | Program Increases | Program | Program Decreases | Program | Program Increases | Program | Program Dacreases |
| | Direct Pos | Amount | Direct Pos | Amount | Direct Pos. | Amount | Oirect Pos | Amount | Olrect Pos | Amount | Direct Pos | Amount |
| No grades | | _ | • | | 0 | | 0 | Ð | | | 0 | |
| Total Positions and Annual Amount | | - | | ٦ | 0 | ٥ | ۰ | 0 | | 6 | 0 | |
| Lapse (-) | | | ° | | 0 | ٥ | 0 | P | | Ĭ. | 0 | |
| 11.5 - Other personnel compensation | | ľ | | | | 0 | | 0 | | | 0 | |
| Total FTEs and Personnel Compensation | | - | ٥ | ٦ | 0 | | - | 0 | | - | 0 | |
| 21.0 - Travel and transportation of persons | | 160 | | 380 | | 126 | | -298 | | 8 | 87 | 20 |
| 22 0 - Transportation of things | | 0 | | -22 | | ٥ | | -18 | | | 0 | Ť |
| 23.2 - Rental payments to others | | 0 | | 101 | | ٥ | | -82 | | | 0 | , |
| 23.3 - Communications, utilities, and miscellaneous charges | | 0 | | -532 | | 0 | | 418 | | | 0 | -28 |
| 25.1 - Advisory and assistance services | | 0 | | -851 | | ٥ | | 0 | | | 0 | |
| 25.2 - Other services from non-federal sources | | 312 | | 517 | | 4,980 | | -331 | | 95 | 6 | -22 |
| 25 3 - Other goods and services from federal sources | | _ | | -1,303 | | o | | -1 023 | | | io | -70 |
| 25 4 - Operation and maintenance of facilities | | Ĺ | | 308 | | 0 | | -172 | | | | - |
| 25.7 - Operation and maintenance of equipment | | 0 | | | | 0 | | 0 | | L | 0 | |
| 26.0 - Supplies and materials | | 0 | | -58 | | 0 | | 45 | | | | ٦ |
| 31.0 - Equipment | | 128 | | -418 | | 100 | | 328 | | 9 | 6 | -22 |
| Total Program Change Requests | | 009 | ٥ | -3,459 | ő | 5,206 | 0 | -2,715 | | 32 | 100 | -1.87 |

| Grades | Juc | icial and Cou | Judicial and Court House Security | ırlty | | Fugitive | Fugitive Apprehension | | Pris | Prisoner Security | & Transportet |
|---|------------|-------------------|-----------------------------------|-------------|-------------------|-------------------|-----------------------|-------------------|---------------------|-----------------------|---------------|
| | Propram | Program Increases | Program Decreases | Jecreases . | Program Increases | ncreases | Progran | Program Decreases | Program Increases | Increases | Program |
| | Direct Pos | Amount | Direct Pos | Amount | Direct Pos. | Amount | Oirect Pos | Amount | Olrect Pos | Amount | Direct Pos |
| No grades | 0 | 0 | 0 | 0 | 0 | 0 | |) | 0 | | |
| Total Positions and Annual Amount | 0 | 0 | 0 | 10 | 0 | • | _ | _ | 0 | | |
| (-) asder) | 0 | 0 | 0 | 0 | 0 | |) | | 0 | | |
| 11.5 - Other personnel compansation | | 0 | | 0 | | 0 | | | | | |
| Total FTEs and Personnel Compensation | 0 | 0 | 0 | • | ٥ | ٩ | _ | | 0 | | - |
| 21.0 - Travel and transportation of persons | | 160 | | 380 | | 126 | | -298 | | 87 | |
| 22 0 - Transportation of things | | ٥ | | -22 | | ٥ | | -18 | | | |
| 23.2 - Rental payments to others | | 0 | | 104 | | ٥ | | -82 | | 0 | |
| 23.3 - Communications, utilities, and miscellaneous charges | | 0 | | -532 | | 0 | | 14 | | | |
| 25.1 - Advisory and assistance services | | 0 | | -851 | | 0 | |) | | | |
| 25.2 - Other services from non-federal sources | | 312 | | 517 | | 4,980 | | -331 | | 169 | |
| 25 3 - Other goods and services from federal sources | | 0 | | -1,303 | | 0 | | -1 02 | | 0 | |
| 25 4 - Operation and maintenance of facilities | | 0 | | -308 | | 0 | | -172 | | 0 | |
| 25.7 - Operation and maintenance of equipment | | 0 | | 0 | | 0 | | | | 0 | |
| 26.0 - Supplies and materials | | 0 | | -58 | | 0 | | .45 | | D | |
| 31,0 - Equipment | | 128 | | 418 | | 100 | | -328 | | 69 | |
| Total Program Change Requests | 0 | 900 | 0 | -3,458 | 0 | 5,206 | | -2,715 | 0 | 325 | |
| | | | | | | | | | | | |
| Grades | | Protection | Protection of Witnesses | | | Tactica | Tactical Operations | | Total Progra | Total Program Changes | |
| | Diront Day | regian increases | Droot Dog America | Acresses | Frogram | Program increases | Program | Frogram Decreases | Description Control | 1 | |
| No orades | O COLUMN | i | C C | C | Direct Pus | o diame | Difference of |) Incline | Duect Tub | U MINORINA | |
| Total Positions and Annual Amount | 0 | 0 | 0 | 0 | 0 | | | | 0 | | |
| Lapse (-) | 0 | O | 0 | P | 0 | 0 | | | ٥ | | |
| 11.5 - Other personnel compensation | | 0 | | 0 | | 0 | | 3 | | 0 | _ |
| Total FTEs and Personnel Compensation | ٥ | 0 | 0 | 0 | 0 | 0 | | | 0 | • | |
| 210 - Travel and transportation of persons | | 15 | | -35 | | 13 | | -30 | | -548 | |
| 22 0 - Transportation of things | | 0 | | -5 | | 0 | | -2 | | -56 | |
| 23.2 - Renial payments to others | | 0 | | 01. | | 0 | _ | | | -260 | |
| 23.3 - Communications, utilities, and miscellaneous charges | | 0 | | DŞ. | | 0 | | 42 | | -1,331 | |
| 25 1 - Advisory and assistance services | | 0 | | 0 | | 0 | | | 10 | -851 | |
| 25.2 - Other services from non-federal sources | | 29 | | 96. | | 25 | | PE. | | 5,400 | |
| 25.3 - Other goods and services from federal sources | | 0 | | -121 | | 0 | | O. | . [0 | -3,153 | |
| 25.4 - Operation and maintenance of facilities | | 0 | | -20 | | 0 | | .17 | | -636 | |
| 25.7 - Operation and maintenance of equipment | | 0 | | 0 | | ٥ | | .1461 | | -1,461 | |
| 26.0 - Supplies and materials | | 0 | ~ | 9- | | 0 | | -5 | | -144 | |
| 31.0 - Equipment | | 12 | | -39 | | 10 | | -33 | | -725 | |
| Total Program Change Requests | 0 | 26 | 0 | -321 | 0 | 48 | 0 | -1.632 | 0 | 3.765 | |

Exhibit J - Financial Anr. 'is of Program Changes

Financial Analysis of Program Changes U.S. Marshals Service Construction (Dollars in Thousands)

Financial Analysis of Program Changes

| Grades | | USMS Co | USMS Construction | | Total Progra | Total Program Changes |
|--|-------------|-------------------|-------------------|-------------------|--------------|-----------------------|
| | Program ! | Program Increases | Program | Program Decreases | | |
| | Direct Pos. | Amount | Ľ | Amount | Direct Pos. | Amount |
| No grades | 0 | 0 | 0 | | 0 | |
| Total Positions and Annual Amount | 0 | | 0 | _ | 0 | |
| Lapse (-) | 0 | 0 | 0 |) | 0 | |
| 11.5 - Other personnel compensation | | 0 | | | | |
| Total FTEs and Personnel Compensation | 0 | 0 | 0 | | 0 | |
| 25.3 - Other goods and services from federal sources | | 5,200 | | | 0 | 5,2(|
| Total Program Change Requests | 0 | 5,200 | 0 | | 0 | 5,2(|

Summary of Requirements by Object Class U.S. Marshals Service Salaries and Expenses (Dollars in Thousands)

K. Summary of Requirements by Object Class

| Object Class | 2014 | 2014 Actual | 2015 A | 2015 Availability | 2016 | 2016 Request | Increase | Increase/Decrease |
|---|--------|-------------|--------|-------------------|--------|--------------|----------|-------------------|
| | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | FT. | | FTE | | 표 | | FTE | |
| 11.1 - Full-time permanent | 4.924 | 412,575 | 5,103 | 425,154 | 5,103 | 431,496 | 0 | 6,342 |
| 11.3. Other than full-time nermanent | | 14.170 | 0 | 12,789 | 0 | 12,980 | 0 | 191 |
| 11.5 Other personnel compensation | 981 | 83,630 | 981 | 78.831 | 984 | 79,918 | 0 | 1,087 |
| Overtime | 207 | 0 | 207 | 0 | 207 | 0 | 0 | 0 |
| Other Compensation | 774 | 0 | 774 | 0 | 774 | 0 | 0 | 0 |
| 11 8 - Special personal services payments | | 4,238 | 0 | 6,000 | 0 | 6,000 | 0 | 0 |
| Total | 5,905 | 514,613 | 6,084 | 522,774 | 6,084 | 530,394 | • | 7,620 |
| Other Object Classes | | | | | | | | |
| 12.1 - Civilian personnel benefits | | 224,174 | | 238,077 | | 248,242 | 5 | 10,165 |
| 13.0 - Benefits for former personnel | | 0 | | 6 | | 6 | 0 | 0 |
| 21.0 - Travel and transportation of persons | | 17,961 | | 15,938 | | 15,390 | 0 | -548 |
| 22.0 - Transportation of things | | 682 | | 939 | | 883 | 0 | 99- |
| 23.1 "Rental payments to GSA | | 195,861 | | 214,100 | | 213,204 | 0 | 968- |
| 23.2 - Rental payments to others | | 10,333 | | 14,173 | | 13,913 | 0 | -260 |
| 23.3 - Communications, utilities, and miscellaneous charges | | 24,549 | | 22,341 | | 21,010 | 0 | -1,331 |
| 24.0 - Printing and reproduction | _ | 375 | | 411 | | 411 | 0 | 0 |
| 25.1 - Advisory and assistance services | | 16,024 | | 6,476 | • | 5,625 | 0 | -851 |
| 25.2 - Other services from non-federal sources | | 24,087 | | 21,652 | | 27,301 | 0 | 5,649 |
| 25.3 - Other goods and services from federal sources | | 71,191 | | 72,433 | | 86,839 | 0 | 14,406 |
| 25.4 - Operation and maintenance of facilities | | 9,578 | | 9,207 | | 8,571 | 0 | -636 |
| 25.6 - Medical care | | 98 | | 2,188 | | 2,188 | 0 | 0 |
| 25.7 - Operation and maintenance of equipment | | 24,163 | | 22,778 | | 25,966 | 0 | 3,188 |
| 25.8 - Subsistence and support of persons | | -17 | | 0 | | 0 | 0 | 0 |
| 26.0 - Supplies and materials | | 20,935 | | 13,291 | | 13,147 | 0 | -144 |
| 31.0 - Equipment | | 44,501 | | 17,519 | | 16,794 | 0 | -725 |
| 32.0 - Land and structures | | 18 | | 469 | | 469 | 0 | 0 |
| 41.0 - Grants, subsidies, and contributions | | - | | 0 | | 0 | ò | 0 |
| 42.0 - Insurance claims and indemnities | | 452 | | 225 | | 225 | ٥ | 0 |
| Total Obligations | | 1,199,579 | | 1,195,000 | | 1,230,581 | 0 | 35,581 |
| Subtract - Unobligated Balance, Start-of-Year | | -12,530 | | -9,571 | | -38,423 | 0 | -28,852 |
| Subtract - Transfers/Reprogramming | | -13,606 | | -20,112 | | 0 | 0 | 20,112 |
| Subtract - Recoveries/Refunds | | -6,192 | | -8,740 | | - | 0 | 8,740 |
| Add - Unobligated End-of-Year, Available | | 9,645 | | 38,423 | | 38,423 | 0 | 0 |
| Add - Unobligated End-of-Year, Expiring | | 8,104 | | O | | ō | ٥ | 0 |
| Total Direct Requirements | ٥ | 1,185,000 | ٩ | 1,195,000 | 0 | 1,230,581 | ٥ | 35,581 |
| Reimbursable FTE | 356 | | 425 | | 427 | | 2 | Č |
| Full-Hild Fallhandin | | | | | | | | |

Exhibit K - Summary of Requirements by Object Class

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class U.S. Marshals Service Construction (Dollars in Thousands)

| Object Class | 2014 | 2014 Actual | 2015 | 2015 Availability | 2016 | 2016 Request | increas | Increase/Decrease |
|---|---------------|-------------|---------------|-------------------|---------------|--------------|---------------|-------------------|
| · | Direct FTE | Amount | Direct FTE | Amount | Direct FTE | Amount | Direct FTE | Amount |
| 11.1 - Full-time permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.3 - Other than full-time permanent | 0 | 0 | 0 | ō | 0 | 0 | 0 | 0 |
| 11.5 - Other personnel compensation | 0 | ō | 0 | ō | 0 | 0 | 0 | 0 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 - Special personal services payments | 0 | ō | 0 | ō | 0 | 0 | 0 | 0 |
| Total | 0 | Ó | 0 | o | 0 | C | 0 | 0 |
| Other Object Classes | | | | | | | | |
| 21.0 - Travel and transportation of persons | | 157 | | ō | | 0 | Ó | 0 |
| 23.3 - Communications, utilities, and miscellaneous charges | | S | | ō | | 0 | 0 | 0 |
| 25.3 - Other goods and services from federal sources | | 18 | | 9,800 | | 15,000 | 0 | 5,200 |
| 25.4 - Operation and maintenance of facilities | | 2,048 | | ō | | 0 | 0 | 0 |
| 25.7 - Operation and maintenance of equipment | | 81 | | Ö | | 0 | 0 | 0 |
| 31.0 - Equipment | | 2,912 | | Õ | | 0 | 0 | 0 |
| 32.0 - Land and structures | | 4,547 | | ō | | 0 | 0 | 0 |
| Total Obligations | | 9,768 | | 9,800 | | 15,000 | 0 | 5,200 |
| Subtract - Unobligated Balance, Start-of-Year | | -824 | | -2,345 | | -4,345 | 0 | -2,000 |
| Subtract - Transfers/Reprogramming | | 0 | | ō | | 0 | 0 | 0 |
| Subtract - Recoveries/Refunds | | -1,489 | | -2,000 | | 0 | 0 | 2,000 |
| Add - Unobligated End-of-Year, Available | | 2,345 | | 4,345 | | 4,345 | 0 | 0 |
| Add - Unobligated End-of-Year, Expiring | | 0 | | ō | | 0 | 0 | 0 |
| Total Direct Requirements | 0 | 9,800 | 0 | 9,800 | 0 | 15,000 | 0 | 5,200 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | ō | | 0 | | 0 | | 0 | 0 |

Evaluations

U. S. Marshals Service

Salaries and Expenses (Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

- 1. The Senate Report associated with the Consolidated and Further Continuing Appropriation Act, 2015, page 70 directs the USMS to ensure that existing Regional Fugitive Task Forces (RFTFs) have the resources and work space necessary to maintain their continued success at capturing fugitives. The Committee directs the USMS to provide a report detailing the space arrangements currently available for each of the RFTFs and any plans for acquiring new or additional space no later than 30 days after the date of enactment of this act. Response was forwarded to the Department of Justice, Justice Management Division on December 18, 2014.
- 2. Also on page 70, the Senate Report directs the USMS is directed to report to Congress on its progress in and plans for obtaining tactical training space for RFTFs not later than 90 days after the date of enactment of this act.

United States Marshals Service FY 2016 Performance Budget President's Budget Submission

Justice Prisoner and Alien Transportation System Revolving Fund



February 2015

Fiscal Year (FY) 2016 Budget Estimates Justice Prisoner and Alien Transportation System United States Marshals Service February 2015

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I. Overview

The Justice Prisoner and Alien Transportation System (JPATS) mission is to coordinate and transport prisoners and detainees safely, securely, and humanely, in a timely and economical manner. JPATS is a revolving fund with total operating costs being reimbursed by customer agencies. JPATS coordinates the movement of the majority of federal prisoners and detainees, including sentenced, pretrial and criminal aliens, in the custody of the U.S. Marshals Service (USMS) and the Bureau of Prisons (BOP). JPATS also transports Department of Defense and state and local prisoners on a reimbursable, space-available basis.

Using projected prisoner movement requirements provided by the customers, JPATS projects total costs associated with air transportation. OMB Circular A-126 guidelines are utilized to identify fixed and variable air transportation cost categories, and with the utilization of activity based costing, flying hour rates are developed. Customers are billed based on the number of flight hours and the number of seats utilized to move their prisoners/detainees.

The JPATS Revolving Fund provides numerous benefits, including, but not limited to: 1) it is a noyear account with a consistent funding stream from the customer agencies; 2) it operates under the concept of full-cost recovery; 3) it provides for multi-year funding/leasing authority for capital acquisitions; and 4) it has authority to retain proceeds from the disposal of JPATS aircraft and parts. The JPATS Revolving Fund provides stability in costs to the customer agencies since the fund can absorb, on a short-term basis, cost fluctuations for operating expenses such as fuel and major aircraft maintenance. It also simplifies the task of replacing aircraft and obtaining major aircraft parts by enabling JPATS to extend the cost of equipment purchases or equipment leases over several years, and to plan the procurement of equipment, or equipment lease agreements when needed.

JPATS is committed to ensuring that each scheduled flight is staffed with qualified flight personnel to safely operate each aircraft, that adequate security officers are present to ensure the safety of the detainees/prisoners being transported and the crew, and that at least one medical professional is present. Paramedics ensure that all prisoners have the required screenings and possess medical records. The paramedics also perform a visual assessment of the inmates prior to boarding to determine they are medically stable, and fit to fly. All large and medium aircraft, which transport the majority of the prisoners, have one paramedic assigned per flight.

A. Budget Assumptions

JPATS continues to look for opportunities to optimize the transportation network and produce efficiencies for the customer. The key assumptions for this budget formulation include:

- Large aircraft maintenance increase is developed based on current year actual expenses versus previously used industry Conklin and de Decker averages.
- The price per gallon of jet fuel continues to fluctuate due to the changing market.
- The acquired 737-400 aircraft result in a significant savings to the customers.

B. Efficiencies and Savings

JPATS continually examines its operational areas seeking to increase efficiency and improve the quality of services to generate savings for the customer agencies.

JPATS Efficiencies: JPATS continues to lead optimization efforts to improve performance in the delivery of services and gain efficiencies in both time and cost. Central to JPATS program initiatives is the data and analysis made possible through the JPATS Management Information System (JMIS). More accurate data is now available, which helps management analyze areas that impede efficiency, which, in turn, drives program improvement through performance measurement and monitoring.

JPATS receives over 500 requests daily to move prisoners between judicial districts, correctional institutions, and other locations. JPATS created Regional Transfer Centers (RTCs) and JPATS Transfer Annexes (JTAs) to facilitate the movement of these prisoners to their destination and reduce housing costs by:

- · expanding the in-transit infrastructure;
- · reducing in-transit time;
- expanding ground transportation capabilities;
- decreasing reliance on the Federal Transfer Center (FTC) by strategic placement of housing near airlift sites and BOP contract facilities;
- freeing bed space in highly impacted districts; and,
- assisting the BOP in addressing prisoner capacity demands, especially for private contract facilities

JPATS Savings: JPATS projected that the acquisition of the 737 aircraft would result in a yearly savings of approximately six million dollars a year over continuing to lease two MD-80 aircraft. The savings result from a more efficient fuel burn rate and lower cost of aircraft operation overall. The cost to lease the aircraft exceeds the combined costs incurred when owning including aircraft maintenance, depreciation, capital investment, and replacement leases. Additionally, due to the burn rate reduction of over 200 gallons of fuel per flight hour, the change in aircraft type has provided a positive environmental impact. JPATS has also added to its strategic plan, efforts to support environmental stewardship.

C. Budget Summary

The following table provides the JPATS Revolving Fund program estimates for Obligation Authority (OA) and Personnel Data. The OA requested is based upon the customers' projected requirements and estimated carry forward authority for FY 2015 and FY 2016.

Financial Operations JPATS 2016 (Dollars in Thousands)

| | | FY 2014 Actual | FY 2015 Estimate | FY 2016 Estimate |
|------------------|--------------------------|-------------------|---------------------|---------------------|
| Authority | | | | |
| | Operating | 46,889 | 52,807 | 55,971 |
| | Less Depreciation | (2,511) | (3,204) | (3,055) |
| | Operating Authority | 44,378 | 49,603 | 52,916 |
| | *Carry Forward Authority | 20,958 | 20,958 | 20,958 |
| | **Total Authority | 65,336 | 70,561 | 73,874 |
| Staffing | | | | |
| | Civilian Positions | 123 | 123 | 123 |
| | Civilian End Strength | 97 | 102 | 107 |
| | Personal Contract Guards | 90 | 90 | 90 |
| | Average GS Salary | 84,898 | 87,502 | 88,418 |
| | Average SES Salary | 174,663 | 177,365 | 180,912 |

^{*}Carry Forward Authority from FY 2014 SF-133, "Report on Budget Execution and Budgetary Resource," dated September 30, 2014

D. Revenues and Expenses

Revenues and Expenses

JPATS

2016

(Dollars in Thousands)

| | FY 2014 Actual | FY 2015 Estimate | FY 2016 Estimate |
|--|-------------------|---------------------|---------------------|
| Revenue | 52,706 | 52,807 | 55,971 |
| Cost Of Operations (Includes Depreciation) | (47,594) | (52,807) | (55,971) |
| Operating Results | 5,112 | 0 | 0 |
| Adjustment - Other | 0 | 0 | 0 |
| Net Operating Results (NOR) | 5,112 | 0 | 0 |
| Prior Year Accumulated Operating Results (AOR) | (3,877) | 1,235 | 1,235 |
| AOR Adjustments | 0 | 0 | 0 |
| Net Accumulated Operating Results (AOR) | 1,235 | 1,235 | 1,235 |

The actual FY 2014 AOR results are reported as well as the anticipated AOR for FY 2015 and FY 2016. The Revenue and Expenses chart on page 13 provides the corollary details.

II. JPATS Performance Challenges

A. Transporting Prisoners in a Safe, Timely, and Economical Manner

Challenge: JPATS must continue to successfully transport prisoners safely, timely, and economically with limited resources and uncontrollable factors such as jet-fuel prices. JPATS must look for innovative solutions to create greater efficiency within the current transportation infrastructure, which will in turn impact the cost of detainee housing. The interdependence of transportation and housing precludes addressing one without having an impact on the other.

1. Conduct Safe, Secure, Humane Prisoner Transport

Strategies: Use new technologies to provide greater intelligence capabilities and develop JPATS specific training programs. JPATS is directing more focus on research and receipt of quality and timely intelligence on prisoner attributes, which is critical to safe and secure missions. Law enforcement's awareness of a prisoner's gang affiliations, aggressive and violent tendencies, and emotional instability can enable the reduction or mitigation of volatile situations. JPATS plans to redesign prisoner data elements in JMIS to increase the accuracy and completeness of this information and work with the USMS to implement matching data elements in JDIS for efficient data sharing. JPATS is focused on identifying the appropriate mix of contractors and FTE personnel to ensure they are trained in various situational scenarios.

2. Transport Prisoners in a Timely Manner

Strategies: Reduce the Number of Court Deadline Extensions, Schedule Process Time, and Movement Request Backlog. JPATS is focusing on two specific strategies to transport prisoners in a timely manner. By monitoring the number of extensions required, JPATS has developed strategies to reduce the number of extensions, resulting in timely prisoner transport. An extension is a court-approved continuance request. JPATS has also developed the JMIS Assisted Routing and Scheduling System (JARS), which plans the trips and routes of routine prisoner transportation through information technology processes. Currently, JARS schedules nearly 60% of JPATS prisoner movement requests, 75% of which are completed as scheduled. A recent upgrade to Oracle Transportation Management (OTM)/JARS increased planning speed by 33%, thereby allowing schedulers to focus on higher priority and more complex prisoner transportation schedules.

3. Transport Prisoners in an Economical Manner

Strategy: Utilize the Most Economic Bed Space Pre/In-Transit. JPATS continues to develop methods and procedures to move prisoners waiting movement out of high-cost paid jail beds to lower-cost beds during the pre-transit status. Likewise, JPATS continues to house prisoners-in-transit in the most economical jail beds available while at the same time reducing to the greatest extent possible the number of days a prisoner is in both pre- and in-transit status.

III. Performance Tables

| | | PERI | FORMA | PERFORMANCE AND RESOURCES TABLE | RESOL | RCES TAI | BLE | | | | | |
|-------------------------------------|------------------------|--|-------|---------------------------------|-------|----------|-----|-----------|-------------------------------------|--|---------|-------------------|
| Decision Unit: | Justice Prison | Decision Unit: Justice Prisoner and Alien Transportation System | stem | | | | | | | | | |
| RESOURCES | | | 1 | Target | \ | Actual | Pre | Projected | S. | Changes | Request | Requested (Tatul) |
| | | Œ | lej | FY 2014 | ٤ | FY 2014 | S | FY 2015 | Current Adjustmer 2016 Progra | Current Services Adjustments and FY 2016 Program Changes | FY 201 | FY 2016 Request |
| Total Costs and FTE | id FTE | | FTE | 2000 | FTE | \$000 | FTE | 8000 | FTE | \$000 | FTE | \$000 |
| | | | 56 | \$58,578 | 56 | \$44,378 | 102 | \$49,603 | v. | 53,313 | 107 | \$52,916 |
| TYPE | STRATEGIC OBJECTIVE | PERFORMANCE | 6 | FY 2014 | E | FY 2014 | ٤ | FY 2015 | Carrent Adjustmen 2016 Progra | Current Services Adjustments and FY 2016 Program Changes | FY 2016 | FY 2016 Request |
| Program | | Pricement Manager | FTE | 2000 | FTE | 2000 | FTE | 8000 | FTE | 2000 | FTE | 0005 |
| Activity | | | -68 | \$58,578 | 56 | \$44,378 | 102 | \$49,603 | φ. | 53,313 | 107 | \$52,916 |
| Performance Measure: Workload | 3.2 | 1. Number of requests for air and ground transportation of prisoners | | 120,816 | | 117,255 | | 629'611 | | 0 | | 119,629 |
| Performance Measure: Outcome | 3.2 | 2. Transportation Unit Cost | | 81,350 | | \$1,257 | | 31,350 | | -850 | | \$1,300 |

The FY 2014 target was based on a leased aircraft program for the large aircraft program, \$1,350. In FY 2015 and FY 2016, the operating budget was formulated with the newly acquired aircraft as opposed to leased aircraft. The FY 2016 estinated Transportation Unit Cost is \$1,300.

Definition of Terms or Explanations for Indicators.

Workload

JPATS receives requests to move prisoners and determines the appropriate mode of transportation (i.e., ground and/or air movement). JPATS uses the JPATS Transportation module within the JMIS to schedule and track movements electronically.

Total Workload: Includes the number of ground, as well as air transportation requests. This gives a broad view of actions needed to facilitate prisoner movements.

Performance Measure:

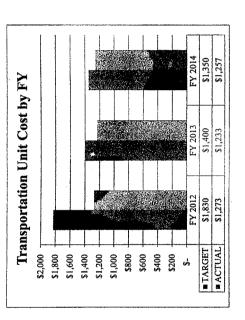
1. Transportation Unit Cost

- a. Data Definition: The total cost per prisoner (transportation coordinated by JPATS) incurred from the prisoner's point of origin to final destination. Component costs include the cost of transporting the prisoner (by air, bus, van, and car) and the cost of housing the prisoner while in-transit. The cost of BOP-provided intransit housing and bus transportation is included as part of the reported costs.
- b. Data Collection and Storage: Data describing prisoner transportation and the costs associated with transportation and housing is maintained in several databases. The USMS JMIS data system maintains information describing prisoner movements such as the points of origin and final destination, how the prisoner was moved, and where the prisoner was housed, as applicable, while in-transit. JMIS also maintains information describing the cost of air movements and JPATS-coordinated ground transportation. BOP provides information describing the cost of BOP-sponsored bus transportation. The USMS Justice Detainee Information System (JDIS), and the eIGA system and other records managed by Federal Prisoner Detention (FPD), provide information describing the cost of non-federal housing. Data is maintained on each prisoner transported by JPATS. Data from the various systems is aggregated together by JMIS to determine the prisoner-specific total transportation costs.
- c. Data Validation and Verification: Component data is provided to JPATS by the various agencies. JPATS validates the data for completeness and to ensure that the data provided is within historical parameters.
- d. Data Limitations: Maintaining prisoner transportation data is a labor-intensive process. The reliability of the component data is often compromised by invalid data entry. Accordingly, labor-intensive data analysis is often required to ensure that the data provided to JPATS passes certain logical tests. Additionally, data describing the cost of BOP-sponsored transportation is based on standardized formulae provided by the BOP for calculating the cost of operating their buses. The costs of BOP-provided in-transit housing are based on BOP-reported per capita cost of operating BOP facilities, particularly the Federal Transfer Center in Oklahoma City.
- 2. Factors Affecting FY 2015 and FY 2016 Plans. The USMS and JPATS' strategic plans encompass the efforts to optimize use of the transportation network. The performance metric captures the entire prisoner cost of transportation, including in-transit housing. Given finite resources and uncontrollable fuel prices, USMS must look for innovative solutions to create greater efficiency within the current infrastructure. The interdependence of transportation and housing precludes addressing one without the other. The measure of Transportation Unit Cost shows the cost effectiveness of strategies to reduce total transportation time, strategies to optimize routing (since there are normally several legs to the trip), strategies to maximize seat utilization, and strategies to utilize the most cost effective housing available. The demand for transportation will continue to rise with the increase in detainee population.

| | | PERFORMANCE MEASURE TABLE | ASURE | TABL | <u>ы</u> | | | |
|------------------------|-------------------|---|------------|------------|----------|---|---------------|------------|
| | Decision Unit: Ju | Decision Unit: Justice Prisoner and Alien Transportation System | ortatio | n Syst | em | | | |
| Strategic Objective | Performance Rep | Performance Report and Performance Plan Targets FY 2012 | FY 2012 | FY 2013 | * 2 | FY 2014 | FY 2015 | FY 2016 |
| | | | Actual | Actual | Target | Actual Actual Target Actual | Target Target | Target |
| 3.2 | Performance | 1. Number of requests for air and ground | 117,265 | 124,412 | 120,816 | 117,265 124,412 120,816 117,255 119,629 119,629 | 119,629 | 119,629 |
| | Measure: Workload | Measure: Workload transportation of prisoners. | | | | | | |
| 3.2 | Performance | 2. Transportation Unit Cost. | \$1,273 | \$1,233 | \$1,350 | \$1,273 \$1,233 \$1,350 \$1,257 \$1,350 \$1,300 | \$1,350 | \$1,300 |
| | Measure: Output | | | | | | | |

Transportation Unit Cost: The number of pre-transit/in-transit days is shorter, resulting in cost savings. The FY 2016 target has been adjusted to \$1,300 per rate-based prisoner.

Historical Transportation Unit Cost is depicted in the graph below.



Performance, Resources, and Outcomes

a. Performance Plan and Report for Outcomes

JPATS strategic plan involves partnering with its customers to meet financial and management responsibilities for transporting prisoners, produce immediate positive results on daily operations, and promise improvement on a national level. JPATS will leverage JMIS OTM/JARS, explore the use of web-based software and integration with the advanced avionics on the large aircraft to advance these goals, and strive for outcomes that the partner agencies expect.

JMIS to JDIS Custody Housing integration eliminated 86% of the data entry from JDIS-maintained data. The automatic integration of JDIS custody records from JPATS movements in and out of JPATS RTCs/JTAs resulted in a reduction of time consuming data entry into JDIS to update custody and housing records. The JMIS to JDIS Custody Housing Data also includes validation reporting to improve data quality.

b. Strategies to Accomplish Outcomes

JPATS will leverage automation to reduce/eliminate the paper-based processes and create dynamic-based scheduling that is responsive to facility capacity constraints. JPATS will leverage the upgraded avionics on the 737-400 aircraft that will provide improved communications, navigation, and flight-control systems.

JPATS will create a central repository for electronic prisoner data available via mobile devices with the ability to produce prisoner manifests with prisoner photos and key information. Use of mobile devices will improve in-flight weather tracking and communication with JPATS dispatch. For medical technicians, mobile devices will improve in-flight productivity and communication with JPATS medical officer to avoid/resolve prisoner refusal issues and prevent flight delays.

JPATS must manage the balance between effective law enforcement, cost, and crew duty restrictions. JPATS will conduct an assessment of the correct employee/contractor ratio, pursue scheduling alternatives and software tools to ensure personnel with special skill sets are available when needed. JPATS will develop training in recent advances in tactical and safety training programs for personal contract guards.

IV. JPATS Operating Budget

FY 2016 Budget Estimates Changes in the Costs of Operation JPATS

(Dollars in Thousands)

| FY 2014 Actua | al Cost of Operations with Depreciation | 47,594 | |
|-----------------|---|--------|-------|
| Pricing Adjusts | ment | | |
| | Aircraft Fuel | | 2,420 |
| | Aircraft Maintenance | | (956) |
| | Aircraft Leases | | 993 |
| ઘ | Civilian Labor | | 843 |
| | Employee Training | | 306 |
| | Security Guards | | 166 |
| | Mission Support Expenses | | 317 |
| | Depreciation | | 693 |
| | Non Mission Travel | | 276 |
| | Other | | 155 |
| | Subtotal | | 5,213 |
| FY 2015 Budg | get Estimate | 52,807 | |
| Pricing Adjust | ments: | | |
| | Aircraft Fuel | | (527) |
| | Aircraft Maintenance | | 1,543 |
| | Aircraft Leases | | 990 |
| | Civilian Labor | | 991 |
| | Security Guards | | (38) |
| | Admin/Tech Svc | | 303 |
| | Depreciation | | (150) |
| | Other | | 52 |
| | Subtotal | | 3,164 |
| FY 2016 Budg | get Estimate | 55,971 | |
| | | | |

Chart 1

986

FY 2016 Budget Estimates Sources of New Orders and Revenue JPATS (Dollars in Thousands)

| 1. New Orders | FY 2014* Actual | FY 2015 Estimate | FY 2016 Estimate |
|--------------------------------|-----------------|---------------------|---------------------|
| a. Orders from Customers | | | |
| USMS | 33,981 | 36,198 | 37,406 |
| BOP | 18,411 | 16,609 | 18,565 |
| Other | 314 | 0_ | 0 |
| a. Total Orders from Customers | 52,706 | 52,807 | 55,971 |

Chart 2

^{*} FY 2014 orders based on JPATS Revenue reported on JPATS FY 2014 Income Statement

FY 2016 Budget Estimates Revenues and Expenses JPATS Financial Operations (Dollars in Thousands)

| | FY 2014 | FY 2015 | FY 2016 |
|--|---------|----------|----------|
| Revenue | Actual | Estimate | Estimate |
| Operations * | 52,706 | 52,807 | 55,971 |
| Other Income | | | |
| Total Revenue | 52,706 | 52,807 | 55,971 |
| Expenses | | | |
| Aircraft Operating Expenses | | | |
| Aircraft Fuel | 12,008 | 14,428 | 13,900 |
| Aircraft Maintenance | 9,629 | 8,673 | 10,216 |
| Aircraft Leases | 3,415 | 4,408 | 5,398 |
| Aircraft Operating Expenses Total | 25,052 | 27,509 | 29,514 |
| Labor Related Expenses | | | |
| Civilian Labor | 12,053 | 12,896 | 13,887 |
| Employee Training | 327 | 633 | 659 |
| Guards, Contract Services | 2,475 | 2,641 | 2,604 |
| Labor Related Expenses Total | 14,855 | 16,170 | 17,150 |
| Mission Support Expenses | | | |
| Contract Crew | 181 | 133 | 143 |
| Aircraft Ground Spt Expenses | 200 | 336 | 187 |
| Navigation Data, Tech Periodicals | 198 | 230 | 186 |
| Medical/PHS Expenses | 200 | 210 | 243 |
| Mission Travel | 567 | 754 | 655 |
| Mission Support Expenses Total | 1,346 | 1,663 | 1,414 |
| Non-Mission Support Expenses | | | |
| Facilities Expenses | 1,320 | 1,648 | 1,736 |
| Admin & Support Expenses | 1,679 | 1,700 | 2,284 |
| Non-Cap Equip Purchases/Rental | 81 | 213 | 138 |
| Non-Mission Travel | 125 | 401 | 472 |
| Other Expenses | 625 | 299 | 208 |
| Non-Mission Support Expenses Total | 3,830 | 4,261 | 4,838 |
| Total Expenses | 45,083 | 49,603 | 52,916 |
| Operating Results | 7,623 | 3,204 | 3,055 |
| Depreciation | (2,511) | (3,204) | (3,055) |
| Net Operating Results | 5,112 | 0 | 0 |
| Prior Year Accumulated Operating Results | (3,877) | 1,235 | 1,235 |
| Accumulated Operating Result Adjustments | 0 | 0 | 00 |
| Net Accumulated Operating Results | 1,235 | 1,235 | 1,235 |

Chart 3

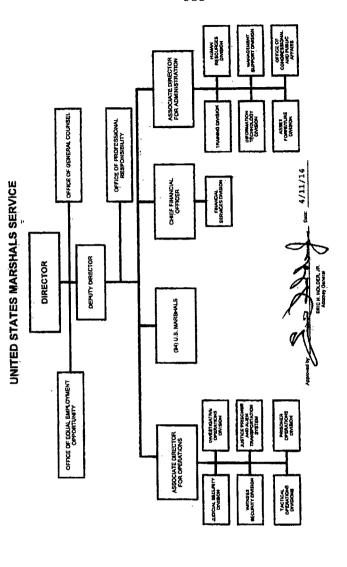


Exhibit A - Organizational Chart

Summary of Requirements
Justice Prisoner and Alien Transportation System
Revolving Fund
(Cottans in Thousands)

| | FY 20 | FY 2016 Request | |
|--|------------------|-----------------|--------|
| | Direct Positions | FTE | Amount |
| 2014 Updarating Level | 123 | 95 | 44,378 |
| | 123 | 102 | 49,603 |
| 2046 T-1-1-1 D | 6 | 5 | 3,313 |
| September 2 True Control of the Cont | 123 | 107 | 52,916 |
| zoto - zoto intal criange | 0 | 5 | 3,313 |

Note: The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated.

Summary of Requirements
Justice Prisoner and Alien Transportation System
Revolving Fund
(Dollars in Transants)

| Program Activity | 2014 | 014 Operating Level | ig Level | 201 | 015 Operating Level | ıg Levei | 2016 C | hanges to Level | 116 Changes to Operating Level | 2016 | 016 Operating Level | g Level |
|--|---------------|---------------------|--|----------------|---------------------|----------|-------------|--------------------|-----------------------------------|--------|---------------------|---------|
| | Direct Actual | Actual | Direct Actual Amount Direct Est. Amount Pos. FTE | Direct Pos. | Direct Est. | Amount | Direct Est. | 13 E | Direct Est, Amount Direct Est, | Direct | 155 F | Amount |
| Justice Prisoner and Allen Transportation System | 123 | 95 | 123 95 44,378 | 123 | 102 | 49,603 | 0 | 5 | 3,313 | 123 | 107 | 52.916 |
| Grand Total, FTE | 1 | 95 | | | 102 | | | 5 | | Γ | 107 | |

Resources by Department of Justice Strategic Goal/Objective Justice Prisoner and Alien Transportation System Revolving Fund (Dollars in Thousands)

| | | | | | | - | | |
|---|---------|---|----------|--------------|------------------|------------------------------------|----------|----------------------|
| enthe staff of makes the staff of the staff | 2014 Op | 2014 Operating Level 2015 Operating Level | 2015 Ope | rating Level | 2016 C Operal | 2016 Changes to Operating Level | 2016 Ope | 2016 Operating Level |
| onaregic coal and on aregic orderine | Direct/ | Direct | Direct | Direct | Direct/ | Direct | Direct/ | Direct |
| | Reimb | Amount | Reimb | Amount | Reimb | Amount | Reimb | Amount |
| | FTE | | Ē | | FTE | | FTE | |
| Goal 3 Ensure and Support the Fair, Impartial, Efficient, and | | | | | | | | |
| Transparent Administration of Justice at the Federal, State, | _ | | | | | | | |
| Local, Tribal and International Levels. | | | | | | | | |
| 3.2 Protect judges, witnesses, and other participants in federal | _ | | | | | | | |
| proceedings by anticipating, deterring, and investigating threats of | <u></u> | | | | | | | |
| violence. | 95 | 44,378 | 102 | 49,603 | 10 | 3,313 | 107 | 52,916 |
| Subtotal, Goal 3 | 3 95 | 44,378 | 102 | 49,603 | 2 | 3,313 | 107 | 52,916 |
| TOTAL | 95 | 44,378 | 102 | 49,603 | 5 | 3,313 | 107 | 52,916 |
| | | | | | | | | |

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability
Justice Prisoner and Alien Transportation System
Revolving Fund
(Polius in Thousands)

| Program Activity | FY 20 | 14 Initial A | FY 2014 Initial Availability | Reprogramming/Transfers | ming/Tran | sfers | Carryover | Recoveries/ Refunds | 201 | 2014 Actual | |
|--|--------|--------------|------------------------------|---|-----------|--------|-----------|------------------------|----------------------------------|-------------|--------|
| | Direct | Estim. | Amount | Direct Estim. Amount Direct Pos. Estim. Amount Amount | Eslim. | Amount | Amount | Amount | Amount Direct Pos. Estim. Amount | Estm. | Amount |
| | Pos | ᆵ | | | FE | | | | | FTE | |
| Justice Prisoner and Alien Transportation System | 123 | 95 | 52,807 | 0 | 0 | 0 | 12,352 | 177 | . 123 | 123 95 | 65,336 |
| Grand Total, FTE | 123 | 95 | 52,807 | 0 | o | 0 | 12,352 | 177 | 123 | 95 | 65,336 |

Carryover: Includes the mandatory CORPUS balance and carryover reimbursable obligation authority.

Recoveries/Refunds: JPATS is a revolving fund and prior year recoveries are reapportioned and used in current year operations.

Crosswalk of 2015 Availability
Justice Prisoner and Alien Transportation System
Revolving Fund
(polers in Thousans)

| Program Activity | FY 20: | 15 Initial 4 | FY 2015 Initial Availability | Reprogramming/Transfers | ming/Trar | 1 | Саггуочег | Carryover Refunds | | 2015 Availability | , |
|--|--------|---------------|------------------------------|--|---------------|--------|-----------|-------------------|-------------|-------------------|--------|
| | Direct | Direct Estim. | irect Estim. Amount | Direct Pos. Estim. Amount Amount Direct Pos. Estim. Amount FTF FTF | Estim. FTF | Amount | Amount | Amount | Direct Pos. | Estim. | Amount |
| Justice Prisoner and Alien Transportation System | 123 | 123 102 | 57,104 | 0 | 0 | 0 | 20,958 | 200 | 123 | 123 102 78.561 | 78.561 |
| Grand Total, FTE | | 102 | | | 0 | | 20,958 | | | 102 | |

Carryover: includes the mandatory CORPUS balance and carryover reimbursable obligation authority.

Recoveries/Refunds: JPATS is a revolving fund and prior year recoveries are reapportioned and used in current year operations.

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources
Justice Prisoner and Alien Transportation System
(Pollars in Thousends)

| | 201 | 2014 Operath | ting Level | 201 | 2015 Operatir | ng Lavel | 2016 | 016 Operation | ling Level | Ju Ju | Increase/Decrease | crease |
|-----------------------------------|----------|---------------|------------|----------|---------------|----------|----------|---------------|------------|----------|-------------------|--------|
| Collections by Source | Reimb. | Reimb. Reimb. | Amount | Reimb. 1 | Reimb. | Amount | Reimb. F | Reimb. | Amount | | Reimb. | Amount |
| | Pos. FTE | FE | | Pos. | Pos. FTE | | Pos. | E | _ | Pos | FTE | |
| United States Marshals Service | ٥ | ° | 33,981 | | Ô | 36,198 | 0 | 0 | 37,406 | 0 | 0 | 1,208 |
| Bureau of Prisons | ٥ | 0 | 18,411 | 0 | 0 | 16,609 | 0 | 0 | 18,565 | - | 0 | 1,956 |
| State, Local, and Dept of Defense | 0 | 0 | | 0 | a | 0 | 0 | 0 | 0 | 0 | 0 | ٥ |
| Budgetary Resources | 123 | 95 | 52,706 | 123 | 102 | 52,807 | 123 | 107 | 55,971 | 0 | 5 | 3,164 |

| | 2014 | 2014 Operating Level | g Level | 201 | 2015 Operating Level | ng Level | 201 | 2016 Operating Level | ng Level | luc | ncrease/De | Decrease |
|--|----------|----------------------|---------|--------|----------------------|----------|----------|----------------------|----------|---------------|------------|----------|
| Obligations by Program Activity | Reimb. | b. Reimb. | Amount | Reimb. | Reimb. | Amount | Reimb. | · | Amount | Reimb. Reimb. | Вентр. | Amount |
| | Pos. FTE | ᆵ | | Pos | H | | Pos. FTE | FE | | Pos. | FTE | |
| Justice Prisoner and Alien Transportation System | 133 | 8 | 44,378 | 123 | 102 | 49,603 | 123 | 107 | 52,916 | 0 | 5 | 3,313 |
| Budgetary Resources | 123 | 98 | 44,378 | 123 | 102 | 49,603 | 123 | 107 | 52,916 | 0 | S | 3,313 |

Unglary Resources 1.123 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.124 | 1.12

1. Det st Permanent Positions by Category

Detail of Permanent Positions by Category Justice Prisoner and Alien Transportation System Revolving Fund (Dollars in Thousands)

| | 2014 | 2015 | | |
|---|-------------|-------------|----------------------|--------------|
| | Operating | Operating | 2016 Operating Level | iting Level |
| Category | Level | Level | | |
| | Reimb. Pos. | Reimb. Pos. | ATBs | Total Reimb. |
| | | - | | Pos. |
| Clerical and Office Services (300-399) | 19 | 19 | 0 | 18 |
| Accounting and Budget (500-599) | 10 | 10 | 0 | Ξ |
| Paramedics/Nurses (610 & 640) | 9 | 9 | 0 | 7 |
| Attorneys (905) | - | _ | 0 | τ- |
| Business & Industry (1100-1199) | 5 | 5 | 0 | 5 |
| Miscellaneous Inspectors Series (1802) | 24 | 24 | o | 24 |
| Criminal Investigative Series (1811) | 4 | 4 | Ō | 4 |
| Quality Assurance, Inspection & Grading Group (1900-1999) | 2 | 2 | 0 | 2 |
| Transportation Group (2100-2199) | 45 | 45 | 0 | 44 |
| Information Technology Mgmt (2210) | 7 | 7 | 0 | 7 |
| Total | 123 | 123 | 0 | 123 |

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class Justice Prisoner and Alen Transportation System Revolving fund (Dollars in Thousands)

| | 2014 | 2014 Operating | 2015/ | 2015 Availability | 2016 | 2016 Request | Increas | ncrease/Decrease |
|---|--------|----------------|--------|-------------------|--------|--------------|---------|------------------|
| Object Class | Direct | Amount | Direct | Amount | Direct | Amount | Direct | Amount |
| | FTE | | FIE | | FTE | | E | |
| 11.1 Full-Time Permanent | 0 | 8,065 | 0 | 8,782 | | 9,642 | ٥ | 860 |
| 11.5 Other Personnel Compensation | 0 | 901 | 0 | 1,040 | 0 | 937 | 0 | -103 |
| Overtime | 0 | 577 | 0 | 800 | 0 | 664 | 0 | -136 |
| Other Compansation | 0 | 324 | 0 | 240 | 0 | 273 | 0 | 33 |
| 11.8 Special Personal Services Payments | 0 | 2,475 | O | 2,641 | 0 | 2,603 | 0 | -38 |
| Total | 0 | 11,441 | • | 12,463 | 0 | 13,182 | 0 | 719 |
| Other Object Classes | | | | | | | | |
| 12.0 Civilian Personnel Benefits | | 3,100 | | 3,075 | | 3,309 | | 234 |
| 21.0 Travel and Transportation of Persons | | 689 | | 1,155 | | 1,127 | | -28 |
| 22.0 Transportation of Things | | 9 | | 0 | | 0 | | 0 |
| 23.2 Rental Payments to Others | | 860 | | 862 | | 872 | | 0 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 460 | | 524 | | 478 | | 9 |
| 25.1 Advisory and Assistance Services | | 394 | | 403 | | 365 | | 86, |
| 25.2 Other Services from Non-Federal Sources | | 4,342 | _ | 9,445 | | 11,069 | | 1,624 |
| 25.3 Other Goods and Services from Federal Sources | | 327 | | 304 | | 487 | | 183 |
| 25.4 Operation and Maintenance of Facilities | | 237 | | 270 | | 404 | | 134 |
| 25.7 Operation and Maintenance of Equipment | | 9,931 | | 5,752 | | 7,043 | | 1,291 |
| 26.0 Supplies and Materials | | 12,480 | | 15,137 | | 14,442 | | -695 |
| 31.0 Equipment | | 111 | | 213 | | 138 | | -75 |
| Total Obligations | | 44,378 | _ | 49,603 | | 52,916 | | 3,313 |
| Subtract - Unobligated Balance, Start-of-Year | | -12,352 | | -20,958 | | -20,958 | | ō |
| Subtract - Recoveries/Refunds | | -177 | | 0 | | ō | | 0 |
| Add - Unobligated End-of-Year, Available | | 20,958 | | 20,958 | | 20,958 | | Ó |
| Add - Unobligated End-of-Year, Expiring | | 0 | | 0 | | 0 | | 0 |
| Total Direct Requirements | - | 52,807 | 0 | 49,603 | 0 | 52,916 | 0 | 3,313 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 95 | | 102 | | 107 | | 5 | |

Schedule of Aircraft
Justice Prisoner and Alien Transportation System
Revolving Fund

| | | | 2014 | | | 2015 | | | 2016 | 9 | |
|----------------------|-------------|----------|----------|--------|----------|----------|--------|----------|--------------|----------|--------|
| Type of Aircraft | End-of-Year | | | End-of | | | End-of | | Average | | End-of |
| (Passenger Capacity) | Inventory | Acquired | Disposed | Year | Acquired | Disposed | Year | Acquired | Cost (\$000) | Disposed | Year |
| Direct Purchase: | | | | | | | | | | | |
| Jet Engine (8-10) | 2.0 | 0.0 | 0.0 | 2.0 | 0.0 | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Jet Engine (120-140) | 2.0 | 0.0 | 0.0 | 2.0 | 0.0 | 0.0 | 2.0 | 0.0 | 0.0 | 0.0 | 2.0 |
| Turbo-Prop (50-60) | 1.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| Turbo-Prop (10-20) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0:0 | 0.0 |
| Subtotal, Purchased | 5.0 | 0.0 | 0.0 | 5.0 | 0.0 | 2.0 | 3.0 | 0.0 | 0.0 | 0.0 | 3.0 |
| Leased: | | | | | | | | | | | |
| Turbo-Prop (11) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | 0.0 | 0.0 |
| Jet Engine (120-140) | 2.0 | 0.0 | 1.0 | 1.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Jet Engine (10) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | 0.0 | 0.0 |
| Subtotal, Leased | 2.0 | 0.0 | 1.0 | 1.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Seized or No Cost | | | | | | | | | | | |
| Excess: | | | | | | | | | | | |
| Single-Engine (3) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Twin-Engine (6) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Turbo Prop (50) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Jet Engine (120) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Jet Engine (75) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Jet Engine (8) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Jet Engine (10) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal, Seized | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Aircraft | 7.0 | 0.0 | 1.0 | 6.0 | 0.0 | 2.0 | 4.0 | 0.0 | 0.0 | 0.0 | 4.0 |

United States Marshals Service FY 2016 Performance Budget President's Budget Submission

Federal Prisoner Detention Appropriation



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I. Overview

A. Introduction

The United States Marshals Service (USMS) Federal Prisoner Detention (FPD) Appropriation provides housing, transportation, and care for federal detainees housed in non-federal detention facilities. For FY 2016, the FPD Appropriation requests a total of 17 positions, 17 FTE, and \$1,454,414,000. The request represents a base adjustment of \$1,258,107,000 reflecting an increase of \$76,000 for pay and benefits adjustments, a prior year balance restoration of \$188,000,000, a base restoration of \$1,100,000,000, and a transfer of \$29,969,000 in base resources to the Federal Bureau of Prisons (BOP) for prisoner medical care of USMS prisoners housed in BOP facilities. The request also includes a program decrease of \$111,000,000 for a decreasing average daily population (ADP) adjustment. In addition, a cancellation of \$69,500,000 from prior year balances is proposed.

A base restoration of \$1,100,000,000 is included in the FY 2016 request. In FY 2015, Congress instructed the Department to use \$1,100,000,000 of excess unobligated balances from the Assets Forfeiture Fund to fully fund the FPD account. The Department does not anticipate that this funding mechanism will be available in FY 2016 and, therefore, requests that those resources be restored to ensure that the FPD account maintains sufficient base funding.

The USMS is not requesting any enhancements for information technology (IT), although the request includes \$12,634,000, 8 positions and 8 FTE for base IT activities as reported in the Agency IT Portfolio Summary (formerly Exhibit 53A). Additionally, it should be noted that currently the FPD account has one IT position. The 8 positions reported in the Agency IT Portfolio Summary reflect all USMS FTE that support a detention function. The IT resources provide for support staff, hardware, applications providing access to detention facility information, facility contract information, electronic Intergovernmental Agreement (eIGA), prisoner movement, and an e-Gov site providing secure role-based access to detention information.

From 1994 through 2011, the average daily population (ADP) increased from 18,282 to 62,406. The population has since decreased to 55,330, an unprecedented decline which resulted in unobligated funds carried over from year to year. The FY 2016 request supports an ADP of 56,823.

This request level anticipates an ADP resulting from FY 2015 law enforcement hiring within the Department of Justice (DOJ) components, as well as Department of Homeland Security's (DHS) U.S. Customs and Border Protection's announcement that 2,000 additional officer positions will be hired at air, land and sea ports across the country as a result of the 2014 enacted budget. In addition, there will be a continued emphasis on protecting and securing the international borders from illegal immigration and drug trafficking.

The USMS continues to drive efficiencies, work with federal and state and local partners regarding bed space, and reduce contract costs. These measures also have contributed to large unobligated balances. However, factors beyond the control of the USMS could impact the

prisoner population, including immigration reform, new officer hires as noted above, and even weather delays that affect prisoner movements. These funds are needed for all the unknowns and upward adjustments of prior year obligations.

Electronic copies of the DOJ's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm.

B. Background

The costs associated with the care and custody of federal detainees in private, state, and local facilities are funded from the FPD appropriation.

The USMS detention resource needs are directly impacted by law enforcement and prosecutorial priorities. Linking law enforcement initiatives with detention funding requests is the key to providing the Congress with accurate information for budget forecasting, cost containment and effective results.

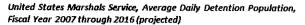
The USMS must ensure sufficient resources are available to house and care for the corresponding detainees. This objective is made even more challenging given the times of limited detention space availability. While fluctuations in the ADP are outside of USMS direct control, the USMS continues to coordinate the acquisition of sufficient detention space in the most cost efficient manner.

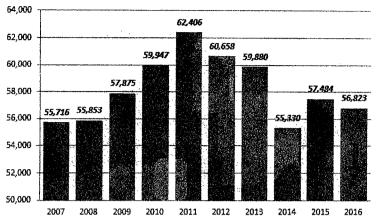
C. FY 2016 Request

The FPD account is defined by one program activity: Detention Services. The FPD request includes \$1,454,414,000 in appropriated resources for this activity. This amount includes \$1,287,505,000 for housing and subsistence of detainees. Program costs for health care are \$72,617,000, medical guards are \$24,078,000, and transportation costs are \$67,314,000. The requested amount also includes \$2,900,000 for incidental costs associated with prisoner housing and transportation such as prisoner meals while in transit, prisoner clothing, and parking for government vehicles.

Adjustments-to-base: FPD's base adjustments total \$1,287,505,000. This amount reflects an increase of \$76,000 for pay and benefits adjustments, a base restoration of \$188,000,000 for the FY 2015 rescission of balances, a base restoration of \$1,100,000,000 and a transfer of \$29,969,000 in base resources to the Bureau of Prisons (BOP) for prisoner medical care of USMS prisoners housed in BOP facilities. The transfer will provide BOP the direct resources required to manage and support the prisoner medical care of all USMS prisoners housed in BOP facilities.

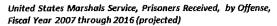
Program Decrease: FPD's program decrease of \$111,000,000 reflects the projected cost reduction associated with the decrease in the detention population.

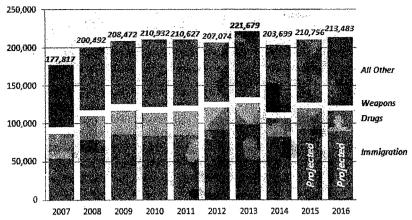




ADP Projections: Based on estimated bookings and time-in-detention, the ADP is currently projected to be 56,823 for FY 2016. The ADP is primarily dependent upon the number of persons arrested by the federal law enforcement agencies coupled with the length of time defendants are detained pending adjudication, release, or subsequent transfer to the BOP following conviction and sentencing. Beginning in FY 2014, the USMS has observed a substantial curtailing of the number of prisoners received for prosecution. Additionally, continuing initiatives such as fast-tracking the prosecution of selected offenses, expediting the designation and transfer of sentenced prisoners to BOP correctional institutions, and utilizing detention alternatives have proven successful at reducing detention time, particularly during the period post-sentencing. These factors combined have resulted in a substantial decrease in the detention population from peak levels. While the USMS currently projects that the detention population will increase from its current level of 55,330 in FY 2014, the growth rate is below historic levels and the projected detention population for FY 2016 (56,823) is nearly 10 percent below the peak population attained during FY 2011 (62,406).

Through FY 2016, the USMS projects that the Southwest Border (SWB) area will continue to be a focal point of federal law enforcement. During FY 2014, more than half of all prisoners received by the USMS were received in the five judicial districts comprising the SWB (Arizona, Southern California, New Mexico, Southern Texas, and Western Texas). In FY 2016, of the approximate 12,000-increase in prisoners received, more than two-thirds of those prisoners will be from the SWB districts and primarily charged with immigration offenses. Though lower than the peak level observed during FY 2013, the projected increase generally reflects continued increases in federal law enforcement resources in these districts and federal law enforcement's emphasis on protecting and securing the SWB.





Detention Population Forecasting Model

A Detention Population Forecasting Model is used to take a statistical approach for predicting detention needs using factors such as population, demographic trends, number and type of criminal cases processed, average processing time per type of case, and authorized/requested positions of federal law enforcement, U.S. Attorneys, U.S. District Court judges, and immigration judges. These factors allow for the development of impact scenarios that address proposed legislation, known DOJ law enforcement initiatives, and current activities. The projections are based on past performance and behavior of the players involved. Any shift in behavior may alter the outcome.

The primary drivers of detention expenditures are the number of prisoners booked by the USMS and the length of time those prisoners are held in detention. However, both of these factors are directly influenced by the activities and decisions of federal law enforcement, U.S. Attorneys, and the federal judiciary. Accordingly, the USMS regularly monitors – and tries to anticipate – changes in federal law enforcement priorities and the number of on-board staff.

Historically, implementation of zero-tolerance immigration enforcement policies along the SWB has had the most significant impact on the detention population and USMS workload. Since implementation of these policies during 2005, the number of prisoners received for immigration offenses increased to more than 98,000 in FY 2013. At the height of these programs, immigration offenders comprised almost half of all persons received by the USMS. While the USMS observed a decrease in the number of persons received for immigration offenses during FY 2014, the USMS estimates that the number of immigration offenders received will increase due to immigration enforcement-related activity.

The detention population projection for FY 2016 is a particularly challenging assessment for the USMS. During prior years, the long-term trend has reflected steady annual increases in the number of prisoners received. This trend translates directly to increases in the overall detention population. However, beginning in FY 2014, the USMS has observed a substantial curtailing of the number of prisoners received for prosecution. This observed decrease may be the result of factors such as reduced funding for federal law enforcement agencies and hiring freezes resulting from the threat of sequestration, and changes in prosecutorial practices and priorities stemming from the Attorney General's *Smart on Crime* initiative. Consequently, it is difficult to determine whether the decrease observed is a permanent change that will be sustained into the future, or it is a temporary "shock" whereby after a period of stagnation prosecutorial activity will substantially increase.

The FPD appropriation operates within a structure that offers little opportunity for economies of scale and each additional prisoner received translates into a direct expenditure. For example, an additional three percent increase in the number of prisoners received for drug offenses (or 807 additional prisoners) would result in an \$11,542,797 increase in detention expenditures. For each of the offense categories drugs, weapons, and immigration, a three to 10 percent increase in prisoners received results in a level that is within historical boundaries. The following chart illustrates the **potential impact** of unplanned prisoners received by offense:

| | Prisoner Bookings | | | |
|-------------|-------------------|----------------------|--------------|----------------------------|
| | | Increase Above | Total ADP | Projected Cost Increase |
| | Total | Current Projection | | |
| Prisoners R | eceived for i | Drug Offenses | | |
| Baseline | 26,900 | | 58,823 | |
| ÷3% | 27,707 | 807 | 57,188 | \$11,542,797 |
| +5% | 28,245 | 1,345 | 57,431 | \$19,237,995 |
| -10% | 30,935 | 2,690 | 58,039 | \$38,475,989 |
| Prisoners R | eceived for | Weapons Offenses | | |
| Baseline | 7,944 | | 56,823 | |
| -3% | 8,182 | 238 | 56,939 | \$3.651.521 |
| ÷5% | 8,341 | 397 | 57,016 | \$6,085,869 |
| +10% | 8,738 | 794 | 57.208 | \$12,171,738 |
| Prisoners R | eceived for a | Immigration Offenses | | |
| Baseline. | 89,170 | | 56,823 | |
| +3% | 91,845 | 2,675 | 57,227 | \$12,760.185 |
| +5% | 93,629 | 4,459 | 57,495 | \$21,266,974 |
| -10% | 102,546 | 8,917 | 58,168 | \$42,533,949 |

Capital Improvement Program (CIP): The CIP is a comprehensive program used to address detention space needs in critical areas. The program offers various contractual vehicles to provide federal funding to state and local authorities for the expansion, renovation, and construction of jails or the acquisition of equipment, supplies, or materials in exchange for detention beds. The program consists of two parts: the Cooperative Agreement Program (CAP) and Non-Refundable Service Charge Contract (NSCC).

CAP provides federal resources to select state and local governments to renovate, construct, and equip detention facilities in return for guaranteed bed space for a fixed period of time for federal detainees in or near federal court cities. NSCC allows the USMS to directly contract with state and local governments providing up-front funding for renovation or construction of jails to house federal detainees in exchange for guaranteed bed space at a fixed rate. The program is subject to the guidelines set by the Federal Acquisition Regulation (FAR) and will allow the USMS to meet federal detention housing needs by directly infusing resources into participating state and local facilities.

For example, during FY 2010, in exchange for a \$20,000,000 CIP award, the then Office of the Detention Trustee (OFDT) entered into an Intergovernmental Agreement (IGA) with the State of Maryland (MD) to use up to 500 beds at the Maryland Correctional Adjustment Center (now Chesapeake Detention Facility) in Baltimore, MD. The facility is in close proximity to the federal district court in Baltimore, MD and provided for dedicated and guaranteed detention space for prisoners held in USMS custody in the District of Maryland. Given that the USMS has full utilization of the facility at a fixed operating cost, the effective per diem rate was reduced from \$198 to approximately \$131. Over a 20-year period, this CIP award will result in an estimated \$40,000,000-cost avoidance for basic prisoner housing while providing dedicated detention space in a metropolitan area without requiring construction.

Full Program Cost

| Full Program | m Cost by Program Activity (In : | \$000) |
|--------------------|----------------------------------|-------------|
| Program Activity | Dollars in Thous | sands |
| | Housing & Subsistence | \$1,287,505 |
| | Health Care Services | 72,617 |
| Detention Services | Medical Guards | 24,078 |
| | Transportation | 67,314 |
| | Other | 2,900 |
| Total Request | | \$1,454,414 |

Full program costs include resources for housing, care, and transportation of detainees as well as activities that help improve the detention infrastructure and contain costs. Investment in the detention infrastructure will enable the USMS to effectively drive efficiencies and manage the detention appropriation.

USMS continues to implement efficiencies through computer programs including: eDesignate, which reduces post-sentencing time in detention; eIGA, which standardizes the pricing strategy for non-federal detention space, controlling costs and providing greater certainty in rates to be paid; and the Quality Assurance Program, which ensures that private and IGA facilities meet DOJ requirements for safe, secure and humane confinement. Fundamental to these programs is shared data and the integration of information technology systems such as the USMS Justice Detainee Information System (JDIS) and the JPATS Management Information System (JMIS).

D. Strategic Goals

In the DOJ's Strategic Plan under Strategic Goal III: "Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels," USMS' responsibility is in Strategic Objective 3.3: Provide safe, secure, humane, and cost-effective confinement and transportation of federal detainces and inmates. The USMS supports this mission objective by accomplishing the following performance goals:

- Meet the Nation's detention requirements in the most economical manner
- Ensure efficient use of detention space an minimize price increases
- Ensure adequate medical services are provided in the most economical manner
- Ensure safe, secure, humane confinement
- Ensure detention facilities meet established standards for confinement

Performance goals, workload projections, and related resources are identified in the Performance and Resource Table.

E. Environmental Accountability

Detention services contracts have been designed to increase the purchase and use of renewable, environmentally friendly bio-based products. The USDA BioPreferred Program has identified more than 15,000 bio-based products commercially available across approximately 200 categories. Each contractor submits an annual report that reflects the percentage of BioPreferred products used within the detention facility. These reports are used to determine if contractors are complying with the bio-based product utilization standards required in the contract.

When the USMS contracts for new detention space, the procurement is conducted in compliance with the National Environmental Policy Act (NEPA). NEPA requires federal agencies to examine the impact of agency actions on the environment. The examination determines if there are any endangered species that will be affected, potential hazardous toxin emissions that could harm water supply, traffic patterns, etc., leading to the development of mitigation plans in conjunction with private service providers.

Environmental documentation submitted is evaluated in the acquisition process and verified for accuracy in accordance with the solicitations' environmental instructions. Greater consideration is given to the proposal that has a lesser or reduced negative effect on the human environment when compared with competing proposals.

II. Summary of Program Changes

| Item Name | Description | | | | Page |
|--------------------------|---|------|-----|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Population Adjustment | .Cost reduction resulting from decrease in detention population | 0 | 0 | -\$111,000 | 28 |

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

U.S. Marshals Service

Federal Prisoner Detention

For necessary expenses related to United States prisoners in the custody of the United States Marshals Service as authorized by section 4013 of title 18, United States Code, [S495,307,000]\$1,454,414,000, to remain available until expended: Provided, [That section 524(c)(8)(E) of title 28, United States Code, shall be applied for fiscal year 2015 as if the following were inserted after the final period: The Attorney General shall use \$1,100,000,000 of the excess unobligated balances available in fiscal year 2015 for necessary expenses related to United States prisoners in the custody of the United States Marshals Service as authorized by section 4013 of title 18, United States Code: Provided further, That any use of such unobligated balances shall be treated as a reprogramming of funds under section 505 of this Act: Provided further, [That not to exceed \$20,000,000 shall be considered funds appropriated for State and local law enforcement assistance pursuant to section 4013(b) of title 18, United States Code: Provided further, That the United States Marshals Service shall be responsible for managing the Justice Prisoner and Alien Transportation System: Provided further, That any unobligated balances available from funds appropriated under the heading General Administration, Detention Trustee shall be transferred to and merged with the appropriation under this heading.

(cancellation)

Of the unobligated balances from prior year appropriations available under this heading, [\$188,000,000]\$69,500,000 are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. (Department of Justice Appropriations Act, 2015).

Analysis of Appropriations Language

To fully fund the FPD account in FY 2015, Congress instructed the Department to allocate \$1,100,000,000 of excess unobligated balances from the Assets Forfeiture Fund. This language is deleted as the Department does not anticipate that this funding mechanism will be available in FY 2016.

IV. Program Activity Justification

A. Detention Services

| Detention Services | Perm. | | Amount |
|---|-------|---------|-------------|
| | Pos. | FTE | (\$000) |
| 2014 Enacted | 17 | 19 | \$1,533,000 |
| 2015 Enacted | 17 | 17 | \$495,307 |
| 2015 Balance Rescission | | | -\$188,000 |
| 2015 Total Request (with Balance Rescission) | 17 | 17 | \$307,307 |
| Adjustments to Base and Technical Adjustments | 0 | 0 | \$1,258,107 |
| 2016 Current Services | 17 | 17 | \$1,565,414 |
| 2016 Program Decreases | | | -\$111,000 |
| 2016 Request | 17 | 17 | \$1,454,414 |
| 2016 Balance Rescission | | | -\$69,500 |
| 2016 Total Request (with Balance Rescission) | 17 | 17 | \$1,384,914 |
| Total Change 2015-2016 | | SAME TO | \$959,107 |

1. Program Description

Detention Services

Detention resources provide the housing, transportation, medical care, and medical guard services for federal detainees remanded to USMS custody. FPD resources are expended from the time a prisoner is brought into USMS custody through termination of the criminal proceeding and/or commitment to BOP.

The federal government relies on various methods to house detainees. 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 subsequent operation of the facility through the BOP; 2) Intergovernmental Agreements (IGA) with state and local jurisdictions who have excess prison/jail bed capacity and receive a daily rate for the use of a bed; 3) private jail facilities where a daily rate is paid per bed; and, 4) CIP, which includes the CAP and the NSCC contract, where capital investment funding is provided to state and local governments for guaranteed detention bed space in exchange for a daily rate negotiated through an IGA.

In certain high demand areas, e.g., the Southwest Border, DOJ has not been able to rely as much on IGAs and federal facilities to meet housing requirements. Accordingly, by 2016, it is expected that the capacity of the federal facilities will accommodate only 19% of the USMS detention population. By contrast, during FY 2000, federal facilities housed approximately 30% of the USMS detention population. When space is unavailable in areas where more federal bed space is needed, DOJ has increasingly had to rely on the private sector.

Detention Management Services Automation

The USMS will continue to identify process automation opportunities, design support solutions, and invest in information technology (IT) infrastructure to facilitate improved efficiencies through process automation and when appropriate the integration of existing detention systems and services.

It is critical that the USMS takes steps to modernize its code to maintain its IT business requirement for detention-related systems and establish a new foundation for future technology requirements. The key detention automation programs that continue to drive mission efficiencies include the cross-agency initiatives of eDesignate and the DSNetwork.

<u>eDesignate</u>: eDesignate is a secure, electronic, web-based system that completely automates the sentence to commitment process by transferring data and documents electronically. eDesignate includes eMove, a transportation module that allows the USMS to submit a movement request electronically.

Since 2008, eDesignate has been fully operational in all 94 U.S. Federal Court districts. eDesignate is the enterprise technology solution used by the U.S. Courts, USMS, and BOP for the designation process and JPATS movement requests for federal prisoners. eDesignate eliminates the paper process and creates a faster, more transparent and effective workflow across agencies. Specifically, automated detained data sharing for the purpose of designation and movement eliminates redundant efforts, saves time, reduces errors, provides better visibility of the process, enables better problem resolution across agencies and provides the information necessary to manage more effectively.

eDesignate enables the BOP to complete sentence computations and designations and returns disposition to the USMS. Based on the length of sentence, the USMS either maintains custody of the detainee until the sentence is served, in the case of a short term sentence, or prepares the prisoner for movement to the commitment location. Delivering the necessary documents and data in one complete package to the BOP via a secure system, eDesignate enables all agencies to monitor and provide relevant information to shorten the post-sentence process, thereby saving detention costs.

Finally, eDesignate monitors performance objectives and metrics within and across agencies as well as gives managers the ability to watch and react to operational issues and trends. Managing and monitoring the Sentence to Commitment (S2C) process via eDesignate has reduced the average number of days detainces are in the S2C pipeline and ultimately resulted in a cost avoidance of \$25,000.000 in detention housing per year since FY 2008.

eMove: In 2008, the USMS in cooperation with JPATS, implemented in all 94 USMS districts, the eDesignate Movement Request (eMove). eMove provides a seamless transition from eDesignate to complete the full automation of the sentence to commitment process. It gives the USMS the ability to submit and monitor web-based movement requests to JPATS and streamlines the workflow among participating agencies by fully automating the federal detainee transportation process, thereby reducing the time from designation to commitment.

In February 2012, an enhancement to the eMove Transportation Module was released nationwide. This enhancement enables eMove to assist districts in scheduling and managing all in-district Judgment and Commitment (J&C) detained moves. This module allows the USMS to submit routine out-of-district movement requests, such as Federal Writs, Attorney Special Requests, Warrant of Removals, etc., to JPATS. eMove enables districts to submit and manage all prisoner movement information and data seamlessly in one central system.

The USMS now has the ability to centrally manage in-district moves, which will allow the USMS to develop performance objectives and measure the operational effectiveness of how and when prisoners are moved. Because the USMS is now able to monitor this effort, they will be able to determine the movements that will reduce time-in-detention, thus reducing detention costs.

<u>ePMR</u>: The electronic Prisoner Medical Request (ePMR) system serves to provide a workflow for medical designations. ePMR was implemented in all 94 USMS districts in 2010. The system streamlines and automates the approval process for requests for detainee medical services from USMS district offices to the Office of Interagency Medical Services (OIMS). ePMR not only eliminated the paper-based request and approval system previously in place, but creates the ability to automatically capture relevant detainee data from other agency systems.

ePMR works scamlessly with existing systems and reduces the work associated with data entry, storage, and reduces costs associated with paper/printer usage. The electronic solution presents relevant data and documents in one complete package to OIMS at USMS headquarters at a single point in time. The system also provides feedback mechanisms across USMS offices for faster case resolution. Additionally, ePMR not only provides users within districts with a level of collaboration never before realized, but also enables managers to adjust workloads internally, monitor performance and audit status both internally and externally.

Detention Services Network (DSNetwork): The Detention Services Network (DSNetwork) is a multifaceted, full-service internet site for detention services. The goal of DSNetwork is to improve interaction between government agencies and service providers as well as reduce workload. The vision of the DSNetwork site is to provide information to authorized detention stakeholders regarding procurement and to share detention quality assurance information and other relevant detention facility data. The detention services offerings continue to be developed and implemented as detention needs arise. The following existing modules are:

• Electronic Intergovernmental Agreement (eIGA)

The eIGA system was successfully deployed in 2008 to manage the interaction between facility providers offering detention services and a federal agency. eIGA automates the application process by enabling a facility to provide essential information via a secure, web-based system and then provides the government with a reliable and justifiable structure for negotiation. The system streamlines the former paper-based process, tracks the negotiation between detention provider and the government, and provides audit and reporting tools.

• Facility Review Management System (FRMS)

The FRMS is a web-based application developed to facilitate, standardize, record, and report the results of Quality Assurance Reviews (QAR) performed on private contract facilities. USMS is currently adding the reviews of non-federal IGA facilities to the FRMS and developing the ability to conduct associated analysis. In 2008, FRMS was chosen to receive the Attorney General's Award for Information Technology Excellence based on its innovative concept, successful implementation and continued program success.

2. Performance Resources Table

| | | | PERF | ORMA | VCE / | AND RES | OUR | PERFORMANCE AND RESOURCES TABLE | | | | |
|-------------------------|--|--------------------------------------|------|--------------------------|----------|--------------------------|------|---------------------------------|---------|--------------------|-----|------------------------|
| Decision 1 | Decision Unit: Detention Services | on Services | | | | | | | | | | |
| Workload/Resources | ources | | | Farget | | Actual | | Projected | S | Changes | Req | Requested (Total) |
| | | | | | | | | | Curre | Current Services | | |
| | | | Ē | , 1014 | 4 | 7101 701 | | 20, 2016 | Adjus | Adjustments and | F. | FV 2016 Request |
| | | . " | E4 | +107 1 X | • ' | | | | FY 20 | FY 2016 Program | | |
| Workload: To | Workload: Total Average Daily Population: | poulation: | | 58.791 | | 955330 | | 57,484 | | (199) | | 56,823 |
| | State & Local Gov | State & Local Gov't (IGA) Facilities | | 35,080 | | 33.299 | | 35,208 | | (156) | L | 34,257 |
| | | Private Facilities | | 11,911 | | 11.164 | | 11,319 | | 365 | | 11,684 |
| | Subtotal Non | Subtotal Non-federal Facilities | | 166'94 | | 44.463 | | 46,527 | | (985) | | 45,941 |
| | Federa | Federal (BOP) Facilities | | 11.400 | が強温 | 10.647 | | 10,745 | | (23) | | 10,722 |
| | | Non-Paid Beds | | 400 | 1000 | 220 | | 212 | | (52) | | 091 |
| Total Costs and FTE | d FTE | | FTE | \$000 | FTE | 2000 | FTE | 2000 | FTE | 2000 | FTE | 2000 |
| (Reimbursable bracke | (Reimbursable FTE are included, reimbursable costs are bracketed and not included in the total) | bursable costs are the total) | 11 | \$1,533,000 | 19 | \$1,425,521 | 11 | \$495,307 | 0 | 5959,107 [08] | 17 | \$1,454,414 [\$650] |
| Type/ | | | | | | | | | Curr | Current Services | L | |
| Strategic | Performance/Resources | ources | E. | FY 2014 | <u> </u> | FY 2014 | | FY 2015 | Adjustn | Adjustments and FY | | FY 2016 Request |
| DOI 60 13 | | B. Commercia | auca | 900 | 2 | Apple care | O.J. | cnon | PTF | 0000 | FTE | 0005 |
| 00 00 | | Kesources | 1 | 2000 | LIE | 2000 | 212 | anne | 41. | 2004 | | |
| Program Activity | Detention Services | Detainee Housing & Subaistence | 17 | \$1,533,000 [\$6,150] | 61 | \$1,425,521 [\$4,766] | 17 | \$495,307 [\$650] | 0 | \$959,107 [\$0] | 17 | \$1,454,414 [\$650] |
| Efficiency | Per Day Jail Cost (Non-federal) | Non-federal) | | \$76.45 | | \$7624 | | \$77.37 | | \$3.23 | | \$80.60 |
| Performance | Health Care Cost Per Capita (Non- federal) | er Capita (Non- | | \$2,027 | | \$2,044 | | \$2,196 | | (66\$) | | \$2,097 |
| Performance | # Targeted Non-federal Facility Reviews Completed* | deral Facility d* | | 15 | | 15 | | 15 | | 0 | | 15 |
| OUTCOME | Per Day Detention Cost | Cost | | \$83.31 | | \$82.81 | | \$84.49 | | \$1.94 | | \$86.43 |
| OUTCOME | Targeted Non-federal Facilities Meeting Min Stds (Private) | ral Facilities (Private) | | 15 | | 15 | | 15 | | 0 | | 15 |

| | | PERFORMANCE MEASURE TABLE | CE MEA | SURE TA | NBLE | | | | | |
|---------------------|------------------------------------|---|------------------|------------------|------------------|------------------|------------------|-----------------|------------------|------------------|
| | Decision Unit: | Decision Unit: Detention Services | | | | | | | | |
| Strategic Objective | Doctor Description | Don't woman to Danast and Dorformana Dian Tarrate | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | 014 | FY 2015 | FY 2016 |
| | r eriorinance report | ו מונח ו בווסו ווושחבב ז ושוו ושו פברם | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 3.3 | Efficiency Measure | Per Day Jail costs (Non-Federal) | \$70.56 | \$72.88 | \$74.21 | \$74.63 | \$76.45 | \$16.24 | \$77.37 | \$80.60 |
| 3.3 | Performance Measure | Health Care Cost Per Capila (Non-federal) | \$1,630 | \$1,624 | 81,890 | \$1,873 | \$2,027 | 970°ZS | \$2,196 | \$2,097 |
| 3.3 | Ретботралсе Measure | # Targeted Facility Reviews (Non-federal) | 32 | 30 | 0E | 30 | 15 | S | SI. | 15 |
| 3.3 | Performance Measure: Outcome | Per Day Detention Cost (Non-federal) | \$76.07 | \$78.59 | \$78.23 | \$80.33 | \$83.31 | \$82.81 | \$84.49 | \$86.43 |
| 3.3 | Performance Measure: Outcome | Targeted Non-federal Facilities Meeting Min Stds (Privale) | 100% 22 of 22 | 100% 23 of 23 | 100% 23 of 23 | 100% 23 of 23 | 100% 15 of 15 | 51,7051 %601 | 100% 15 of 15 | 100% 15 of 15 |

sefinitions, Validation, Verification, and Limitations:

Da

Performance Measure: Average Daily Population (ADP)

Data Definition: Number of prisoners in the custodial jurisdiction of the USMS on an average daily basis. ADP is calculated on a per capita, per day basis.

Data Validation and Verification: Monthly data are verified by comparing the data recorded in JDIS with billing data provided by non-fiederal detention service providers. Jail Data Collection and Storage: Data are maintained by the Justice Detainee Information System (JDIS) database. All prisoner statistical information is derived from JDIS. rate information is verified and validated against actual juil contracts.

Performance Measure: Per Day Jail Cost

Data Limitations: Limited by the timely entry of prisoner data into JDIS.

average cost paid by the USMS to house prisoners in facilities operated by state and/or local governments. Private jail costs represent the average cost paid by the USMS to house Data Definition: Actual average price paid (over a 12-month period) by the USMS to house federal prisoners in non-federal detention facilities. IGA jail cost represents the privoners in facilities operated by non-governmental entities (such as for-profit corporations). Average price paid is weighted by actual jail day usage at individual detention

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. In conjunction 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 PTS and it is with datly reports of prisoners housed, reports are compiled 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 are validated and verified against monthly reports describing district-level jail utilization and housing costs prepared by the

movement of prisoners and key-punching of those events into the PTS system. Accordingly, it is often necessary to delay reporting of official statistics several weeks to ensure that Data Linitations: Maintaining prisoner movement data is a labor-intensive process. The reliability of the reported data is often compromised by time lags between the actual prisoner movement records have been properly updated.

Performance Measure: Health Care Cost Per Capita

Data Definition: Cost of health care services provided to federal prisoners under the custodial jurisdiction of the USMS. Total health care costs include the costs of health services provided by medical practitioners and medical guard services. Per capital health care costs are determined by dividing total health care expenditures for the reporting period by the average daily prisoner population for that reporting period.

Data Collection and Methodology: Data describing funds obligated for prisoner health care services are reported through reports generated from the USMS financial system. Data Validation and Verification: In accordance with generally accepted accounting principles, the USMS routinely monitors its financial data for new obligations and deData Limitation: Data reported reflect the anticipated cost of services provided to USMS prisoners. In the event that the actual cost is different from the arricipated cost, additional funds may need to be obligated funds, de-obligated. Because of the time lag between the rendering of services and the payment of invoices, several weeks may lapse before the actual cost of health cure services provided to an individual prisoner can be accurately determined.

Performance Measure: Per Day Detention Cost

Data Definition: Total detention costs represent the aggregation of paid jail costs and health care costs on a per capita, per day basis. Data Collection and Storage: See, Paid Jail Costs and Health Care Costs, above.

Data Validation and Verification: Sec. Paid Juil Costs and Health Care Costs, above. Data Limitations: See, Paid Jail Costs and Health Care Costs, above.

Performance Measure: Targeted Non-federal Facilities Reviews and Targeted Non-federal Facilities Meeting Minimum Stundards

ubove the At Risk levet to be considered to be Meeting Minimun Standards. Targeted Number of Non-federal Facilities Meeting Minimun Standards. This percentage is calculated Sindatas: In the QAR review process, a fielility may receive one of five rating levels: Excellent: Level of performance exceeds minimum standards, deficiencies are nonexistent or minor. Qaqd: Level of performance meets minimum standards, deficiencies are minor and are offset by outstanding elements of performance. Acceptable: Level of performance maintain minimun standards. ALRisk: Level of performance does not meet minimun standards and requires immediate corrective action plans. Fucilities, must receive a rating approximately 480 or more, all Medium IGA facilities with an ADP of approximately 200 - 479, and other select facilities such as those involved in agency requested facility Data Definitions: Targeted Non-federal Facilities. All Private Facilities, all Large Intergovernmental Agreement (IGA) facilities with an average daily population (ADP) of meets minimum standards, deliciencies are minor. Deficient: Level of performance indicates performance is weak, corrective action plans for internal controls are needed to reviews. Number of Thrugeted Reviews Completed: Targeted Non-federal Fucility Quality Assurance Reviews (QARs) completed during the fiscal year. Meeting Minimum

by dividing the Targeted Non-federal Facilities Meeting Mananum Standards by the number of these facilities scheduled for review during the fiscal year.

Data Collection and Storage: Data describing the facility ratings and standards that are met by the individual facilities will be maintained in the FRMS system. In conjunction with the QAR reviews; state, local, and other agency inspection reports are maintained.

Data Validation and Verification: Data reported are validated and verified against QAR reports, repository information, state, local or other agency reported data (i.e. BOP Senry.

USMS P1S). Data Limitations: Data reported often reflect a delay in reporting.

3. Performance, Resources, and Strategies

Program Activity: Detention Services

FPD Performance Goal 1 Meet the Nation's detention requirements in the most economical manner

To measure success toward achieving this strategic goal, a performance goal was established to hold per day detention costs at or below inflation. This chart reflects the targeted level required to achieve that goal. The discussions below specify the mission challenges and strategies required to make the targeted level attainable. In addition, the graph depicts the specific performance level required for each contributing initiative.

Performance Plan and

Report:

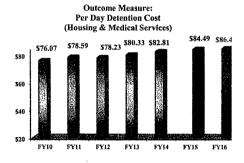
Measure: Per Day Detention Cost (Housing and Medical

Services)

FY 2014 Target: \$83.31 FY 2014 Actual: \$82.81

Challenge: Adequate Detention Beds

When state and local governments require more of their capacity to house their



BActual ■Projected

own prisoners, fewer detention beds are available to accommodate federal detainees. The reduction in available state and local facilities forces an increased reliance on private facilities that are historically higher in cost.

Strategy: Maximize the use of available bed space

One goal of DSNetwork is to provide a means to monitor detention bed space usage and to allow for oversight of non-federal facility contracts and services. Timely and accurate data from JDIS and other systems will be integrated into DSNetwork dashboards and reports to query and monitor capacity and usage. As a consolidated detention services site, the DSNetwork will also provide a vehicle for automated processing of IGAs, detention facility review information, other detention services, and procurement data for agencies to assess, monitor, and manage detention bed space. This will allow district offices increased flexibility to determine the best value to the federal government by better leveraging available space, transportation, and care capabilities. It will result in securing beds and related services more efficiently and is vital to holding detention costs down.

FPD Performance Goal 2 Ensure efficient use of detention space and minimize price increases

Challenge: Projection of IGA Increases

DOJ utilizes Intergovernmental Agreements (IGA) to establish the relationship with a state or local government for the use of excess bed space at a negotiated per diem rate. During the life of the agreement, a state or local government may request rate adjustments from DOJ. Historically, it was unknown how many or at what frequency the state or local governments would request such adjustments or the magnitude of the adjustments, making it difficult to project rate increases for budgeting purposes.

Strategy: eIGA

cIGA was developed to provide a measure of standardization for the cost and the manner in which the IGA rates for state and local facilities are calculated. cIGA is used to establish a negotiated fixed per diem rate for each facility within the parameters of rates of similar local facilities and limits future adjustments to the per diem rate. This allows the cost of housing detainees to become more predictive as new trends and set prices are integrated to provide more comprehensive bed space requirements. cIGA continues to include more IGAs as new agreements are initiated and older agreements are renegotiated. In addition to the multiple benefits of the cIGA, this system has reporting capabilities, which can result in a more accurate and faster report.

Strategy: Reduce prisoner processing time (via: eDesignate)

eDesignate provides for a more efficient workflow between the U.S. Probation offices, the USMS, and the BOP during the sentence-to-commitment process by significantly reducing the workload of agency personnel involved in the administratively taxing designation process. All 94 Judicial Districts are using eDesignate. In 2010, eDesignate was expanded to include JPATS movement requests.

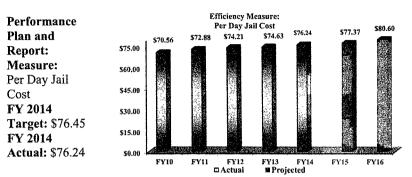
Strategy: Increase use of detention alternatives

The USMS will continue to provide funding to the federal judiciary to support alternatives to pretrial detention, such as electronic monitoring, halfway house placement, and drug testing and treatment. The budgetary savings of these alternatives to detention is substantial. The USMS provides the Administrative Office of the United States Courts (AOUSC) with \$4,000,000 annually to supplement their funding for alternatives to detention. If the defendants who were released on an alternative-to-detention program had been detained in a secure facility pending adjudication, the detention population could have been higher by as many as 2,900 prisoners per day at a cost of approximately \$67,000,000.

Strategy: Maintain/gain economies of scale through partnered contracting

The USMS will continue to partner with Immigration, Customs, and Enforcement (ICE) and BOP as appropriate on joint-use facilities to achieve the best cost to the Government.

In this procurement process, each agency establishes a minimum level of bedspace usage to achieve the best prices. By approaching the negotiating process together, this eliminates the potential for competition between federal agencies. This methodology has worked well in the past and will continue for future negotiations as appropriate.



FPD Performance Goal 3

Ensure adequate medical services are provided in the most economical manner

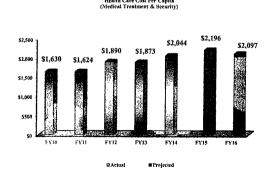
Challenge: Rising Medical Costs

An important facet of the conditions of confinement is ensuring the appropriate medical care for detainees at or near detention facilities. The challenge is to provide a uniform approach to these services at the best value to the Government while minimizing the cumbersome process for field operations.

Strategy: National Managed Care Contract

The USMS manages a National Managed Care Contract (NMCC) that establishes a national health care delivery system for USMS prisoners. The contract helps to ensure that the USMS is complying with the federal procurement statutes and regulations when

it acquires medical services for its prisoners. It also ensures that the USMS prisoner medical claims are re-priced to Medicare rates in accordance with the provisions of 18 U.S.C. 4006. The NMCC has also reduced the prisoner medical- related administrative workload of the districts. The NMCC contractor is processing and



paying the entire contract- related prisoner medical bills on behalf of the districts. Finally, the NMCC provides for a national discount pharmacy program that allows the

USMS to receive discounts on the medications that the USMS purchases for its prisoners. The NMCC has been fully implemented in all USMS districts.

Performance Plan and Report:

Measure: Health Care Cost Per Capital (Medical Treatment and Security)

FY 2014 Target: \$2,027 FY 2014 Actual: \$2,044

FPD Performance Goal 4

Ensure safe, secure, humane confinement

To measure success toward achieving this strategic goal, a performance goal was established to ensure that 100% of all private detention facilities meet minimum standards annually.

FPD Performance Goal 5

Ensure detention facilities meet established standards for confinement

Challenge: Varying Detention Standards

Concurrent with the desire to create efficiencies within detention is the need to ensure that facilities provide for the safe, secure, and humane confinement of detainees. This is especially challenging considering the vast number of state, local, and private facilities in use. The standard for confinement at these facilities varies according to local and state requirements. To address this issue, a comprehensive Quality Assurance Program was developed to ensure that the facilities providing detention bed space to the federal government meet confinement standards.

Strategy: Continuation of the Comprehensive Quality Assurance Program

The Quality Assurance Program is a multi-faceted approach to ensure the safe, secure, and humane confinement of detainees as well as address 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). The Federal Performance-Based Detention Standards (FPBDS) provide the foundation for the program, while the various program components ensure compliance to the standards. These components (listed below) cover all aspects of detention from construction to operational review and training.

Performance-Based Contracts: To define acceptable conditions of confinement, FPBDS was created in cooperation and coordination with the BOP, USMS, and ICE. The FPBDS provides objective standards to ensure that all providers achieve and maintain the standards. Federal contracts are written or modified to reflect the FPBDS for all private contract facilities. To ensure compliance with the standards, private contractor performance evaluation and, consequently, compensation are based on the facility's ability to demonstrate alignment with the standards.

Quality Assurance Reviews (QARs): The QAR program conducts on-site reviews for Targeted Non-federal Facilities, defined as: private facilities and select IGA facilities. A review identifies and reflects facility deficiencies as related to the delivery of contract services. A corrective action plan developed by the facility to address deficiencies is monitored by USMS until resolution. Since the implementation of the QAR program there has been quantifiable improvement in the quality of detention services. Specifically notable is the reduction in repeat deficiencies. The cumulative effect of these improvements resulted in increased ratings and services.

The table below captures the categories of QARs and relative performance goals. All actively used IGA facilities receive an annual review utilizing the Detention Investigative Facility Report.

| | Pe | rcentage of | Targeted N | . T DES 132 | e Mea sure: Facilities M | eeting Min | imum Stan | dards | |
|-------------|---------------|--------------|------------------|--------------|------------------------------------|------------|-----------|---------|---------|
| Fac | ility | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY | 2014 | FY 2015 | FY 2016 |
| Type | Size (ADP) | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| Performanc | e Goal: 100% | Meet Minim | um Standards | | · | | | | |
| | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Private | N/A | 12 | 14 | 14 | 14 | 15 | 15 | 15 | 15 |
| | Large | 100 | 100% | 100% | 100% | N/A | N/A | N/A | N/A |
| IGA | > 480 | 10 | 9 | 9 | 9 | N/A | N/A | N/A | N/A |
| | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Sub | total: | 22 | 23 | 23 | 23 | 15 | 15 | 15 | 15 |
| Performano | e Goal: 100% | of Medium F | acilities Meet l | Minimum Star | idards | | | | |
| | Medium | 100% | 100% | 100% | 100% | N/A | N/A | N/A | N/A |
| IGA | 200 - 480 | 8 | 7 | 7 | 7 | N/A | N/A | N/A | N/A |
| Performanc | e Goal: Meet | Annual Targe | ts as Establish | ed | | | | | |
| | Small | 100% | 100% | 100% | 100% | N/A | N/A | N/A | N/A |
| IGA | 40 - 199 | 1 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | | 93% | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As Previous | ly Reported: | 27 | 32 | 30 | 30 | N/A | N/A | N/A | N/A |

- Private Detention Facility Construction and Activation Monitoring: To ensure
 that newly constructed facilities meet all aspects of the FPBDS in addition to local
 and state requirements, a contract was awarded to monitor private detention
 facility construction and activation.
- Joint Review Initiative (JRI): The USMS will continue to coordinate with the federal government detention stakeholders to develop the JRI for facility

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inspections. The JRI will facilitate joint reviews of shared USMS/ICE/BOP IGA facilities using a single federal baseline detention standard.

Performance Plan and Report:

Measure: Number of Targeted Non-federal Facilities Meeting Minimum Standards

FY 2014 Target: 15 FY 2014 Actual: 15

V. Program Increases by Item

No program increases.

VI. Program Decreases by Item

Item Name: A. Population Adjustment

Strategic Goal: DOJ Strategic Goal: 3
Strategic Objective: DOJ Objective: 3.3
Budget Decision Unit(s): Detention Services
Organizational Program: U. S. Marshals Service

Program Decrease: Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars <u>-\$111,000,000</u>

Description of Item

This decrease reflects the projected cost reduction associated with the decreasing trend in the detention population.

Justification

The detention account has been experiencing an unprecedented decline in the prisoner population. Assuming current policies and conditions do not change and the decreasing trend continues into FY 2016, the cost for the detention population is anticipated to be lower than the base funding level. This decrease allows the USMS and the Department to maintain sufficient base resources while also accounting for a possible lower than projected population.

Impact on Performance

The impact of this proposal on detention operations is expected to be minimal.

Funding

Base Funding

| | FY | 2014 E | nacted | | FY | 2015 En | acted | | FY 20 | 16 Curre | nt Services |
|-----|--------------|--------|-------------|-----|--------------|---------|-----------|-----|--------------|----------|-------------|
| Pos | Agt/ Attv | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) | Pos | Agt/ Atty | FTE | \$(000) |
| 17 | 0 | 19 | \$1,533,000 | 17 | 0 | 17 | \$495,307 | 17 | 0 | 17 | \$1,565,414 |

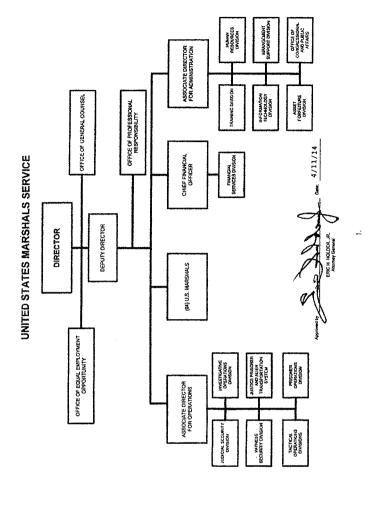
Non-Personnel Decrease Cost Summary

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----------|----------|-------------------------------|---|---|
| Housing | | | -\$111,000 | \$0 | \$0 |
| Total Non-Personnel | | | -\$111,000 | \$0 | \$0 |

Total Decrease for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|----------------|-----|--------------|-----|----------------------|------------------------------|------------------|--|--|
| Current | 17 | 0 | 17 | \$3,000 | \$1,562,414 | \$1,565,414 | | |
| Services | 1 | | | | | | | |
| Decrease | | | | | -\$111,000 | -\$111,000 | \$0 | \$0 |
| Grand Total | 17 | 0 | 17 | \$3,000 | \$1,451,414 | \$1,454,414 | \$0 | \$0 |

A: Organizational Chart



Summary of Requirements United States Marshals Service Federal Prisoner Detention (Dollars in Thousands)

| | Direct Positions | 된 | Amount |
|--------------------------------------|------------------|-----|-----------|
| 2014 Enacted | 11 | 19 | 1,533,000 |
| 2014 Balance Rescission | 0 | 0 | 0 |
| Total 2014 Enacted (with Rescission) | 11 | 19 | 1,533,000 |
| 2014 Finanted | 12 | 17 | 495,307 |
| 2014 Rajance Resussion | 0 | 0 | -188,000 |
| Total 2015 Enacted (with Rescission) | 11 | 11 | 307,307 |
| Technical Adjustments | | | |
| Restoration of Base - FPD | | ۰ د | 100.000 |
| Restoration of Rescission - FPD | 01 | 017 | 188,000 |
| Total Technical Adjustments | 0 | ລ | 000,882,1 |
| Base Adjustments | | | |
| Transfers: | | , | 000 |
| Medical Cost Adjustment - to BOP | 0 (| 0 0 | 996.62- |
| Pay and Benefits | 01 | 011 | থ হ |
| Total Base Adjustments | - | 5 | 588,83- |
| Total Technical and Base Adjustments | 0 | 0 | 1,258,107 |
| 2016 Current Services | 17 | 17 | 1,565,414 |
| Program Changes | | | |
| Decreases: | | | |
| Population Adjustment | 0 | 0 | -111 000 |
| 2016 Total Request | 17 | 17 | 1,454,414 |
| 2016 Balance Rescission | | | -69,500 |
| 2016 Total Request (with Rescission) | 17 | 17 | 1,384,914 |
| 2015 - 2016 Total Change | 0 | 0 | 959.107 |

Note. The FTE for FY 2014 is actual and for FY 2015 and FY 2016 is estimated

B. Summary of Requirements

Summary of Requirements
United States Marshals Service
Federal Prisoner Detention
(Dollars in Thousands)

| | | 2014 Enacted | cted | , | 2015 Enacted | cted | 2016 1 | echnical | 2016 Technical and Base | 2016 | 2016 Current Services | Services |
|------------------------------|--------|--------------|-----------|--------|--------------|----------|--------|-------------|-------------------------|--------|-----------------------|-----------|
| Program Activity | | | | | | | | Adjustments | all's | | | |
| | Direct | Actual | Amount | Direct | Est. | Amount | Direct | Est. | Amount | Direct | Est. | Amount |
| | Pos | FTE | | Pos. | FTE | | Pos. | FTE | | Pos. | FTE | |
| Detention Services | 17 | 19 | 1,533,000 | 17 | 17 | 495,307 | 0 | 0 | 1,070,107 | 17 | 17 | 1,565,414 |
| Total Direct | 17 | 19 | 1,533,000 | 17 | 44 | 495,307 | 0 | 0 | 1,070,107 | 17 | 17 | 1,565,414 |
| Balance Rescission | | | 0 | | | -188,000 | | | 188,000 | | | 0 |
| Total Direct with Rescission | | | 1,533,000 | | | 307,307 | _ | | 1,258,107 | | | 1,565,414 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 19 | | | 17 | | | 0 | | | 17 | |
| Other FTE: | | | | | • | | | | | | | |
| LEAP | | 0 | | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | ٥ | |
| Grand Total, FTE | | 19 | | | 17 | | | 0 | | | 17 | |

| | 2 | 2016 Increases | ases | 2 | 2016 Decreases | ases | | 2016 Request | uest |
|------------------------------|--------|----------------|--------|--------|----------------|----------|--------|--------------|-----------|
| Program Activity | Direct | Est. | Amount | Direct | Est | Amount | Direct | Est. | Amount |
| | Pos. | FTE | | Pos | FTE | | Pos. | FTE | |
| Detention Services | 0 | 0 | 0 | 0 | 0 | -111,000 | 17 | 17 | 1,454,414 |
| Total Direct | 0 | 0 | 0 | 0 | ō | -111,000 | 11 | 11 | 1,454,414 |
| Balance Rescission | | | 0 | | | 0 | | | 005'69- |
| Total Direct with Rescission | | • | 0 | | | -111,000 | | | 1,384.914 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 17 | |
| Grand Total, FTE | | 0 | | | 0 | | | 17 | |

FY 2015 Program Changes by Decision Unit

United States Marshals Service

Federal Prisoner Detention (Dollars in Thousands)

| Program Decreases | Location of Description in | U. | ederal Pr | Federal Prisoner Detention | ntion |
|-------------------------|-------------------------------|----------------|-----------|-----------------------------|----------|
| | Narrative | Direct Pos. | | Agt./ Est. FTE Amount Atty. | Amount |
| Population Adjustment | 28 | 0 | 0 | 0 | -111,000 |
| Total Program Decreases | | 0 | 0 | 0 | -111,000 |

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective Unided States Marshals Service Federal Pisoner Detenton (Obles in Thosasné)

| | 2014 | 2014 Enacted | 2015 | 2015 Enacted 2016 Current Services 2016 Increases | 2016 Curr | ent Services | 2016 1 | ncreases | 2016 D | 2016 Decreases 2016 Total Request | 2016 Tol | al Request |
|---|-------------------------|------------------|-------------------------|--|------------------------|--------------|-------------------------|------------------|-------------------------|--|-------------------------|------------------|
| Strategic Goal and Strategic Objective | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct Direct Direct Direct Direct Reimb Amount Reimb Amount FTE FTE | Direct/ Remb FTE | Direct | Direct/ Reimb FTE | Direct Amount | Direct/ Reimb FTE | Direct Direct Direct Direct Direct Amount Reimb Amount FTE | Direct/ Reimb FTE | Direct Amount |
| Goal 3 Ensure and Support the Fair, Impartial, Efficient, and 3. Transparent Administration of Justice at the Federal, Stato Local, Titles and International Lavels 3.3 Provide sale, secure humane, and cost effective confinement and learsportation of federal detainness and mmalles. | | 19 1533 000 | | 495.307 | | 17 1 565 414 | | | | -111.089 | | 17 1454414 |

Note: Excludes Balance Rescission end/or Supplemental Appropriations

on for Technical and Base Adjustments

Justifications for Technical and Base Adjustments United States Marshals Service

Federal Presoner Detention (Dollars in Thousands)

188,000 1,100,000 -29.969 1,258,107 Amount FTE Pas. Pay and Benefits 1 2016 for provides This forguest provides for a proposed 1.3 percent pay rase to be effective in January of 2015. The amount request, <u>\$29</u>, represents the pay amounts for 34 of the fiscal year plus appropriate benefits (<u>\$21</u> for pay and <u>\$8</u> for benefits.) Subtotal, Technical Adjustments Subtotal, Pay and Benefits 2. Acquagitation of 2015. Eary Resus. The pay annual-binn requested is required amounts (October through December) of the 2015 pay increase of 1.0% included in the 2015 Appropriation. This amount requested 52, represents the pay amounts for 14 of the fiscal year plus appropriate benefits 52 for pay and 53. Effective January 2015, the component's contribution to Federal employees' health insurance increases by 3.2 percent. Applied against the This request proposes transfering to the BOP the financial responsibility for prisoner medical care of USMS prisoners aleady housed in BOP to facilities, alsowing the BOP to have financial and operational responsibility for medical care to holp contain medical expenses, allow for This inquest restores base escures for the FPD account. In FY 2015, Congress during route funding at the appropriated beveiled the The The related, Congress enstroyed DO.1 to the \$5.11 00000 for the rests entrolled behalices from the Assets Fridenes Front account. The Department does not activitize the talls surring mechanism with a weaklibe in FY 2015 and requests that those restorate to restored to EEES Requisitations Test Discontinum Relationary Contribution.
Efficience October 1, 2015 (FY 2016): The recognisher content (11.9%, or an increase of 1.3%), and
28.3% for the redinderment placement (placement 26.3%, or an inverse of 1.2.5%). The amount requested, \$12.5 represents the Agency reterement contributions funcess as smpkyopes under CSRS rates and are replaced by FERS employees. Based on U.S. Department of Jacks Agency salizants, any operal that the DOD winkholess und coverful and SSRS to FERS as that of 1 Spercent per year. The requested increase of SSLs necessary to meal our acroassed referented obgalations as a result of this conversion. The increased cost for one more compensable day in FY 2016 (262) compared to FY 2015 (261) is calculated by dividing the FY 2015 TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS estimated personnel companisation \$2,363 and applicable benefits \$594 by 261 compensable days. Transfer of Base Resources to the Burgau of Prisons (BOP) for USMS Prisoner Medical Care better oversight and accountability of resources, and allowate audit issues. ensure that the FPD account maintains sufficient base funding. 2014 estimate of \$375, the additional amount required is \$12. Restoration of 2015 Rescission against Balances: funds needed to cover this increase Change in Compensable Days: Restoration of Base Health Insurance for benefits). Retirement

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability United States Marshals Service Federal Prisoner Detention (Dollars in Thousands)

| Program Activity | Ŀ | FY 2014 Enacted | acted | Reprogramming/Transfers | ming/Tra | l | Carryover | Recoveries/ Refunds | 201 | 2014 Availability | lifty |
|------------------------------|----------------|---------------------------|-----------|-------------------------------|---------------|--------|-----------|------------------------|---------------------------|-------------------|-----------|
| | Direct Pos. | Direct Actual Pos. FTE | Amount | Direct Pos. Estim. Amount FTE | Estim. FTE | Amount | Amount | Amount | Amount Direct Pos. Estim. | Estim. | Amount |
| Detention Services | 17 | 19 | 1,533,000 | 0 | 0 | -6.700 | 86.913 | 20 351 | 17 | , 0 | 1 632 664 |
| Total Direct | 11 | 19 | 1,533,000 | 0 | ٥ | -6.700 | | 20.354 | 14 | 9 | 4 632 EGA |
| Balance Rescission | | | 0 | | | | | 10000 | | 2 | 100,000,1 |
| Total Direct with Rescission | 17 | 19 | 1,533,000 | 0 | - | -6,700 | 86,913 | 20.351 | 17 | φ | 1 633 564 |
| | | | | | | | | | | 2 | .00.00 |

Reprogramming/Transfers: FPD (15-X-1020) transferred \$6,700,000 to the Executive Office for Immigration Review (15-14-0339) to cover necessary expenses related to SWB

Carryover: FPD carried forward \$86,913,287 from funds provided in FY 2013.

Recoverles/Refunds: Recoveries from prior year obligations are \$19,985,120 and collections amount to \$365,681.

Crosswalk of 2015 Availability United States Marshals Service Federal Prisoner Detention (Dollars in Thousands)

| Program Activity | - | FY 2015 Enacted | acted | Reprog | Reprogramming/Transfers | ınsfers | Carryover | Recoveries/ Refunds | | 2015 Availability | 2 |
|--------------------------------|--------|-----------------|--------------------------------------|-------------|-------------------------|-----------|-------------------|---------------------------|-------------|-------------------|-----------|
| | Direct | Direct Estim. | Amount Direct Pos. Eslim. FTE Amount | Direct Pos. | Estim. FTE | Amount | Amount | Amount Direct Pos. Estim. | Direct Pos. | Estim. | Amount |
| Detection Co. | | 2 | | | | | | _ | | FTE | |
| | 7 | 17 | 495,307 | 0 | Ö | 1,102,613 | 208 443 | 23.650 | 44 | 4.2 | 1 920 013 |
| Total Direct | 17 | 43 | 495.307 | | - | 4 402 643 | | ľ | | 1 | 0000 |
| Balance Rescussion | | | | 1 | 1 | 1,104,013 | İ | Ì | 2 | 7 | 1,630,013 |
| Total Direct sorth Description | _ | _ | 188,000 | | | | | | | | -188,000 |
| CHI CHECK WILL RESCUSSION | | | 307,307 | | | 1,102,613 | 1.102,613 208,443 | 23.650 | | _ | 1 642 013 |
| | | | | | | | | | | | |

Reprogrammings/Transfers: The FPD account (15-X-1020) was not appropriated funding at the President's Budget request level. Instead, Congress instructed the Department to use \$1,100,000,000 of the Assets Forfeiture Funds excess unobligated balances available in FY 2015. Also included is the transfer of unobligated balances of \$2,613,130 from the Office of Faderal Detention Trustee account (15-X-0136).

Carryover: FPD carried forward \$208,443,249 from funds provided in FY 2014.

Recoveries/Refunds: Recovenes from pnor year obligations are estimated at \$22,000,000 as reported in the FY 2015 Spend Plan under Section 210 Notification. Estimated collections amount to \$1,630,000. Funding will be used for regular detention activities consistent with the manner in which it was onginally appropriated

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources United States Marshals Service Federal Prisoner Detention

(Dollars in Thousands)

| Increase/Decrease | |
|-------------------|---|
| 2016 Request | |
| 2015 Planned | |
| 2014 Actual | |
| | • |

| Collections by Source | Reimb. | Reimb. Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb | Reimb. | Amount |
|---------------------------------|--------|---------------|--------|--------|---------------|--------|--------|---------------|--------|--------|-------------------|--------|
| | Pos. | ᆵ | | Pos | Щ | | Pos. | 표 | | Pos. | FTE | |
| Federal Bureau of Prisons | 0 | 0 | 4,400 | 0 | 0 | 0 | 0 | 0 | 0 | ٥ | 0 | |
| State and Local | 0 | 0 | 366 | 0 | 0 | 650 | 0 | 0 | 650 | 0 | 0 | |
| Budgetary Resources | ٥ | 0 | 4,766 | 0 | 0 | 650 | 0 | 0 | 650 | 0 | - | |
| | | | | | | | | | | | | |
| | | 2014 Actual | uat | | 2015 Planned | рви | | 2016 Request | uest | ш | Increase/Decrease | crease |
| Obligations by Program Activity | Reimb. | Reimb. Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. | Reimb. | Amount |
| | Pos. | FTE | | Pos. | FTE | | Pos | Ŧ | | Pos. | FTE | |
| Detention Services | 0 | 0 | 4,766 | 0 | 0 | 920 | 0 | 0 | 920 | 0 | 0 | |
| Budgetary Resources | • | 0 | 4,766 | 0 | 0 | 650 | 0 | 0 | 650 | 0 | 0 | |

Note: MAX A-11 reflects the initial estimate for reimbursable resources for FY 2015 and FY 2016. As of President's Budget submission, the estimate is revised as shown.

Detail of Permanent Positions by Category

United States Marshals Service Federal Prisoner Detention (Dollars in Thousands)

| Category | 2014 Enacted | 2015 Enacted | 2014 Enacted 2015 Enacted 2016 Request |
|--|--------------|--------------|--|
| | Direct Pos. | Direct Pos. | Total Direct |
| | | | Pos. |
| Clerical and Office Services (300-399) | 11 | 11 | 11 |
| Business & Industry (1100-1199) | 9 | 9 | 9 |
| Total | 11 | 17 | 17 |
| Headquarters (Washington, D.C.) | 17 | 17 | 11 |

Exhibit I - Details of Pern at Positions by Category

I. Detail of Permanent Positions by Category

Financial Analysis of Program Changes United States Marshals Service Federal Prisoner Detention

(Dollars in Thousands)

| Object Class 25.8 Subsistence and Support of Persons |
|--|
|--|

Summary of Requirements by Object Class United States Marshals Service Federal Prisoner Detention (Dates an Thousands)

| Direct Amount Direct Amount Direct Amount Direct TTE T | | 2014 | 2014 Actual | 2015 A | 2015 Availability | 2016 | 2016 Request | Increas | Increase/Decrease |
|--|---|--------|-------------|--------|-------------------|--------|--------------|---------|-------------------|
| FTE | Object Glass | Direct | Amount | Direct | Amount | Direct | Amount | Orec | Amount |
| 19 2.183 17 2.636 17 2.674 | | 표 | | FE | | E | | E | |
| Figure Permanent 0 0 0 0 0 0 0 0 0 | I I rull-lime Permanent | 19 | 2.163 | 121 | 2 836 | 17 | 2 674 | c | g, |
| Compensation Comp | 11.3 Other than Full-Time Permanent | c | | | | | | 0 | 3 |
| Dependency of the properation of | 11.5 Other Personnel Compensation | 0 | ** | 5 6 | 5 6 | 5 0 | 5 6 | 57 | 5 (|
| Services Payments Compensation | Ovadime | 5 6 | , | 57 | 5 | 5 | 5 | 0 | 5 |
| Total Delignments Total Total Charges Payments Total Charges Payments Total Charges Payments Total Charges Payments Total Charges Payments Total Charges Payment Charges Charg | Other Communities | 9 | 3 | 6 | 0 | 0 | 0 | 0 | 0 |
| Services Payments | ionacio di control di | 0 | 444 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Tota | | ó | 964 | 0 | 0 | 0 | 0 | 0 | C |
| Table Tabl | • | 191 | 3 574 | 1 | 3636 | 1 | 2574 | 1 | 90 |
| 1,544 1,600 1,60 | Other Object Classes | ! | | : | 200 | = | * 10.4 | 5 | 8 |
| 1,544 1,671 1771 | 12.1 Civilian Personnel Benefits | _ | - | | i | | İ | | |
| 1,544 1,600 1,60 | 21.0 Travel and Transportation of December 21.0 | | 95 | _ | /41 | | | | 30 |
| Miscellaneous Charges | 20 O 4 | | 1,544 | | 1,600 | _ | 1,600 | | č |
| 1,000 1,00 | 22 o Transportation of Trings | | 101 | | S | | 5 | | |
| 138 150 | 23.1 Rental Payments to GSA | | 200 | | 3 9 | | 3 . | | 5 |
| 138 150 | 23.3 Communications. Utilities, and Miscellaneous Characa | | 2 | _ | <u>-</u> | | 5 | | 0 |
| Sources 3,564 4,000 5,800 5, | 24.0 Printing and Bennaduring | | 138 | | 150 | | 150 | | ō |
| 1564 4,000 5,800 | 25 1 Action 101 Action 101 | | 0 | | 0 | | 0 | | 0 |
| Secures Secures Secure | Co. Devisory and Assistance Services | | 3,564 | _ | 4.800 | | 5 800 | | 1 000 |
| Federal Sources 69.26 63.575 63.575 63.575 64.575 65.575 6 | 25.2 Officer Services from Non-Federal Sources | | 424 | | 202 | | 004 | _ | |
| 90.00 | 25.3 Other Goods and Services from Federal Sources | | 00000 | | 8 6 | | 0 1 | | 5 |
| 1,242 1,256 1,25 | 25.4 Operation and Maintenance of Facilities | | 00,400 | | 63,575 | | 63,575 | | 0 |
| 90,512 93,556 93 | 25.6 Medical Care | | 1,328 | | 7,050 | | 7,050 | | 0 |
| 1,244,272 1,230,542 1,207,48 1,207,4 | 25.7 Operation and Maintenance of Employee | | 92,612 | | 93,556 | | 93,556 | | 0 |
| 1,242,272 1,230,542 1,207,468 1,207,478 1,207,468 1,207,478 1,20 | 26 B Chairtean wanted and Utdulmen | | 473 | | 723 | | 723 | | 0 |
| 334 550 560 560 560 560 560 560 560 560 560 | 20. Constitution and Support of Persons | | 1,242,272 | _ | 1,230,542 | | 1,207,458 | _ | -23.084 |
| Otal Obligations 1,425.12.1 1,406,923 1,384,914 -GF-Year 6,509.913 -208,433 2,350,600 -20,351 -23.550,600 -20,351 -23.550,600 -20,351 -23.550,600 -20,351 -23.550,600 -20,351 -23.550,600 -20,351 -23.550,600 -20,351 -23.550 | 21 O Complete and Materials | | 334 | | 200 | | 200 | _ | |
| -04-Year 1,405,923 1,384,914 -04-Year -05-Year 1,005,913 1,005,913 -05-Year 1,005,913 1,005,913 -05-Year 1,005,913 1,005,913 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,355,990 -20,351 2,352 | | | 3,297 | | 450 | | 457 | | - |
| -86,913 -208,443 -35,000 -20,351 -20,86,443 -35,000 -20,351 -23,650 -20,351 -23,650 -23,650 -20,351 -23,650 -2 | Total Obligations | | 1,425,121 | | 1.406 923 | | 1 384 914 | | 22 000 |
| 50,313 -205,433 -205,030 50,313 -205,433 -235,030 -20,351 -23,560 -20,351 -23,560 235,090 -235,090 1 533,000 -235,090 1 533,000 -235,090 1 533,000 -235,090 | Subtract - Unobligated Balance, Start-of-Year | | 00.042 | | 2000 | | 100 | | 100,00 |
| 20,550 -1,102,613 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Subtract - Transfers/Reprogramming | | 200,00 | - | -200.443 | | 060'662- | | 76,647 |
| 20,351 -23,560 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | Subtract - Recoveries/Refunds | | 0,700 | | 1,102,613 | | 0 | | 1,102,613 |
| ж Requirements 0 1 533 000 0 1 205,090 205,090 | Add . Inobligated End of Non-American | | -20,351 | _ | -23,650 | | 0 | | 23,650 |
| 0 1533 000 00 305 307 | A THE PART OF THE | | 208,443 | | 235,090 | | 235,090 | | 0 |
| (*16°*06°* 0 100° 100° 100° 100° 100° 100° | lotal Direct Requirements | 0 | 1,533,000 | 0 | 307,307 | 0 | 1,384,914 | 0 | 1.077.607 |

United States Marshals Service

Federal Prisoner Detention (Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

Act, 2015, page 72, directs USMS to report on a quarterly basis the number of individuals in the 1. The Senate Report associated with the Consolidated and Further Continuing Appropriations detention system, the projected number of individuals and the annualized costs associated with them. Target response to Committee in February, May, August, November.

Exhibit L - Status of Congressionally Rr sted Studies, Reports, and Evaluations

Fees and Expenses of Witnesses FY 2016 President's Request

U.S. Department of Justice

1040

FY 2016 OMB Budget Request Fees and Expenses of Witnesses

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I. Overview for Fees and Expenses of Witnesses

For the Fees and Expenses of Witnesses (FEW) appropriation, the Department requests a total funding level of \$270,000,000 for FY 2016 to remain available until expended. The FEW is a mandatory appropriation and is under Strategic Goal III to ensure the Fair and Efficient Administration of Justice. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: http://www.justice.gov/02organizations/bpp.htm.

The Fees and Expenses of Witnesses activity provides funding for all fees and expenses associated with the provision of testimony on behalf of the Federal Government. Specifically, there are two types of witnesses that are compensated under the provisions of this activity. Fact witnesses testify as to events or facts about which they have personal knowledge. These witnesses are paid a statutorily established rate of \$40 per day plus reasonable amounts for travel and certain other costs associated with their appearance. Expert witnesses provide technical or scientific testimony and are compensated based on negotiations with the respective Federal Government attorney. Funding allocated to this activity is also used to pay the fees of physicians and psychiatrists who examine defendants upon order of the court to determine their fitness to stand trial.

The Emergency Witness Assistance Program allows the Government to aid witnesses who might not otherwise testify because of perceived threats surrounding the litigation. This program started in 1997 and is limited to a participation period not to exceed 30 days. The services provided include transportation needs, temporary housing, temporary subsistence, emergency telephone calls, and child/elder care.

The Protection of Witnesses activity provides funding for the security of government witnesses, or potential government witnesses, and their families when their testimony, concerning organized criminal activity, may jeopardize their personal security. Typical expenses include, but are not limited to, subsistence, housing, medical and dental care, travel, documentation, identity changes, one-time relocation, costs associated with obtaining employment, and other miscellaneous expenses. This activity also provides for construction and maintenance of strategically located safesite facilities to house protected witnesses before and during trial; the purchase and maintenance of armored vehicles; and the maintenance of a secured network.

The Victim Compensation Fund was established by Section 1208 of the Comprehensive Crime Control Act (Title II of P.L. 98-473). The Fund is used by the Attorney General to "pay restitution to, or in the case of death, compensation for the death of any victim of a crime that causes or threatens death or serious bodily injury and that is committed by any person during a period in which that person is provided protection under this chapter." In the case of death, an amount not to exceed \$50,000 may be paid to the victim's estate. Moreover, the act authorizes payment of an amount not to exceed \$25,000 to the estate of any individual whose death was caused by a protected witness before the enactment of this law.

The Private Counsel activity was established under 28 C.F.R. 50.15 and 50.16, whereby, the Civil Division is authorized to retain private counsel to represent government officers and employees who are sued, charged or subpoenaed for actions taken while performing their official

duties. Further, funding allotted to this activity is used to pay private legal representation expenses associated with the provision of testimony before Congressional committees in instances wherein government counsel is precluded from representing Federal Government employees, or in instances wherein private counsel is otherwise appropriate.

The District of Columbia Superior Court Informant Program (SCIP) was established upon passage of the 1991 Dire Emergency Supplemental Appropriations Act. Unlike the Witness Security program, which provides permanent relocations and identity changes, the SCIP provides temporary relocation and limited protective services to witnesses who provide prosecution testimony in District of Columbia Superior Court cases.

The Alternative Dispute Resolution activity funds the expenses of hiring third party neutrals and witnesses in resolution proceedings.

The Foreign Counsel activity was established under 28 C.F.R. § 0.46, whereby, the Civil Division is authorized to all other civil litigation including claims by or against the United States, its agencies or officers, in domestic or foreign courts, special proceedings, and similar civil matters not otherwise assigned, and shall employ foreign counsel to represent before foreign criminal courts, commissions or administrative agencies of the Department of Justice and all other law enforcement officers of the United States who are charged with violations of foreign law as a result of acts which they performed in the course and scope of Government services.

II. Summary of Program Changes

No program changes.

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

For fees and expenses of witnesses, for expenses of contracts for the procurement and supervision of expert witnesses, for private counsel expenses, including advances, and for expenses of foreign counsel, \$270,000,000, to remain available until expended, of which not to exceed \$16,000,000 is for construction of buildings for protected witness safesites; not to exceed \$3,000,000 is for the purchase and maintenance of armored and other vehicles for witness security caravans; and not to exceed [\$11,000,000] \$13,000,000 is for the purchase, installation, maintenance, and upgrade of secure telecommunications equipment and a secure automated information network to store and retrieve the identities and locations of protected witnesses.

Analysis of Appropriations Language

The U.S. Marshals Service has requested a threshold increase for IT spending in order to implement upgrades and support the USMS Witness Security Program's (WSP) Insider Threat Prevention Program (ITPP), enhance biometric identification systems, related IT service costs, and to improve the security and safety of the entire program.

IV. Decision Unit Justification

A. Fees and Expenses of Witnesses

| Fees and Expenses of Witnesses | Direct Pos. | Est FTE | Amount |
|---|-------------|------------|---------|
| 2014 Enacted w/ Sequester | | | 199,169 |
| 2015 Enacted w/Sequester | | | 198,955 |
| Adjustments to Base and Technical Adjustments | | | 15,667 |
| 2016 Current Services | | | 214,622 |
| 2016 Program Increases | | | 0 |
| 2016 Request | | | 214,622 |
| Total Change 2015-2016 | | | 15,667 |

Base Program Description:

This program provides for payment of fees and expenses of expert witnesses who appear on behalf of the Federal Government when scientific or technical expertise is required in the prosecution or defense of a case. The pursuit of complex litigation by the Department would not be possible without qualified experts to testify and to refute the non-legal particulars of individual cases. The testimony of expert witnesses is essential to the successful outcome of such litigation. While a wide array of specialized disciplines are involved in the Department's litigation, experts from certain disciplines are used extensively. For example, approximately seventy percent of expert witnesses used by the Department in 2014 were physicians, psychiatrists, appraisers, engineers, or economists. Also, the testimony of fact witnesses is used in court proceedings by the Department's legal divisions and the United States Attorneys. Fact witnesses are needed in a wide range of court proceedings, as well as pre-trial conferences. Daily attendance fees and other expenses paid to fact witnesses are intended to defray the costs of appearing to testify. The attendance fee is set by law. Courts often order the Federal Government to pay the costs associated with mental competency examinations conducted by physicians or psychiatrists. These examinations are performed in an attempt to determine whether an accused person is mentally competent to stand trial and/or was mentally competent at the time of the offense.

Planned Base Initiatives:

- To provide adequate funding for payment of fees and related expenses incurred by individuals who provide factual, technical or scientific testimony on behalf of the United States or court designated indigent individuals, as provided by law. Funds provided for this activity also guarantee the right of accused persons to a fair and impartial trial by ensuring that the accused is mentally competent to stand trial and that the court has testimony regarding the mental competency of the accused at the time of the alleged offense.
- To provide reasonable compensation for expert witnesses, who testify on behalf
 of the United States, at rates established by the Attorney General or the Assistant
 Attorney General for Administration, pursuant to 28 U.S.C. § 524.

- To provide adequate resources to compensate fact witnesses who testify on behalf of the Federal Government for the expenses associated with the attendance at legal proceedings. The court-attendance fee paid to fact witnesses is set by law (28 U.S.C. § 1821). As a result of Public Law 96-346 (September 10, 1980), the amounts authorized for travel, per diem and mileage are set by regulations governing official travel by federal employees and promulgated by the Administrator of the General Services Administration.
- To provide adequate resources to compensate fact witnesses used by those
 defendants designated as indigent by the courts. Expenses are paid to those
 witnesses who appear in criminal proceedings in Federal court for the indigent
 defendants.
- To provide payment for the fees and expenses of psychiatrists who perform courtordered evaluations to determine the mental competency of defendants, pursuant to 18 U.S.C. § 4241, § 4242, and § 4248.

B. Protection of Witnesses

| Protection of Witnesses | Direct Pos. | Est FTE | Amount |
|---|---|--|--------|
| 2014 Enacted w/Sequester | | | 40,518 |
| 2015 Enacted w/Sequester | | | 40,474 |
| Adjustments to Base and Technical Adjustments | | | 3,187 |
| 2016 Current Services | | | 43,661 |
| 2016 Program Increases | | | 0 |
| 2016 Request | *************************************** | | 43,661 |
| Total Change 2015-20 forward and a second and a | | State of the State | 3,187 |

Base Program Description:

The procedure for designating a person as a protected witness is set forth in Department of Justice OBD Order 2110.2 "Witness Protection and Maintenance Policy and Procedures." This order places within the United States Marshals Service the responsibility for the security of these witnesses and their families. This program provides for their financial maintenance including the following: subsistence expenses; housing; medical and dental expenses; travel; documentation expenses for identity changes; one-time relocation; costs for obtaining employment; and other miscellaneous expenses. This activity also provides for construction and maintenance of strategically located safesite facilities to house protected witnesses before and during trial. Therefore, the Witness Protection Program provides the funding for the protective services offered to the District of Columbia Superior Court Witnesses for subsistence expenses; travel; temporary relocation and other miscellaneous expenses.

Planned Base Initiatives:

 To increase the effectiveness of the Department's efforts to combat criminal activity in such areas as organized crime, drugs or narcotics, and murder or conspiracy to commit murder, by ensuring the safety of endangered or threatened witnesses.

- To protect witnesses and their families when the testimony of the witnesses may jeopardize their personal security.
- To compensate witnesses for subsistence costs such as housing, food, relocation, and incidental expenses as provided by the Witnesses Security Reform Act of 1984.
- To provide orientation, documentation, and family-oriented services to new WITSEC Program entrants.
- To increase the effectiveness of Federal prosecutions in the District of Columbia by providing funding to temporarily relocate District of Columbia Superior witnesses who face potential danger as a result of their participation in Superior Court prosecutions.
- To provide funding to temporarily protect Superior Court witnesses and their families when the testimony of the witnesses may jeopardize their personal security.
- To compensate Superior Court witnesses for subsistence costs such as food, temporary relocation, and other expenses incidental to their protection.

C. Victim Compensation Fund

| Victim Compensation Fund | Direct Pos. | Est FTE | Amount |
|---|-------------|------------|--------|
| 2014 Enacted w/Sequester | | | 0 |
| 2015 Enacted w/Sequester | | | 0 |
| Adjustments to Base and Technical Adjustments | | | 0 |
| 2016 Current Services | | | 0 |
| 2016 Program Increases | | | 0 |
| 2016 Request | | | 0 |
| Total Change 2015-2016 | | | 0 |

Base Program Description:

This program provides resources to compensate individuals who are victimized by protected witnesses. The Fund was initially funded by the 1985 Supplemental Appropriations Act (P.L. 99-88).

Restitution will not exceed \$50,000 for those victimized since the establishment of the Fund. Restitution not to exceed \$25,000 shall be paid to the estate of victims killed as a result of crimes committed by persons who have been enrolled in the Witness Security Program if such crimes were committed prior to enactment of P.L. 98-473. The Department paid \$22,500 from this program in FY 2006 and 2007. No costs are anticipated for this program in FY 2015 and FY 2016.

Planned Base Initiative:

To provide compensation to those individuals, or, in the case of death, to the individual's
estate, who are victimized by a protected witness.

D. Private Counsel

| Private Counsel | Direct Pos. | Est FTE | Amount |
|---|-------------|------------|--------------------|
| 2014 Enacted w/Sequester | | | 6,496 |
| 2015 Enacted w/Sequester | | | 6,489 |
| Adjustments to Base and Technical Adjustments | | | 511 |
| 2016 Current Services | | | 7,000 |
| 2016 Program Increases | | | 0 |
| 2016 Request | | | 7,000 |
| Total Change 2015-2016 | | | 1997 77 511 |

Base Program Description:

This activity provides funding to allow the Department to retain outside private counsel to represent Government officers and employees who are sued for actions taken while performing their official duties. As provided for under 28 C.F.R. 50.15 and 50.16, the Civil Division is delegated the authority to retain such counsel and further provided that payments for such services will be payable from the Department of Justice appropriations.

Planned Base Initiatives:

To continue to defend Federal employees personally sued for carrying out official duties.
 To retain private counsel to represent Government officers and employees who are sued for actions taken while performing their official duties.

E. Superior Court Informant Program

| Superior Court Informant Program | Direct Pos. | Est FTE | Amount |
|---|-------------|------------|--------|
| 2014 Enacted w/Sequester | | | 0 |
| 2015 Enacted w/Sequester | | | 0 |
| Adjustments to Base and Technical Adjustments | | | 0 |
| 2016 Current Services | | · | 0 |
| 2016 Program Increases | | | 0 |
| 2016 Request | | | 0 |
| Total Change 2015-2016 | | | 0 |

Base Program Description:

This program provides for funding for the protective services offered to the District of Columbia Superior Court witnesses. Specifically, funding is provided for subsistence expenses; travel; temporary relocation and other miscellaneous expenses. Funding in 1996 was provided from available balances. All participants have already converted to the Witness Security Program (WSP). No one has entered this short term program in over 8 years. Due to the lack of activity in this program, previously available funding has been moved into the allotment for Protection of Witnesses where SCIP funding originated.

F. Alternative Dispute Resolution

| Alternative Dispute Resolution | Direct Pos. | Est FTE | Amount |
|---|-------------|------------|--------|
| 2014 Enacted w/Sequester | | | 1,206 |
| 2015 Enacted w/Sequester | | | 1,205 |
| Adjustments to Base and Technical Adjustments | | | 95 |
| 2016 Current Services | | | 1,300 |
| 2016 Program Increases | | | 0 |
| 2016 Request | | | 1,300 |
| Total Change 2015-2016 | | Section 1 | 95 |

Base Program Description:

Alternative Dispute Resolution (ADR) encompasses a wide range of problem-solving and conflict management techniques including mediation, early neutral evaluation, arbitration and mini-trials. ADR processes offer the opportunity to settle pending civil litigation in ways that can be more efficient than unassisted negotiations, and on terms that can be more advantageous to the parties. According to the National Performance Review, ADR can enhance the public's access to justice by reducing delays and costs associated with government litigation. ADR can provide quick solutions in government disputes which, in turn, produce savings in interest payments on outstanding debts that the government owes in cases in litigation. ADR can provide quick solutions in government disputes which, in turn, produce savings in interest payments on outstanding debts that the government owes in cases in litigation. ADR can provide flexibility, creativity, and control that lawyers and clients do not enjoy in litigation. Moreover, ADR often produces better, more comprehensive long-term solutions to problems.

Planned Base Initiatives:

- To attempt resolution of civil disputes and litigation by using professional services of a mediator, arbitrator or other alternative dispute resolution provider.
- To provide funding to pay the Government's share of the costs incurred during ADR proceedings.

G: Foreign Counsel

| Foreign Counsel | Direct Pos. | Est FTE | Amount |
|---|--------------|------------|--------|
| 2014 Enacted w/Sequester | | | 3,171 |
| 2015 Enacted w/Sequester | | | 3,167 |
| Adjustments to Base and Technical Adjustments | , | | 250 |
| 2016 Current Services | | | 3,417 |
| 2016 Program Increases | | | 0 |
| 2016 Request | | | 3,417 |
| Total Change 2015-2016 | 的现在分词 | | 0.20 |

Base Program Description:

This activity provides funding to allow the Department to retain outside foreign counsel to represent Government officers and employees who are sued in a foreign country while performing their official duties. As provided under 28 C.F.R. § 0.46, the Civil Division is delegated the authority to retain such counsel and further provided that payment for such services will be payable from the Department of Justice appropriations.

Planned Base Initiatives:

• To continue to defend Federal employees personally sued for carrying out official duties. To retain foreign counsel to represent Government officers and employees who are sued for actions taken while performing their official duties in a foreign country.

Summary of Requirements Fees and Expenses of Witnesses Salaries and Expenses (Dollars in Thousands)

FY 2016 Request

| | | | - |
|---------------------------------------|------------------|-----|---------|
| | Direct Positions | FTE | Amount |
| 2014 Enarched | 0 | 0 | 270,000 |
| 2014 Balance Beerissian (Seminatar) | | | -19,440 |
| 2014 Data (with Rescission) | o | 0 | 250,560 |
| | | - | 000 022 |
| 2015 Enacted | o e | 0 0 | 19 710 |
| 2015 Balance Rescission (Sequester) | 2 | | |
| Total 2015 Enacted (with Rescission) | 0 | - | 250,230 |
| T | | | |
| Genillities August 1974 Controlling | 0 | 0 | 19,710 |
| resionation of 2013 Sequester | 10 | 1 < | 40 740 |
| Total Technical Adjustments | • | 5 | 20.00 |
| Base Adjustments | | | , |
| Total Base Adjustments | • | 5 | 5 |
| Total Technical and Base Adjustments | 0 | 0 | 19,710 |
| 2016 Current Services | 6 | 0 | 270,000 |
| Program Changes | • | - | |
| Total Program Changes | 0 | 0 | 5 |
| 2016 Total Request | ō | 0 | 270,000 |
| 2016 Balance Rescission | | | 5 |
| 2016 Total Request (with Rescission) | • | - | 2/0,000 |
| 2015 - 2016 Total Chance | 0 | 0 | 19.710 |

B. Summary of Requirements

Summary of Requirements Fees and Expenses of Witnesses Salaries and Expenses (Dollars in Thousands)

| Program Activity | 2014 € | nacted w | 2014 Enacted w/Sequester | 2015 Er | nacted w/ | 2015 Enacted w/ Sequester | 2016 T | echnical and Adjustments | 2016 Technical and Base Adjustments | 2016 | 2016 Current Services | Services |
|---------------------------------|--------|----------|--------------------------|---------|-----------|---------------------------|--------|-----------------------------|--|--------------|-----------------------|----------|
| | Direct | Actual | Amount | Direct | Est | Amount | Direct | Est. | Amount | Direct | Est | Amount |
| | Pos. | H | | Pos. | FTE | | Pos. | FF | | Pos. | | |
| Fees and Expenses for Witnesses | 0 | 0 | 199,169 | 0 | 0 | 198,955 | 6 | 0 | 15,667 | 0 | 0 | 214,622 |
| Protection of Witnesses | 0 | 0 | 40,518 | 0 | 0 | 40,474 | 6 | 0 | 3,187 | 0 | 0 | 43,661 |
| Victim Compensation | ō | 0 | 0 | 6 | 0 | 0 | 0 | <u> </u> | 0 | 0 | 0 | 0 |
| Private Counsel | 0 | 0 | 6,496 | 0 | 0 | 6,489 | 0 | ō | 511 | 0 | 0 | 7,000 |
| Superior Court Informant | 0 | 6 | 0 | 6 | 0 | 0 | 0 | 5 | 0 | - | 0 | 0 |
| Alternative Dispute Resolution | 0 | 0 | 1,206 | 0 | 0 | 1,205 | ŏ | 0 | 95 | 0 | 5 | 1,300 |
| Foreign Counsel | 0 | 8 | 3,171 | 0 | 0 | 3,167 | 0 | 0 | 250 | Ó | 9 | 3,417 |
| Total Direct | 0 | 0 | 250,560 | 0 | 0 | 250,290 | 0 | ٥ | 19,710 | 0 | 0 | 270,000 |
| Balance Rescission | | | 0 | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 250,560 | | | 250,290 | | | 19,710 | | | 270,000 |
| Reimbursable FTE | | 0 | | | 0 | | | 0 | • | | 0.0 | |
| Total Direct and Reimb. FTE | | 0 | | | 0 | | | 0 | 7 | | 5 | · : |
| L L | | | | | | | | | | , | ; | 191 |
| | | 0 | | | 0 | | | 0 | | | 0 | |
| Overtime | | 0 | | | 0 | | | 0 | | | 0 | |
| Grand Total, FTE | | 0 | | | 0 | | | 0 | | | Ö | |
| | | | | | | | | | | | | |

| | | 2016 Increases | 28.08 | | 2016 Offsets | sets | | 2016 Request | uest |
|----------------------------------|-----|----------------|--------|--------|--------------|--------|------------|--------------|---------|
| Description O methodistic | 1 | i | Amount | Direct | 17.5 | Amount | Direct | Fet | Amount |
| Constant Herbert | 5 0 | | | ď | i ii | | Pos | FTE | |
| 7 | | 1 | 0 | - | | | c | 0 | 214.622 |
| Lees and Expenses for williasses | 5 | 5 | • | , (| , | • • | | | 12001 |
| Protection of Witnesses | 0 | 0 | 0 | 0 | 5 | J . | 5 : | ٠. ح | 100,54 |
| Victim Compensation | 0 | 0 | 0 | 0 | 0 | 0 | _ | 0 | ō |
| Private Counsel | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,000 |
| Superior Court Informant | ٥ | 0 | 0 | 0 | a | 0 | 0 | 0 | 0 |
| Alternative Dispute Resolution | 0 | 6 | 0 | ō | 0 | , | 0 | 0 | 1,300 |
| Foreign Counsel | 0 | 0 | 0 | - | 0 | | 0 | 0 | 3,417 |
| Total Direct | 0 | 0 | 0 | 0 | o | ٥ | 0 | 0 | 270,000 |
| Balance Rescission | | | 0 | | | 0 | | | 0 |
| Total Direct with Rescission | | | 0 | | | D | | | 270,000 |
| Reimbursable FTE | | 0 | | | Ο. | , | - | 0 | |
| Total Direct and Reimb. FTE | | o | | | 0 | | | 0 | |
| | | _ | | | | | | 5 6 | : |
| Other FTE: | | | | | - | : | | 5 | |
| LEAP | | 0 | | | 5 | | | 5 | |
| Overtime | | 0 | | | 0 | | | ٥ | |
| Grand Total, FTE | | 0 | | | 0 | | | ٥ | |

Resources by Department of Justice Strategic Goal/Objective Fees and Expenses Villnesses Salones and Expenses (Dollars in Thousants)

| - | | | | | | | | | | _ |
|--|--------------|------------------------|--|-----------------------------------|----------------|--|--|--|--|--|
| 2014 Enacted | 2015 Enacted | 2016 (| 2016 Current Services | 2016 lr | 2016 Increases | 2016 | 2016 Offsets | 2016 Tol | 2016 Total Request | |
| Direct Dire Amount Reir | nb Amount | 1 | Direct | Direct | Direct | Direct | Direct | Direct/ Refmb | Direct Amount | |
| <u>. </u> | ш | FTE | | FTE | | FE | | 11 | | _ |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 270,000 | 0 270,000 | 0 | 270,900 | ٥. | 0 | o i | • | 5 6 | 270,000 | _ |
| 270,000 | 0 270,000 | ō | 270,000 | 0 | ٥ | 0 | 0 | 3 | 270,000 | _ |
| 270,000 | 0 270,000 | 0 | 270,000 | 0 | 0 | 0 | 0 | 5 | 270,000 | _ |
| [눈물] 이에어 | 888 | Direct/ D Reinb An FTE | Direct D | Direct Direct Direct Direct | | Paired Direct D | Otrect O | Direct D | Direct D | Check Direct Di |

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

F. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability Fees and Expenses of Wilnesses Salanes and Expenses (Dollers in Trousands)

| Program Activity | Ĺ | FY 2014 Enacted | nacted | Balance Rescission (Sequester) | ssion (Sc | squester) | Reprogramming/Transfers | ming/Trar | | Сапуочег | Carryover Refunds | | 2014 Availability | |
|--|----------------|-----------------|---------|--------------------------------|-----------|---------------|-------------------------|-----------|--------|----------|-------------------|-------------|-------------------|---------|
| | Direct Pos. | Estim. FTE | Amount | Drect Pos. | Estim. | Amount | Direct Pos. | Estim. | Amount | Amount | Amount | Direct Pos. | | Amount |
| Fees and Expenses for Witnesses | 0 | 0 | Z14,622 | 0 | 6 | -15,453 | 0 | - | 6 | 160 453 | 16 303 | - | | |
| Protection of Witnesses | 5 | 0 | 43,661 | 0 | 0 | -3,143 | 6 | 6 | 0 | 32,662 | 3,113 | 0 0 | 5 6 | 3/5,025 |
| Victim Compensation Private Counsal | 00 | Ó.C | 2 000 | 0 0 | 00 | 0 | 0 | 0 | | | 0 | : | - | 0 |
| Superior Court Informant | 0 | 0 | 0 | 5 6 | 5 6 | , 2, 2, | 0.0 | 00 | 00 | 5.237 | 499 | 0 | 0 | 12,232 |
| Alternative Dispute Resolution | 0 | 0 | 1,300 | 0 | 0 | 8 | 5 6 | 5 6 | 5 6 | 0.42 | | 0 (| 0 | 0 |
| Foreign Counsel | o | ٥ | 3,417 | 0 | 0,0 | -246 | 0.0 | o c | 5 6 | 2/6 | 3 2 | 0 | 5 6 | 2,271 |
| Total Direct | 0 | 0 | 270,000 | 0 | 0 | -19,440 | 0 | - | 6 | 201 080 | 40 250 | | 7 | 5.9/1 |
| Balance Rescission | | | 0 | | | | | | | 200 | 363,61 | 7 | 5 | 471.792 |
| Total Direct with Rescission | | | 270,000 | | _ | _ | | | | | | | | 0 |
| Reimbursable FTE . | | 0 | | | 0 | | | C | Ī | 1 | | | | 270,000 |
| Total Direct and Relmb. FTE | | 0 | | | 0 | | | 0 | | 201,980 | | | 00 | |
| Olher FTE: | | | | | | | | | | | | | | |
| LEAP | | 0 | | | 0 | | | č | | - | | | | |
| Overline | | 0 | | | 0 | | | 0 | | | | | 5 6 | - |
| Grand Total, FTE | | ٥ | | | 0 | | | О | | 201,980 | | | 1 | |

Reprogramming/Transfers: None,

Carryover: There was \$201,980,000 in carryover in FY 2014.

Recoveries/Refunds: \$19,252,000 in recoveries in FY 2014.

G. Cro

: of 2015 Availability

Crosswalk of 2015 Availability Fees and Expenses of Wilnesses Salaries and Expanses (Dolars in Thousands)

| Program Activity | 14. | FY 2015 Enacted | acted | Balanco (Se | Balance Rescission (Sequester) | ioi | Reprogramming/Transfers | nming/Tr | | Carryover | Recoveries/ Refunds | 2015 | 2015 Availability | |
|--------------------------------|--------|-----------------|---------|--------------------|-----------------------------------|---------|-------------------------|----------|--------|-----------|------------------------|-------------|-------------------|---------|
| | Direct | Eslin. | Amount | Direct Pos. Estim. | Estim. | Amount | Direct Pos. | Estim. | Amount | Amount | Amount | Direct Pos. | Eslim. | Amount |
| Foot and Expense for Witnesser | Son | 1 | 214 693 | - | 110 | 16 667 | 0 | 1 | - | 17R 20R | 7 959 | c | 10 | 400.879 |
| Protection of Witnesses | | 0 | 43.661 | 0 | 0 | -3.187 | | 5 6 | 0 | 36.271 | 1,619 | 0 | 0 | 81,551 |
| Victim Compensation | 0 | 0 | C | 0 | 6 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 |
| Private Counsel | | 0 | 7,000 | 0 | 0 | -511 | 0 | 0 | 0 | 5,815 | 260 | 0 | 0 | 13,075 |
| Superior Court Informant | 0 | - | Ö | ō | o | 0 | 0 | 0 | ō | 0 | 5 | 0 | 0 | 0 |
| Alternative Dispute Resolution | 0 | 0 | 1,300 | 0 | 0 | -95 | 0 | Ö | 0 | 1,080 | 48 | 0 | 0 | 2,428 |
| Foreign Counsei | 0 | 0 | 3,417 | 0 | 6 | -520 | 0 | 0 | 0 | 2,839 | 127 | | ٥ | 6.383 |
| Total Direct | 0 | 0 | 270,000 | 0 | 0 | -19,710 | 0 | ō | ٥ | 224,303 | 10,013 | 0 | 0 | 504,316 |
| Balance Rescresion | | | 0 | | | | | | | | | | | 0 |
| Total Direct with Rescission | | | 270,000 | | | | | | | | | | | 270,000 |
| Reimbursable FTE | | ٥ | | | 0 | | | 0 | | 0 | | | 0 | ; |
| Total Direct and Reimb, FTE | | 0 | | | 5 | | | 0 | | 0 | | | ٥. | |
| Other CTE. | | | | | | | | • | | | | | | |
| LEAP | | 0 | | | -0 | | | 0 | | o | | | o | |
| Overtime | | 0 | | | 0 | | | 0 | | • | | | o | |
| Grand Total, FTE | | 0 | | | 0 | | | 0 | | ٥ | | | ਰ | |

Reprogramming/Transfers: None.

Carryover: There was \$224,302,932 in carryover for FY 2015.

Recoveries/Refunds: As of the 1st quarter, there was \$10,013,458 in recove, les for FY 2015.

K. Summary of Requirements by Object Class

Summary of Requirements by Object Class Fees and Expenses of Vinesses Sadies and Expenses (Cotars in Thousands)

| | 2014 | 2014 Actual | 2015 | 2015 Availability | 2016 | 2016 Request | Increas | Increase/Decrease |
|---|---------------|-------------------|---------------|---|----------|--------------|---------|-------------------|
| Object Class | Direct FTE | Amount | Olrect FTE | Amount | Direct | Amount | Direct | Amount |
| 11.1 Full-Time Permanent | 0 | 0 | o | 0 | 0 | 0 | 0 | 0 |
| 11.3 Other than Full-Time Permanent | 6 | 0 | 0 0 | 0 | 0 0 | 0 | 0 | 0 |
| 11.5 Other Personnel Compensation | Ö e | 191,549 | э c | 333,626 | O | 298,569 | 0 0 | -35,057 |
| Overtime | 5 6 | 0 0 | | 0 | 0 0 | 0 | 0 0 | 9 0 |
| Oner Compensation | , 0 | 0 | 0 | 94.733 | , 0 | 80.773 | , 0 | -13,950 |
| Total | 0 | 191,549 | 0 | 428,359 | 0 | 379,342 | 0 | -49,017 |
| ther Object Classes | | | | | | | | |
| 12.1 Civilian Personnel Benefits | | 0 | | 0 | | 0 | | 0 |
| 13.0 Benefits for former personnel | | o | | 0 | | ō | | 0 |
| 21.0 Travel and Transportation of Persons | | 50,921 | | 54,778 | | 32,600 | | -22,178 |
| 22.0 Transportation of Inlings | | 5 0 | | 4 0 | | 4 0 | | 5 6 |
| 23.1 Rental Payments to GSA | | 5 0 | | 0 0 | | 5 6 | | 5 6 |
| 23.2 Kental Payments to Outers 23.2 Communications Hillings and Miscellandous Charnes | | 0 | | 0 | | 0 | | 0 |
| 23.3 Configurational Reproduction | | 0 | | 0 | | 0 | | 0 |
| 25.4 Advisory and Assistance Services | | 959 | | 2,340 | | 1,995 | , | -345 |
| 25.2 Other Services from Non-Federal Sources | | * | | 2 | | 2 | | 0 |
| 25.3 Other Goods and Services from Federal Sources | | 4,308 | | 5,735 | | 4,890 | | -845 |
| 25.4 Operation and Maintenance of Facilities | | 0 | | 0 | | 0 | | 0 |
| 25.5 Research and Development Contracts | | 0 | | 0 | | 0 3 | | ö · |
| 25.6 Medical Care | | - (| | 67 | | 07 0 | , | 9 9 |
| 25.7 Operation and Maintenance of Equipment | | 0 | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | , | _ | 7,0 |
| 25.8 Subsistence and Support of Persons | | 6,/5 8 | | 13,041 | | 11.120 | | 1,921 |
| 25.0 Supplies and Materials | | 0 | | 22 | | - 12 | | 4 4 |
| 31.0 Equipment | | 0 | | Ö | | 0 | | 0 |
| A10 Grants. Subsidies, and Contributions | | 0 | | 0 | | 0 | | 0 |
| 42.0 Insurance Claims and Indemnities | | 264 | | 0 | | ō | | ō |
| Total Obligations | | 254,771 | | 504,316 | : . | 430,000 | | -74,316 |
| Subtract - Unobilgated Balance, Start-of-Year | | -201,980 | | -224,303 | | -140,000 | | 84,303 |
| Subtract - Transfers/Reprogramming | | 0 | | 0,000 | | 0 | , | 0 |
| Subtract - Recoveries/Refunds | | 762,81- | | 510,01- | | 000,02- | | /95'6- |
| Add - Unobligated End-of-Year, Available | | 224,303 | | 140,000 | | 0 0 | | -140,000 |
| Add - Unobigated End-of-Year, Expiring Total Direct Requirements | 0 | 257,842 | 0 | 410,000 | . 0 | 270,000 | 0 | -140,000 |
| Reimbursable FTE | | | | | | | | |
| Full-Time Permanent | 0 | | 5 | | 5 | | 5 | |
| 23.1 Rental Payments to GSA (Reimbursable) | | 00 | | 0 | | 0 | | 0.0 |
| 25.3 Other Goods and Services from Federal Sources - DHS Security (Relimbul Sable) | | 0 | | 2 | | 5 | | |

U.S. Department of Justice

FY 2016 PERFORMANCE BUDGET Congressional Submission

Community Relations Service

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I. Overview for Community Relations Service

In fiscal year 2016, the Community Relations Service (CRS) requests 74 positions (including 2 attorneys), 58 FTE, and \$14,446,000. CRS' request includes four program enhancements of 18 positions, 9 FTE and \$1,772,000 which will allow it to provide conciliation services (mediation, facilitated dialogues, training, and consultation on issues of police-community reconciliation) in a broad range of communities throughout the United States, and to support the Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act (P.L. 111-84, 2009) ("Hate Crimes Protection Act"), CRS Training Academy and Law Enforcement Organizational Change Initiative. CRS' Information Technology (IT) program is allotted three FTF positions.

CRS, an agency within the U.S. Department of Justice, was created under Title X of the historic Civil Rights Act of 1964 (42 U.S.C. §2000g et seq.) signed into law by President Lyndon B. Johnson on July 2, 1964. Title X of the 1964 law mandated CRS' creation and its duties and responsibilities. Pursuant to the Hate Crimes Protection Act, CRS is authorized to work with communities to help them develop the capacity to prevent and respond more effectively to violent hate crimes allegedly committed on the basis of actual or perceived race, color, national origin, gender, gender identity, sexual orientation, religion, or disability.

CRS headquarters is in Washington, D.C. and is a single decision unit that plays a significant role in accomplishing DOJ's Strategic Goal #2 - Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. CRS serves as the Department's "peacemaker" for community conflicts and tensions arising from actual or perceived discriminatory practices based on race, color, or national origin. CRS also helps communities prevent and respond to violent hate crimes committed on the basis of race, color, national origin, gender, gender identity, religion, sexual orientation, or disability.

CRS provides specialized mediation and conciliation services to state. local and federal officials, and communities throughout the United States. The Agency's goal is to assist in resolving and preventing racial, ethnic, and national origin community conflicts, civil disorder, and violent hate crimes on the basis of race, color, national origin, gender, gender identity, sexual orientation, religion, or disability. CRS has 10 regional offices and 4 field offices in the following locations: Boston; New York; Philadelphia; Chicago (field office in Detroit); Kansas City, MO; Denver; Los Angeles (field office in San Francisco); Dallas (field office in Houston); Atlanta (field office in Miami); and Seattle.

CRS is a unique federal component dedicated to assisting state and local units of government, private and public organizations, and community groups develop local capacity to prevent racial and ethnic tensions. CRS can also assist willing parties and explore opportunities to develop and implement local strategies that can help law enforcement, local officials, civil rights organizations, and interested community groups respond to alleged hate crimes and find ways to prevent future incidents. CRS conciliators also assist in restoring stability and accord to communities following civil disorder, or in initiating rumor control to prevent misinformation from spreading throughout a community.

State and local law enforcement officials and community leaders may contact CRS to request assistance in improving communication between law enforcement and community members in the aftermath of a hate crime. CRS improves community response mechanisms by facilitating the development of community capacity to help prevent hate crimes with services and programs that include conciliation, mediation, training, technical assistance, and other tension reduction techniques. CRS may help facilitate dialogue between law enforcement and community members to increase

mutual understanding about the investigative and prosecutorial process as well as the concerns of people in the community.

CRS is able to address the perception of discrimination, which can be as disruptive to community stability as actual discrimination. CRS does not have law enforcement authority, nor does it investigate or prosecute cases. As an impartial agency, CRS does not look to assign blame or fault to any individual or group. In contrast, CRS helps communities to develop and implement their own solutions to reducing tensions as a neutral conciliator. Furthermore, as alternatives to coercion or litigation, CRS facilitates the development of viable and voluntary solutions for resolution of community tension.

The CRS budget consists of operating expenses which include, but are not limited to, payroll for permanent positions; travel expenses to enable CRS' conciliation professionals to respond in person to requests for assistance from state and local units of government, private and public organizations, and community groups; and funding for normal operations (e.g. information technology, communications, equipment, supplies, etc.). The FY 2016 funding level of \$14,446,000 is required for CRS to support the Department in fulfilling its new Presidential Initiative of My Brother's Keeper and National Initiative for Building Community Trust and Justice, Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act (P.L. 111-84, 2009) ("Hate Crimes Protection Act"), CRS Academy and Law Enforcement Organizational Change Initiative. This funding also includes requirements for current services that are necessary to successfully carry out other conflict resolution and violence prevention activities.

Performance Challenges

With the passage of the Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act (P.L. 111-84, 2009) ("Hate Crimes Protection Act"), CRS has dramatically expanded its jurisdiction. CRS has been transformed from an agency focused on addressing and preventing conflict and violence related to discrimination on the basis of race, color, and national origin to an agency that is responsible for helping communities prevent and respond to violent hate crimes committed on the basis of actual or perceived gender, gender identity, sexual orientation, religion, and disability in addition to race, color, and national origin.

As the only federal agency exclusively dedicated to assisting state and local units of government, private and public organizations, community groups, and even other federal agencies with preventing and resolving racial and ethnic tension, conflict, and civil disorder, CRS is uniquely qualified to fulfill this broader legislative mandate. To help communities prevent and respond to violent hate crimes, CRS may facilitate educational meetings and dialogues or conduct other services in response to conflicts or incidents that, left unaddressed, may escalate into violent hate crimes. CRS is an expert at bringing law enforcement officials, advocacy groups, and individual community members to the table in a way that creates lasting racial stability and harmony and enables those communities to address future conflicts without outside assistance. Nevertheless, as Congress explained in the Hate Crimes legislation, CRS will need the additional resources requested in FY 2016 to cover these new jurisdictional areas and fulfill this broader mandate.

CRS continues to assess its daily operations based on Administration policies and other indicators of potential conflicts. Departmental needs, technological developments, national security, and budgetary

constraints. All of these internal factors pose challenges that affect the success of CRS' external conciliation and mediation services.

1. Internal Challenges

CRS continues to face internal challenges, as it must monitor the country for jurisdictional conflicts and attempt to respond to each case with limited resources. In FY 2014, CRS intervened in 691 cases where tensions existed based on conflicts caused by issues of race, color, national origin, or where there was a need to assist communities with preventing or responding to hate crimes committed on the basis of gender, gender identity, sexual orientation, religion, or disability. In total, CRS was made aware of 760 incidents and conflicts that could have potentially led to casework. However, due to limited fiscal and staff resources, the agency was only able to address 91 percent of the potential cases that it identified.

Moreover, it is believed that the number of conflicts and incidents is actually higher than the number CRS identified. With a field staff of 32 dedicated to identifying and responding to conflicts over a 50 state area and U.S. territories, it is not uncommon for personnel to have responsibilities that are so geographically and topically broad that their ability to track and respond to potential cases is limited.

Regional conciliators attempt to assess every jurisdictional case that has come to their attention, but budgetary and geographical limitations affect deployment decisions. CRS will continue to focus its internal efforts on building new staff capacities through succession planning, mentoring, and sustained, high-quality training. This includes a focus on improving mediation and management skills for new hires. With nearly forty percent of the Agency retirement eligible, filling higher grade positions formerly held by senior staff with lower grade or mid-level positions will inherently present a learning curve. High quality standards for leadership, in-service training, mediation certification, standardized measurable work plans, and improved tracking systems on service delivery and case reporting will remain crucial aspects CRS' strategy to address internal and external challenges. CRS is continually identifying new ways to increase savings across the agency through policies that increase awareness about energy and paper use by encouraging the use of double-sided printing and reducing electricity use in all of its offices.

CRS attempts to increase awareness about energy and paper use, encouraging the use of double-side printing and reducing electricity use in all of its offices. More information on federal environmental requirements and DOJ's Environment Programs can be found at http://www.justice.gov/jmd/services-initiatives.html.

2. External Challenges

Notwithstanding CRS' daily operational challenges, CRS will continue to respond to issues that garner national attention, such as increased reports of community tension associated with disputes between Tribal Nations and state and local officials involving allegations of discrimination on the basis of race and national origin, community tension and allegations of racial profiling associated with issues at the intersection of race, national origin, and immigration controversies, and racial and community tensions that stem from demographic shifts and new migration. As debates about national and local immigration policy reform escalate, experience suggests that we will see an increase in discrimination on the basis of race, color, or national origin against immigrants or people who are perceived to be immigrants. In addition, CRS will continue to respond to racial tensions involving ethnic communities who have alleged or experienced discriminatory treatment following September 11, 2001, particularly

Arab American and Muslim individuals, as well as Sikhs and others who are perceived to be Muslim. CRS has seen a dramatic increase in concern in these communities following the very contentious debate around the building of mosques and Islamic cultural centers. CRS' technical assistance, including educational videos and training programs, and the facilitation of dialogues between Arabs, Muslims, and Sikhs, law enforcement officials, and other interested parties are just some of the ways that the Agency can help to promote tolerance, respect, and peaceful interaction between members of various communities.

In response to the demonstrations, civil unrest, and the degree of mistrust between law enforcement and community that developed following the August 2014 shooting death of an African-American male by a Ferguson, Missouri police officer, CRS has been providing consistent services throughout the metropolitan St. Louis area. Moreover, the advocacy of certain segments of the community, coupled with intense media coverage of the issue, have transformed a local police-involved shooting into a national movement regarding the policing of minority communities.

This has resulted in CRS services stemming from this incident to be provided in numerous cities throughout the country. CRS has provided related services in East. St. Louis, Houston, Los Angeles, Indianapolis. Boston, Norflok, and New York. Additionally, CRS services have been requested by officials from numerous other cities that are interested in engaging their communities in the type of collaborative problem solving processes that CRS facilitates.

CRS will continue to help resolve race-related community conflicts in areas such as housing, education, and the administration of justice. Police-community relations surrounding excessive use of force, and the possibility of racial violence resulting from these incidents, particularly in minority communities, consumes more than half of CRS' work. Additionally, CRS continues to address school conflicts based on race, color, and national origin. CRS is increasingly called upon to address racial harassment and violence in elementary and secondary schools, and on college and university campuses. CRS has responded to school brawls, riots, and racial gang violence, working to restore stability in schools through various conflict resolution initiatives. The Agency is prepared, as well, to respond to hate-related incidents involving desecration of houses of worship where there is a connection between the desecration and perceived discrimination on the basis of race, color, or national origin or where the community perceives the act as a violent hate crime or an act that, if left unaddressed, could lead to a violent hate crime.

With the passage of the Hate Crimes Prevention Act, CRS has an explicit mandate to prevent and respond to violent hate crimes committed on the basis of the actual or perceived race, color, religion, national origin, gender, gender identity, sexual orientation, or disability of any person. This expansion – adding five additional protected categories that may trigger CRS jurisdiction - has significantly increased the demand for CRS services. In order to help communities prevent violent hate crimes, CRS may facilitate educational meetings and dialogues or conduct other services in response to conflicts or incidents that, if left unaddressed, may escalate to violent hate crimes.

CRS is also receiving a significant increase in requests for services to address tension associated with the intersection of immigration issues with perceptions of discrimination on the basis of race, color, and national origin. CRS has worked with state and local law enforcement officials, federal law enforcement officials, state and local government leaders, as well as local and national organizations to address tension associated with allegations of racial profiling and racial discrimination associated with these issues and has deployed inter-regional teams to provide on-site conciliation services at marches

and protests with tens of thousands participants. These tensions are likely to increase in the coming years.

CRS must constantly reintroduce its services to community and local government leaders due to election turnover, term-limited positions, and a statutory mandate that prevents the Agency from publicizing much of its work. Furthermore, many of the people and communities CRS can serve pursuant to the Hate Crimes Prevention Act are not familiar with CRS services because they did not fall under CRS jurisdiction before passage of the Act in 2009. For example, communities who may be targeted for violent hate crimes on the basis of gender, gender identity, sexual orientation, religion, or disability may not have worked with CRS in the past when its jurisdiction was focused on addressing racial tension. Evolving community "flash points" increase the need to be knowledgeable and aware of the host of vulnerabilities that communities face. Despite these challenges, obstacles to entry and the fluctuating nature of jurisdictional conflicts do not deter CRS from offering its services to communities in need. Through skillful conciliation and mediation, CRS' services can limit disruptions to community peace and stability. For any jurisdictional conflict, CRS stands ready to offer its conflict resolution services to communities across the United States.

The 2013 FBI Hate Crime Statistics Report, the most recent hate crimes statistics available from the FBI, reflect the increase in demand for services that CRS is seeing in communities across the country. According to the FBI's Report, there was an increase in reported hate crimes against Latinos, the Gay, Lesbian. Bisexual and Transgender communities, and Muslims.

II. Summary of Program Changes

| Item Name | Description | | | | Page |
|--|---|------|-----|--------------------|------|
| | | Pos. | FTE | Dollars (\$000) | |
| Hate Crime Prevention and Response | This enhancement will maximize CRS' crisis response across the entire United States and enable it to fulfill its historical mandate pursuant to Title X of the Civil Rights Act of 1964 as well as its new mandate pursuant to the Shepard and Byrd, Jr. Hate Crimes Prevention Act. | 8 | 4 | \$557 | 16 |
| Community Relations Service Training Academy | This enhancement will support a consulting services contract or cooperative agreement to develop an Academy curriculum, to conduct three regional seminars, and to research and publish best practice materials that shall lead to the creation of CRS trained local emissaries who will have a fundamental capacity to engage in proven dispute resolution activities. | 0 | 0 | \$240 | 19 |
| Collaborative Community Strengthening Initiative | This enhancement will assist CRS with hiring and deploying staff to support the provision of CRS services to provide conciliation services (mediation, facilitated dialogues, training, and consultation on issues of police-community reconciliation) in a broad range of communities throughout the United States. | 10 | 5 | \$775 | 21 |
| Law Enforcement Organizational Change Initiative | This enhancement will support a consulting services contract or cooperative agreement to provide in-depth consultation and guidance to local law enforcement agencies who are party to potentially violent, public safety degrading conflicts with minority communities | 0 | 0 | \$200 | 24 |

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, [\$12,250,000] \$\frac{S14,446,000}{S14,446,000}\$ Provided. That notwithstanding section 205 of this Act, upon a determination by the Attorney General that emergent circumstances require additional funding for conflict resolution and violence prevention activities of the Community Relations Service, the Attorney General may transfer such amounts to the Community Relations Service, from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further. That any transfer pursuant to the preceding proviso shall be treated as a reprogramming under section 504 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section. (Department of Justice Appropriations Act, 2015.)

Analysis of Appropriations Language

There are no substantive changes proposed.

IV. Program Activity Justification

A. Community Relations Service

| Conflict Resolution & Violence Prevention Activities | Direct Pos. | Estimate FTE | Amount |
|--|-------------|-----------------|------------|
| 2014 Enacted | 56 | 45 | 12,000,000 |
| 2015 Enacted | 56 | 45 | 12,250,000 |
| Adjustments to Base and Technical Adjustments | | | 424,000 |
| 2016 Current Services | 56 | 49 | 12,674,000 |
| 2016 Program Increases | 18 | 9 | 1,772,000 |
| 2016 Request | 74 | 58 | 14,446,000 |
| Total Change 2015-2016 | 14 | 9 | 2,196,000 |

1. Program Description

CRS' programs contribute to the **DOJ's Strategic Goal #2 -Prevent Crime**, **Protect the Rights of the American People**, and **Enforce Federal Law**. Within this goal, CRS specially addresses Strategic Objective 2.5 Promote and protect Americans' civil rights.

CRS has implemented several strategies, which are intended to effectively address the issues of discriminatory practices based on race, color, or national origin, which impair the rights of people, and work with communities to help prevent and respond to violent hate crimes on the basis of actual or perceived gender, gender identity, sexual orientation, religion, or disability. CRS conducts training with federal, state, and local law enforcement and community members to address concerns regarding racial profiling and to improve law enforcement officials' interactions with community members. Examples of various CRS strategies and programs are:

- Law Enforcement Mediation Skills (LEMS) Program is a two day (16 hour) program designed to equip the attending officers with basic knowledge of mediation and conflict resolution skills as they apply directly to law enforcement. The program focuses on the officer's need to respond to any given conflict or dispute efficiently and effectively. Traditional methods of policing in response to disturbance calls have resulted in callbacks to the same disturbance. The CRS LEMS program offers a mediation and conflict resolution approach that hopefully leads to fewer callbacks, and solutions that are more lasting based on the disputants' involvement in resolving their own issues. The process involves empowering law enforcement officials to resolve disputes through the use of conflict resolution, rather than arrest. It also instills skills and knowledge with citizens to resolve disputes without the necessity of a police presence. The course focuses on police-community relations in minority communities.
- Anti-Racial Profiling Program is a program that reviews the history and concept of profiling
 by police in addressing criminal activity. The program focuses on the complexities of using
 race as a factor in police investigations. Through a series of videotape and role playing
 exercises, law enforcement and community members view the effects of racial profiling on
 communities, as well as ways to defuse racial profiling allegations whenever they arise.

- Arab-Muslim, Sikh (AMS) Cultural Awareness Program is a program that utilizes
 community-based, volunteer trainers capable of delivering law enforcement training to
 heighten awareness, increase knowledge and develop skills to effectively communicate with
 Arab, Muslim, and Sikh communities. The program educates law enforcement officials on
 different cultural practices in order to reduce the possibility of tensions developing due to
 misinformation or lack of understanding. Most trainers come from Arab, Muslim, and Sikh
 communities and work side-by-side with CRS staff, following a standardized and approved
 CRS curriculum.
- Student Problem Identification and Resolution of Issues Together (SPIRIT) is a two halfday interactive student based problem solving program that engages students in developing
 solutions to problems associated with allegations of discrimination, harassment, and hate
 activity in schools and creating the safest possible environment for learning. SPIRIT also
 engages school administrators, teachers, school resource officers, local officials, community
 leaders, and parents in the process of identifying and responding to these conflicts in schools.
- <u>City Problem Identification and Resolution of Issues Together (City-SPIRIT) Program</u> is a two-day problem solving and resolution program that brings together representatives from local government agencies, community, faith-based organizations, law enforcement, and businesses to develop collaborative approaches for reducing racial conflicts and addressing the factors that contribute to the conflicts. The parties may also develop approaches for preventing and responding to violent hate crimes on the basis of actual or perceived race, color, national origin, gender, gender identity, sexual orientation, religion, and disability. This program helps communities establish a lasting capacity to prevent and respond to conflicts.
- <u>Self-Marshaling Assistance and Training</u> is provided by CRS at the request of local law
 enforcement, city officials, and demonstration organizers to assist with planning and managing
 safe marches and demonstrations. CRS facilitates meetings between all parties involved, and
 serves as a neutral entity to help ensure that information is shared appropriately so marches and
 demonstrations are as safe as possible.

CRS introduced and updated several management systems to more effectively address racial tension and violence in major cities. CRS intensified its emphasis on staff development and training of staff on the fundamental skills of conflict resolution. CRS holds staff training sessions to enhance and refresh contemporary conflict resolution strategies and mediation skills. CRS instituted an internal skills certification process for fundamental tools that are used in conflict resolution cases. The Agency continues to strengthen its emphasis on local capacity building by having conciliators focus on the implementation of collaborative partnerships and other mechanisms for strategically empowering and sustaining peaceful communities.

The services of CRS are tracked by a case management database system. Quality assurance is measured by a weekly headquarters review of every new case in the CRS system. Headquarters then provides operational feedback to all 10 Regional Directors on a weekly basis, and holds managers accountable for ensuring strict compliance with CRS' jurisdictional mandate. Regions are directed to hold bi-monthly staff meetings to review casework feedback. Conciliators have made significant qualitative and technical progress on casework.

Performance and Resource Tables

2. Performance and Resource Tables

| 2. Strategic Objective 2.6: Promote and Protect Americans' Civil Rights Target Actual FY 2014 FY 2014 FY 2014 FY 2016 Gurrent Sendrotton & Violence Reduction Act Target Actual FY 2014 FY 2016 | | | PEF | SFORM/ | ANCE AN | D RESO | PERFORMANCE AND RESOURCES TABLE | | | | | | |
|--|--|---|---|----------|------------|----------|---------------------------------|------|--------|--|-------------------------------------|---------|-------------------|
| Target Target Actual Projected Changes Chang | Strategic Goal 2: Decision Unit: Cc | Strategic Objective 2.5: inflict Resolution & Viol | Promote and Protection Control Protection Protection Protection Act | t Americ | cans' Civi | I Rights | | | | | | | |
| FY 2014 FY 2014 FY 2014 FY 2015 Current Senation Page FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 Properties FY 2014 FY 2015 FY 2016 FY 20 | PESOHEGES | | | Ta | rget | | Actual | Proj | ected | Chang | jes | Request | Requested (Total) |
| STRATEGIC PERFORMANCE FT 12,000 45 12,000 67 FT 500 FTE 5000 FTE 5 | | | | FY | 2014 | 14- | -Y 2014 | FY | 2015 | Current Sc Adjustmer FY 2016 Pr Chang | ervices nts and rogram | FY 2016 | FY 2016 Request |
| STRATEGIC PERFORMANCE FY 2014 FY 2014 FY 2015 STRATEGIC PERFORMANCE FY 2014 FY 2014 FY 2015 FY | Total Costs and I | FTE | | FTE | 2000 | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| STRATEGIC PERFORMANCE FY 2014 FY 2014 FY 2016 | | | | 47 | 12,000 | | 12,000 | 49 | 12,250 | G | 2,196 | 58 | 14,446 |
| Ince FTE \$000 FTE \$0 | TYPE | STRATEGIC OBJECTIVE | PERFORMANCE | Ţ | 2014 | | FY 2014 | F | 2015 | Current St Adjustmer FY 2016 Pı Chang | ervices nts and rogram jes | FY 2016 | FY 2016 Request |
| Indee 47 12,000 45 12,000 49 12,250 9 Indee 2.5 Tension Level Ratio 35% 59.5% 35% 35% 35% 99% 75%< | | | | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 | FTE | \$000 |
| 2.5 Tension Level Ratio 35% 59.5% 33 Services Accepted 99% 91.5% 96 2.5 Response Ratio 75% 100% 76 2.5 Awareness Level 20 27.50 77 Customer Customer 86% 86% 86 | Program Activity | | | 47 | 12,000 | | 12,000 | 49 | 12,250 | 6 | 2,196 | 58 | 14,446 |
| 2.5 Ratio 99% 91.5% 90.5 90.5 90.5 90.5 90.5 90.5 90.5 90.5 90.5 90.5 90.5 90.5 90.5 70.5 70.5 70.5 70.5 70.5 70.5 70.5 70.5 70.5 70.5 80.5 <th< td=""><td>Performance Measure: Output</td><td>2.5</td><td>Tension Level Ratio</td><td></td><td>35%</td><td></td><td>59.5%</td><td></td><td>35%</td><td></td><td>0</td><td></td><td>35%</td></th<> | Performance Measure: Output | 2.5 | Tension Level Ratio | | 35% | | 59.5% | | 35% | | 0 | | 35% |
| 2.5 Response Ratio 75% 100% 71 2.5 Awareness Level 20 27.50 80% 86% 80 | Performance Measure: Output | 2.5 | Services Accepted Ratio | | %66 | | 91.5% | | %66 | | 4 | | 95% |
| nce 2.5 Awareness Level 20 27.50 nce 2.5 Satisfaction Survey 80% 86% 81 | Performance Measure: | 2.5 | Response Ratio | | 75% | | 100% | | 75% | | 0 | | 75% |
| Customer 80% 86% 86% | Performance Measure: | 2.5 | Awareness Level | | 20 | | 27.50 | | 35 | | 0 | | 35 |
| | Performance Measure: | 2.5 | Customer Satisfaction Survey | | 80% | | 86% | | 80% | | 0 | | 80% |

| | 16 | PERF | PERFORMANCE MEASURE TABLE | SE MEAS | URE TAI | 3LE | | | | |
|------------------------|------------------------------|---|---------------------------|---------------------------------------|--------------------------------------|-----------|----------|---------------------------|---------|---------|
| | Strategic Go Decision Uni | Strategic Goal 2: Strategic Objective 2.5: Promote and Protect Americans' Civil Rights Decision Unit: Conflict Resolution & Violence Reduction Activities | omote an | id Protection Acti | ot Americ vities | ans' Civi | l Rights | | | |
| | a. ¿ | Performance Report and | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | .014 | FY 2015 | FY 2016 |
| Strategic Objective | L. | Perionnance Plan Targets | Actual | Actual | Actual | Actual | Target | Actual | Target | Target |
| 2.5 | Performance Measure | Tension Level | This measu in 2013. | This measure was implemented in 2013. | olemented | 34.50% | 35% | 002.658 | 35% | 35% |
| 2.5 | Performance Measure | Services Accepted Ratio | This meast in 2013. | This measure was implemented in 2013. | demented | . 99.50% | %66 | 91150% | %66 | 95% |
| 2.5 | Performance Measure | Response Ratio | This measu in 2013. | This measure was implemented in 2013. | demented | 78.25% | 75% | 100% | 75% | 75% |
| 2.5 | Performance Measure | Awareness Level | This measu in 2013. | This measure was implemented in 2013. | olemented | 19 | 35 | 46,427.6 | 35 | 35 |
| 2.5 | Performance Measure | Customer Salisfaction Survey | This measu | ami sew eur | This measure was implemented in 2014 | , 2014 | 80% | | . 80% | %08 |
| | | | | | | | | strate appearable recores | | |

Performance Measures Definitions:

Tension Level measures the volatility level of the cases that CRS conducts.

Services Accepted Ratio measures CRS ability to gain entry with parties. Also, it measures perceived relevance of CRS services and the receptivity of parties in conflict to CRS.

Response Ratio measures CRS' ability to respond to know events.

Awareness Level is the average numbers of days between an event occurring and when CRS learns about the event. Customer Statisfaction Survey measures CRS case performance from the customer perceptive.

- 3. Performance, Resources, and Strategies
- a. Performance Plan and Report for Outcomes

The Conflict Resolution and Violence Prevention Activities program contributes to the Department's Strategic Goal #2, Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law.

Within these goals, CRS specially addresses Strategic Objective 2.5: Promote and protect American civil rights by preventing and prosecuting discriminatory practices.

Each region, composed of 2-4 Conciliators and one Regional Director, provides conflict resolution services to resolves disputes and disagreements based on race, color, and national origin in order to reduce community tension. CRS conducts appraisals of racial tension, in collaboration with community, state, and local officials, to determine projects that require immediate attention and demonstrate the greatest need for inclusion in a work plan for resolving racial conflict or violence. Annually, the work plan addresses those communities within each region that require conflict resolution services on an annual basis. A significant portion of the region's workload is direct crisis response services. Working to develop relationships with stakeholders and other influencers, and helping them to develop their local capacity to prevent and respond to tensions and conflicts, accounts for another significant portion of the work conducted by regional staff. CRS also prevents and responds to alleged hate crimes committed on the basis of gender, gender identity, sexual orientation, religion, or disability in addition to race, color, and national origin.

b. Strategies to Accomplish Outcomes

CRS strategies include providing conflict resolution services to accomplish the outcomes. These conciliation services include mediation, facilitation, training, and consulting. Training programs include the Law Enforcement Mediation Skills (LEMS) and Anti-Racial Profiling Programs: Arab, Muslim, and Sikh (AMS) Cultural Awareness Program; the Self-Marshaling Assistance and Training Program, and the City Problem Identification and Resolution of Issues Together (City SPIRIT) program. [See Section IV for detailed descriptions of CRS strategy programs.] These strategies are specifically designed to assist states, local communities, and tribal governments in resolving violence and conflict. CRS has been working collaboratively with four major customer groups: (1) investigative and law enforcement agencies; (2) courts, state, local and tribal governments, and federal agencies, including U.S. Attorneys, FBI, various components of the Department of Justice, Department of Housing and Urban Development, Department of the Interior, Department of Transportation/Transportation Security Administration, Department of Education, and domestic immigration officials; (3) schools, colleges, and universities; and (4) community groups and other organizations to assist and resolve racial conflict and to help communities develop the ability to more effectively prevent and respond to alleged violent hate crimes on the basis of actual or perceived race, color, national origin, gender, gender identity, sexual orientation, religion, or disability.

CRS develops strategies that focus on bringing together the energy of community leaders, organizations, and citizens to work towards crime-prevention and providing safe neighborhoods and communities for all Americans through cooperation and coordination with other Department of Justice components. CRS does not investigate or prosecute. Rather, CRS provides comprehensive services that empower communities to help themselves and maximize the federal investment at the local level through capacity building. It does so in confidence and with impartiality. By facilitating dialogue, mediating agreements, providing technical assistance and increasing cultural understanding, CRS conducts services in response to conflicts or incidents that, left unaddressed, may escalate to violent hate crimes.

To serve all the different jurisdictional areas including the ones more recently mandated by the 2009 Matthew Shepard Hate Crimes Prevention Act, CRS must continue to monitor hate crimes, conduct outreach work, and provide service. Given the continuing technology revolution and the need to serve youth, CRS continues to utilize different technology platforms to meets its mandate. CRS also continues to utilize and develop innovative conflict resolution approaches to meet the changing needs of the communities we serve.

In order to fulfill the strategic goals of the Agency, the CRS management team will continue to stress contemporary mediation skills development, conflict resolution tools, education, programs, outreach, technical assistance, accountability, adherence to performance work plans, and affirmation of a merit award system for outstanding work. CRS' success can be evaluated on how well its services assist communities in need, contributing to the Department's Conflict Resolution and Violence Prevention Activities. In addition, CRS is gauged on its success in keeping the peace in cities throughout the country when events occur that have the potential to escalate into major riots or violence. CRS continues to evaluate new methods for measuring the Agency's success, always aiming to improve upon its service delivery to American communities.

V. Program Increases by Item

Item Name: Hate Crime Prevention and Response

Budget Decision Unit(s): Conflict Resolution & Violence Prevention Activities

Strategic Goal(s) & Objective(s): Strategic Objective 2.5: Promote and protect Americans'

civil rights.

Organizational Program: Community Relations Service

Component Ranking of Item: 1 of 4

Program Increase: Positions 8 Atty 0 FTE 4 Dollars \$557,000

Description of Item

CRS is requesting an enhancement of 8 positions, 4 FTE, and \$557,000, in order to successfully fulfill its expanded mandate under the Hate Crimes Prevention Act (HCPA). The additional resources include personnel and non-personnel support, including training, travel, and publications, which will increase regional staff by 6 conciliators in the field and 2 staff member at Headquarters, and allow CRS to successfully carry out its mission.

Justification

The addition of 6 regional conciliators in the field and 2 HQ staff members will maximize crisis response, conflict resolution and violence reduction throughout the United States. This enhancement will allow CRS to fulfill its statutory mandate pursuant to Title X of the Civil Rights Act of 1964 as well as its mandate pursuant to the Shepard and Byrd, Jr. Hate Crimes Prevention Act.

The HCPA has dramatically increased CRS' workload as well as training and travel expenses. Congress anticipated the increase in demand for CRS services in the text of the statute: "There are authorized to be appropriated to the Department of Justice, including the Community Relations Service, for fiscal years 2010, 2011, and 2012 such sums as are necessary to increase the number of personnel to prevent and respond to alleged violations of section 249 of title 18, United States Code, as added by section 4707 of this division." (P.L. 111-84, §4706).

As detailed above, the HCPA has transformed CRS from a component focused on working with communities to prevent and respond to community tension related to alleged discrimination on the basis of race, color, and national origin to a component that is responsible for helping communities address and prevent conflict on the basis of gender, gender identity, sexual orientation, religion, and disability in addition to race, color, and national origin. The passage of the HCPA will also likely mean an increase in CRS caseload associated with responding to alleged hate crimes on the basis of race, color, or national origin, as the statute removes the former prerequisite showing that the victim was participating in a federally protected act. This, combined with an increase in reports of alleged hate related activity on the basis of race, color, or

national origin associated with immigration issues, means a significant increase in demand for CRS in our historical areas of jurisdiction as well.

Responding to this increase in community need and demand is no small task, as CRS is the only federal agency exclusively dedicated to assisting state and local units of government, private and public organizations, community groups, and other federal agencies with preventing and resolving racial and ethnic tensions, conflicts, and civil disorders. CRS is uniquely qualified to fulfill its new mandate, as CRS is an expert at bringing law enforcement officials, advocacy groups, and individual community members to the table in a way that creates lasting racial stability and harmony and enables those communities to address future conflicts without outside assistance. Nevertheless, as the HCPA noted, CRS will need significant resources to build the staff and expertise necessary to cover these new jurisdictional areas and to fulfill this broader mandate. The agency will require increased travel funds to continue to effectively help communities prevent and respond to violent hate crimes committed on the basis of gender, gender identity, sexual orientation, religion, disability, race, color, and national origin

Impact on Performance

The additional 8 positions dedicated to HCPA will maximize CRS' crisis response across the entire United States and enable it to fulfill its historical mandate pursuant to Title X of the Civil Rights Act of 1964 as well as its mandate pursuant to the Shepard and Byrd, Jr. Hate Crimes Prevention Act. These positions will allow CRS to increase HCPA prevention and response by a minimum of 50 cases and at maximum of 100 cases per year.

The increase will also have a significant and positive impact on other components. By virtue of its mission and role, CRS is likely to be the first DOJ component that is in a community during a public controversy that may include issues involving other federal components and agencies and state and local governments and agencies. As a result, CRS may be able to help define the public perception of the Department's overall responsiveness and assist other components in gaining successful entry into the community in the context of elevated levels of controversy regarding policy changes. This entry may be facilitated through CRS dialogues or community forums where agencies and components can introduce themselves and explain their services in a manner that allows the public to understand why investigations or other processes may take longer than they would prefer.

Base Funding

| | FY | 2014 E | inacted | | FY | 2015 En | acted | | FY 20 | 16 Curre | nt Services |
|-----|--------------|--------|---------|-----|------|---------|---------|-----|--------------|----------|-------------|
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) |
| | | | 1,800 | | | | 1,838 | 8 | | 4 | 1,901 |

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------------|--|-------------------------------------|-------------------------------|--|--|
| Conciliation Specialist GS-9 | 77 | 2 | 77 | 89 | 25 ; |
| Conciliation Specialist GS-11 | 82 | 4 | 165 | 90 . | 24 |
| Conciliation Specialist GS-12 | 98 | 2 | 98 | 121 | 20 . |
| Total | 257 | 8 | 340 | 300 | 69 |

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--------------------------|-----------|----------|-------------------------------|---|--|
| Non- Payroll Services | | | 217 | 28 | 0 |
| Total Non- Personnel | | | 217 | 28 | 0 |

Total Request for this Item

| , | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current Services | 8 | | 4 | 1,268 | 633 | 1,901 | N/A | N/A |
| Increases | 8 | | 4 | 339 | 217 | 557 | 328 | 69 |
| Grand Total | 16 | | 8 | 1,607 | 850 | 2,458 | 328 | 69 |

Item Name: CRS Training Academy

Budget Decision Unit(s): Conflict Resolution & Violence Prevention Activities

Strategic Goal(s) & Objective(s): Strategic Objective 2.5: Promote and protect Americans'

civil rights.

Organizational Program: Community Relations Service

Component Ranking of Item: 2 of 4

Program Increase: Positions 0 Atty 0 FTE 0 Dollars \$240,000

Description of Item

CRS is requesting an enhancement of \$240,000 to support a consulting services contract or cooperative agreement to develop an Academy curriculum, to conduct three regional seminars, and to research and publish best practice materials that will lead to the creation of CRS trained local emissaries who will have a fundamental capacity to engage in proven dispute resolution activities. CRS would utilize the CRS website and the internet to extend the reach and usage of curriculum, seminars, research, and best practices. Thus, broadening CRS reach and further CRS' mission in a cost-effective manner.

Justification

The CRS Academy will be a CRS developed and administered resource intended to engage state and municipal officials, law enforcement executives, and community leaders in learning and applying dispute resolution and problem-solving techniques for the purpose of developing sustainable local capacity to reduce tensions, prevent violence, and resolve CRS jurisdictional conflicts.

The Academy approach will: (1) enable CRS to direct its resources toward the most vulnerable, highest priority populations while still positively impacting a broad range of communities; (2) expand CRS' reach to communities beyond current fiscal limitations; (3) convene leaders from multiple relevant disciplines in the development of best practices that will result in a higher level of service provision and practices that can be replicated in other communities.

The academy will include establishing an array of online resources, and conducting three regional, day-long seminars for local officials and community leaders, and the subsequent development of best practice materials to serve as references for other communities.

Impact on Performance

This initiative furthers the Department's mission to ensure public safety and to ensure fair and impartial administration of justice for all Americans. Essentially, the Academy shall aim to establish CRS Ambassadors who will have an understanding of the techniques and processes needed to resolve racial, national origin, and hate related threats to their communities.

Base Funding

| { | | FY | 2014 E | nacted | F | Y 2015 | Presider | it's Budget | | FY 20 | 16 Curre | nt Services |
|---|----------|------|--------|----------|-----|--------|----------|-------------|-----|-------|----------|-------------|
| ĺ | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| L | | atty | | | | atty | | | | atty | | |
| | <u>0</u> | | 0 | <u>0</u> | 0 | 0 | 0 | <u>0</u> | Q | 0 | Ō | <u>0</u> |

| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------------------------|-----------|----------|-------------------------------|---|--|
| CRS Training Consultants | | | 240 | N/A | N/A |
| Total Non- Personnel | | | 240 | N/A | N/A |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|--|
| Current Services | | | | | | | N/A | N/A |
| Increases | | | | | 240 | 240 | N/A | N/A |
| Grand Total | | | | | 240 | 240 | N/A | N/A |

Item Name: Collaborative Community Strengthening Initiative

Budget Decision Unit(s): Conflict Resolution & Violence Prevention Activities

Strategic Goal(s) & Objective(s): Strategic Objective 2.5: Promote and protect Americans`

civil rights.

Organizational Program: Community Relations Service

Component Ranking of Item: 3 of 4

Program Increase: Positions 10 Atty 0 FTE 5 Dollars \$775,000

Description of Item

CRS is seeking funds to hire and deploy staff to provide conciliation services (mediation, facilitated dialogues, training, and consultation on issues of police-community reconciliation) in a broad range of communities throughout the United States. This request is supportive of the goals of President's My Brother's Keeper Initiative and the proposal for the National Initiative for Building Community Trust and Justice. The request for \$775,000 will fund the hiring of 10 Conciliation Specialist positions, and it will provide the needed resources for their base-level training and travel to the cities and towns where they will provide services.

Justification

CRS plans to work directly with community leaders, local government officials, and local law enforcement executives to engage them in collaborative efforts to build and repair relationships between these entities. The core of both of these initiatives is effective engagement with disenfranchised communities, and CRS has been identified as a critical component in the implementation process for both.

The Conciliation Specialist dedicated to the National Initiative for Building Community Trust and Justice will engage communities in the process of collaboratively developing strategies and policies intended to strengthen at-risk communities and build mutual trust and respect between the communities and local officials.

In order to leverage the Department of Justice involvement in this area, this initiative is operated as a partnership among the Office of Justice Programs (OJP), the Community Oriented Policing Services (COPS) Office, Office on Violence Against Women (OVW), and Community Relations Service (CRS). The initiative involves multiple activities, including managing pilot sites; establishing an information clearinghouse; conducting research; translating research for practitioner audiences; and developing strategies to further the public discourse about procedural justice, reducing bias, and supporting racial reconciliation as a means to build community trust.

The program will begin with five pilot sites that will receive comprehensive and focused services from various Department components. The pilot sites will then transition into model programs that inform the efforts of other cities that replicate the practices throughout the country. CRS

will work in the five pilot sites, and will provide direct service to numerous other communities across the country as they replicate the practices of the pilot sites.

Additionally. CRS will be providing direct services to communities throughout the country as it seeks to address persistent opportunity gaps faced by boys and young men of color and ensure that all young people can reach their full potential.

Through this initiative, the Administration is joining with cities and towns, businesses, and foundations who are taking important steps to connect young people to mentoring, support networks, and the skills they need to find a good job or go to college and work their way into the middle class. A significant aspect of the initiative will include work related to engaging professionals from various disciplines, community-based organizations, law enforcement, and local government agencies in the problem-solving process, and CRS' newly hired Conciliators will be actively engaged in this work.

Conciliation Specialists would travel throughout the country to facilitate dialogues and conversations to engage these professionals. Community engagement is critical to assess the problems, develop solutions, and collaboratively implement them. CRS would provide training for the groups and create a cadre of designated dialogue facilitators. Effectively supporting these initiatives as stipulated, while maintaining its baseline services requires CRS be allocated these additional resources. CRS currently has 41 staff members who provide conciliation services throughout the country and administratively manage the organization. The increase in workload called for under these two initiatives simply cannot be accomplished effectively without additional staff and the funding of their travel to conduct the work.

Impact on Performance

These initiatives will further the Department's mission to ensure public safety and to ensure fair and impartial administration of justice for all Americans. CRS will be responsible for facilitating aspects of the initiative related to in-depth community engagements that support DOJ Strategic Goal 2.5, and goal's under the Attorney General's SMART Initiative that call for ensuring the protection of vulnerable populations. This shall include, but will not be limited to: working between officials and community leaders of the pilot sites to mediate agreements regarding their commitment to the program and related details on how all parties will work collaboratively: providing on-site support and conciliation services as communities and local agencies plan and implement racial reconciliation processes and measures to address bias and procedural justice; and administering conflict resolution tools related to issues that emerge regarding racial tension, police legitimacy and law enforcement-community relations.

Base Funding

| | FY | 2014 E | nacted | F | Y 2015 | Presider | nt's Budget | | FY 20 | 16 Curre | nt Services |
|-----|------|--------|---------|-----|--------|----------|-------------|-----|-------|----------|-------------|
| Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) | Pos | agt/ | FTE | \$(000) |
| | ally | | | | atty | | | [| atty | | |
| 0 | 0 | 0 | N/A | 0 | 0 | <u>0</u> | N/A | | | | <u>N/A</u> |

| Type of Position/Series | Modular Cost per Position (\$000) | Number of Positions Requested | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-------------------------------|--|-------------------------------------|-------------------------------|--|--|
| Conciliation Specialist GS-11 | 82 | 5 | 205 | 265 | 55 |
| Conciliation Specialist GS-13 | 116 | 5 | 290 | 320 | 45 |
| Total Personnel | 198 | 10 | 495 | 585 | 100 |

| Non-Personnei Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|--------------------------|-----------|----------|-------------------------------|---|---|
| Non- Payroll Services | | | 280 | 150 | 0 |
| Total Non- Personnel | | | 280 | 150 | 0. |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|--|--|
| Current Services | | | | | | | | |
| Increases | 10 | | 5 | 495 | 280 | 775 | 735 | 100 |
| Grand Total | 10 | | 5 | 495 | 280 | 775 | 735 | 100 |

1078

Item Name: Law Enforcement Organizational Change Initiative

Budget Decision Unit(s): Conflict Resolution & Violence Prevention Activities

Strategic Goal(s) & Objective(s): Strategic Objective 2.5: Promote and protect Americans'

civil rights.

Organizational Program: Community Relations Service

Component Ranking of Item: 4 of 4

Program Increase: Positions 0 Atty 0 FTE 0 Dollars \$200,000

Description of Item

CRS is requesting an enhancement of \$200,000 to support a consulting services contract or cooperative agreement to provide in-depth consultation and guidance to local law enforcement agencies who are party to potentially violent, public safety degrading conflicts with minority communities.

Justification

The Law Enforcement Organizational Change Initiative is intended to be a means of offering the needed level of guidance and support to the law enforcement agency as they seek to make advancements. Specifically, the initiative will provide four local law enforcement agencies with up to three, two-day consultative or training sessions to address their unique organizational change needs, as they relate to a CRS case. The initiative will also provide for up to eighty hours of research and resource development, per law enforcement agency, in support of providing the needed expert guidance.

These services will be provided through reimbursable agreements with DOJ components such as the Civil Rights Division, Office of Justice Programs, and the Office of Community Oriented Policing Services, or through cooperative agreements with organizations such as the Police Executive Research Forum, Major Cities Chiefs, the International Association of Chiefs of Police, etc. A determination of what resources are needed will be made by CRS and the law enforcement agency during a CRS initiated case.

Examples of cities where such a resource was needed, but unavailable, includes recent high profile cases in Sanford, FL.; Miami Beach, FL.; Dubuque, IA., Albuquerque, N.M.; Calumet City, IL.; East St. Louis, IL. Fayetteville, N.C.; Spokane, WA.; Scattle, WA.; and Newburgh, N.Y., just to name a few.

These funds will be used to research the issue in which guidance is needed in the four cities served under the initiative, to have subject matter experts conduct up to three site visits per city, to develop and provide any needed training, and to research and develop resulting best practice resources for other cities facing similar organizational change needs.

1079

Impact on Performance

Approximately seventy five percent of CRS cases stem from instances where the real or perceived actions of a local police or sheriff's department resulted in conflict, or their intervention is required to effectively resolve a conflict. CRS is highly effective in addressing these conflicts as they present and reduce the potential for initial violence. While engaging in the conciliation process it is often determined that the need for sustainable change must be anchored through self-implemented organizational changes within the local law enforcement agency. Moreover, it is not uncommon for there to be an understanding and willingness on the part of local law enforcement to drive internal changes that would prevent future conflicts. However, it is also not uncommon for the local department, particularly in the case of mid-sized and small departments, to need expert guidance to affect the needed change. This need, while directly related to CRS' work, exceeds CRS' capabilities.

Base Funding

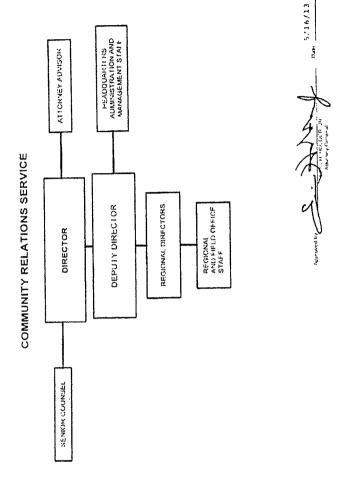
| Base | Fundi | ing | | | | | W Non | tyry i | | 1 24 1 | |
|------|--------------|--------|---------|-----|--------------|----------|----------------------|--------|--------------|----------|-------------|
| | FY | 2014 E | nacted | F | Y 2015 | Presider | it's Budget | | FY 20 | 16 Curre | nt Services |
| Pos | agt/ atty | FTE | \$(000) | Pos | agt/ atty | FTE | \$(000) ₅ | Pos | agt/ atty | FTE | \$(000) |
| 0 | | 0 | 0 | 0 | 0 | Q | 0 | 0 | 0 | 0 | Q |

| a di località | | | | | |
|-----------------------------------|-----------|----------|-------------------------------|---|---|
| Non-Personnel Item | Unit Cost | Quantity | FY 2016 Request (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
| Law Enforcement Consultants | | | 200 | N/A | N/A |
| Total Non- Personnel | | | 200 | N/A | N/A |

Total Request for this Item

| | Pos | Agt/ Atty | FTE | Personnel (\$000) | Non- Personnel (\$000) | Total (\$000) | FY 2017 Net Annualization (change from 2016) (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) |
|-----------|-----|--------------|-----|----------------------|------------------------------|------------------|--|---|
| Current | | | | | | | | |
| Services | | | i | L | | | <u> </u> | |
| Increases | | | | | 200 | 200 | N/A | N/A |
| Grand | | | | | 200 | 200 | N/A | N/A |
| Total | L | | | l | | | | l |

A: Organizational Chart



5

Summary of Requirements
Community Relations Service
Salaines and Exponses
(Celtars in Thousawas)

| | | FY 2016 Request | |
|---|------------------|-----------------|--------|
| | Direct Positions | FTE | Amount |
| 2014 Enactod | 9 | 56 45 | 12,000 |
| Total 2014 Enacled | 5, | 56 45 | 12,000 |
| 2015 Enacted | | 56 49 | 12,250 |
| 20.3 Grunde: Nesossuol Total 2015 President's Budget | 47 | 56 49 | 12,250 |
| Base Adjustments | | | |
| Puy and Denetits | | 0 | 138 |
| Comesuc Rent and Faculties | | 6 | |
| Cilier Adjustments | | 0 | |
| Total Base Adjustments | | 6 | |
| Total Technical and Base Adjustments | | 0 | 424 |
| 2016 Current Services | , | 56 49 | |
| Program Changes | | | |
| Increases | | _ | |
| Hate Crime Prevention and Response | | 8, | 555 |
| CRS Training Academy | | 0 | 240 |
| Collaborative Community Strangthening Indiative | | | |
| Law Enforcement Organizational Change Intitative | | 0 | |
| Suctoral, Increases | - | | |
| Total Program Changes | | 18 | |
| 2016 Total Request | | 74 58 | |
| 2016 Balance Resussion | | | 0 |
| 2016 Totat Roquest (with Balance Rescission) | 7 | 74 58 | |
| 2015 - 2016 Total Change | _ | 181 | 2 196 |

B. Summary of Requirements by Decision Unit

Summary of Requirements by Decision Unit Community Relations Services Salaries and Expenses (Dollars in Thousarvis)

| Program Activity | • | 2014 Enacted | pet: | ., | 2015 Enacted | · pet | 2016 7 | Fechnical and Adjustments | 2016 Technical and Base Adjustmonts | 2016 | 2016 Current Services | Services |
|--|--------|--------------|--------|--------|--------------|--------|---------------|------------------------------|--|---------------|-----------------------|-------------|
| | Direct | Est | Amount | Direct | Es: FTE | Amount | Direct Pos | Est FTE | Amount | Direct Pos | Est | Amount |
| Conflict Resolution and Violence Reduction | 56 | 45 | 12 000 | 56 | 49 | 12.250 | 0 | 5 | 424 | 99 | 49 | 12.674 |
| Total Direct | 56 | 45 | 12,000 | 56 | 49 | 12,250 | 0 | 0 | 424 | 99 | 49 | 12.674 |
| Balance Rescission Total Direct with Rescission | | | 12 000 | | | 12.250 | | | 424 | | | 0 12,674 |
| Reimbursable FTE Total Direct and Reimb FTE | | 0 8 | | | O Q | | | 00 | | | 49 | |
| Grand Total FTE | | 45 | | | 49 | | | 0 | | | 49 | |

| | 7 | 2016 Increases | ases | | 2016 Request | uest |
|----------------------------------|--------|----------------|--------|--------|--------------|--------|
| Program Activity | Direct | Est | Amount | Direct | Est. | Amount |
| | Pos | FTE | | Pos | FTE | |
| Conflict Resolution and Violence | | | | | | |
| Reduction | 128 | G) | 1,772 | 17. | 58 | 14,446 |
| Total Direct | 18 | 6 | 1,772 | 74 | 58 | 14,446 |
| Balance Rescission | | | 0 | | 0 | |
| Total Direct with Rescission | | | 1,772 | | 0 | 14,446 |
| Reimbursable FTE | | 0 | | | 0 | |
| Total Direct and Reimb. FTE | | on | | | 58 | |
| Grand Total, FTE | | 700 | | | 58 | |

Exhibit C - Program Changes by Decision Und

FY 2016 Program Increases by Decision Unit Community Relations Service Saunos and Expenses (Johan in Thousanas)

| Program Increases | Location of | Confl | ict Resoli Rec | solution and Reduction | Conflict Resolution and Violence Reduction | | Total | Total Increases | |
|--------------------------------|-------------|--------|-------------------|---------------------------|---|--------|-------|------------------------|--------|
| | Narralive | Pos et | Agt / | Agt / Est. FTE | Amount | Direct | Agi / | Agi / Esi. FTE Ally | Amount |
| Hate Crime Prevention and | | | | | | | | | |
| Response | Page 16 | 80 | ٥ | * | 557 | ro | 0 | 4 | 557 |
| CRS Training Academy | Page 19 | 6 | ō | 0 | 240 | 0 | 0 | 0 | 240 |
| Collaborative Community | | | | | | | | | |
| Strengthening Initiative | Page 21 | 9 | ~ | | 775 | 0 | 0 | • | 775 |
| Law Enforcement Organizational | | _ | | | | | | | |
| Change Instalive | Page 24 | 0 | 6 | 0 | 502 | 0 | ۰ | 0 | 200 |
| Total Broaden Incomes | | ţ | - | ď | 4777 | 40 | ٦ | 0 | 4 777 |

D. Resources by DOJ Strategic Goal and Stratogic Objective

Resources by Department of Justice Strategic Goal/Objective Community Relations Servce Salares and Expense (Obbits in Incitations)

| control of the state of the sta | 2014 | 2014 Enacted | 2015 | 2015 Enacted | 2016 Curr | 2016 Current Services 2016 Increases | 2016 [| ncreases | 2016 To | 2016 Total Request |
|--|------------------|--------------|------------------|--------------|------------------|--------------------------------------|-----------------|----------|------------------|--------------------|
| אניפוניקיה הספו בוות אניפוני כיקיביונים | Directi Reimb | Direct | Direct/ Reimb | Direct | Direct/ Reimb | Direct | Direct/ Remb | Direct | Direct/ Reimb | Direct |
| Goal 2 Prevent Crime, Protect the Rights of the American People, and conforce feedural Law 2 5 Promote and protect American civil rights by prevening and proseculing discriminatory practices. Subtotal, Goal 2 | 2. 4. 2. 2. | 12,000 | 6 6 | 12,250 | 64 64 | 12.674 | எ. | 277,1 | 58 88 | 14,446 |
| TOTAL | 45 | 12,000 | 48 | 12,250 | 48 | 12,674 | 6 | 1,772 | 58 | 14,445 |

Justifications for Technica in Adjustments
Commercing Ritations Sorves
Salaries and Expenses
(Dates on Trostances)

| | 500 | 177 | 10012 |
|--|-----|-----|-------|
| Pay and Benefits | | | |
| 1 2016 Pay Raisn - 1.3% | | | 99 |
| This request provides for a proposed 1.3 percent bay rases to be affective in January of 2016. The amount request. \$65 000 represents the pay enruruts for 314 of the listally year plus appropriate benefits (\$45 000 for peny and \$19,500 or benefits.) | | | - |
| 2 Ampatitation of 2015 Pay Rays. The topy ammissation represents to quarter entourity (October though Denombor) of the 2015 pay increase of The topy ammissation represents to stage in the amount requested \$15,000 represents the pay amount. For 144 of the fiscal year plus appropriate shapirs, (\$10,500 for pay and \$4,500 for screening). | 0 | 0 | ž |
| 3 Objectors in Competitioble Days FY 2016 has one additional competuable day as compared to FY 2014 and FY 2015. The annual requested \$24,000, the reseasts find pay for the andicional day as its computes of pay and benefals (\$17 040) for pay and \$2,590, for benefals (\$17 040) for pay and \$2,590, for benefals (\$17 040) for pay and \$2,590, for benefals (\$17 040) for pay and \$2,590, for paying | - | | 24 |
| f Emploress (comparation Fund The S.C door lack recover the standed denges in payments to the Department of Labor for myny binnells under the Federal Employee Companies on Act | 0 | 0 | 2 |
| of Enclosed PLTERES. In 2015 (FY 2016), the new agency contribution rates of 13 Ye (up from the current 13.2% or an increase of 0.5%). The amount requested S25,000 represents the funds needed to cover this increase. | 3 | 0 | 23 |
| 6 <u>Ineath Insurgos</u> Effective Jacoby 2016, the companent's contribution to Foderal employees' health missence increases by 3.3 Perctive Jacoby 6 51, 100 as sequence to cover the increase. | ٥ | G | |
| P Betannian Parker Commission and the strongers under CSRS man and as reported to FERS employees betand the forest of the Strongers based on the Strongers of t | 6 | G | 6 |
| Subtotal, Pay and Benefits | • | | 136 |
| SSARM SSARMENT CENTRAL TO CHARGE THE THE TRANSPORT OF TH | 6 | | 64 |
| f gagge Spring. Some carried to Repartment of Versical Secretary (IUS) Feetin Protective Service charges Justice Protective Service charges and service Service service service Service service service Service service Servi | | -6 | io . |
| Marten Elgene Zergemenn) (SAM Regards of Regeneration pay in victoria casas and was expessive a Trasseques provides for the CRAM associated with the validat obscalations caused by the deposition of leases in 17 2016 | 6 | 6 | 222 |
| Subjoial, Domestic Rent and Facilities | ٥ | ٥ | 273 |
| Other Apparents of the Control of th | 6 | | |
| Subretal, Other Adjustments | 0 | | F |
| TOTAL DIRECT TECHNIGAL and BASE ADJUSTMENTS | ٥ | 0 | 424 |

Exhibit F - Crosswalk of 2014 Availability

Crosswalk of 2014 Availability Community Relations Service Salanes and Expenses (Dolars in Thousands)

F. Crosswalk of 2014 Availability

Crosswalk of 2015 Availability
Community Relations Service
Salaries and Expenses
(Dollars in Thousands)

| Program Activity | Łέ | FY 2015 Enacted | acted | Reprog | ramming | Transfers | Reprogramming/Transfers Carryover | Recoveries/ Refunds | 201 | 2015 Availability | ility |
|------------------------------|--------|-----------------|--------|---------------|---------|--------------------------------------|-----------------------------------|------------------------|--------|-------------------|--------|
| | Direct | Estim. FTE | Amount | Direct Pos | Estim. | Amount Direct Estim. Amount Pos. FTE | Amount | Amount | Direct | Estim. | Amount |
| Conflict Resolution and | 93 | | 0000 | L. | | | | | 3 | | |
| Total Disect | 8 4 | 200 | 12,250 | ٥ | 5 | 0 | 01. | 0 | 25 | | 12,250 |
| Balanca Decriecion | | | 007'71 | 2 | 2 | 0 | 5 | ð | S | 4 | 12,250 |
| Total Direct with Rescission | | | 12.250 | | | | | | | | 12 250 |
| Total Direct and Reimb. | | | | | | | | | | | |
| J . | | 6 | | | 0 | | 0 | | | 49 | |
| Grand Total FTE | | 70 | | | C | | | | | 1 | ľ |

Exhibit H- Summar,imbursable Resources

Summary of Reimbursable Resources Community Relations Service Salaries and Expenses (Dollars in Thousands)

H. Reimbursable Resources

| | | 2014 Actual | tual | | 2015 Planned | ned | | 2016 Request | uest | Inc | Increase/Decrease | crease |
|-----------------------|--------|-------------|--------|----------|--------------|--------|--------|---------------|--------|--------|-------------------|--------|
| Collections by Source | Reimb. | Reimb. | Amount | Reimb. R | eimb. | Amount | Reimb. | Reimb. Reimb. | Amount | Reimb. | leimb. Reimb | Amount |
| | Pos | FTE | | Pos | 된 | | Pos. | 벁 | | Pos. | H | |
| DOJ ITSS | 0 | 0 | 0 | 0 | ٥ | 16 | 0 | ō | 0 | 0 | 0 | -16 |
| Budgetary Resources | 6 | 0 | 0 | 0 | 0 | 16 | 0 | ō | 0 | С | C | 146 |

Detail of Permanent Positions by Category Community Relations Service Statnies and Expenses (Dollers in Thousands)

| Direct Pos. | | with Balance Rescission | nacted | | 2016 Request | ednest | |
|--|-----------------------|-------------------------|-------------|------|----------------------|----------------------|---------------------|
| | Direct Pos. Reimb Pos | Direct Pos Reimb. Pos. | Reimb. Pos. | ATBs | Program Increases | Total Direct Pos. | Total Reimb. Pos |
| Clerical and Office Services (300-399) | 49 (| 49 | 0 | 0 | 18 | 29 | |
| Accounting and Budget (500-599) | 7 | 2 | 6 | 0 | 0 | 2 | 0 |
| Attorneys (905) | 2 | 2 | 0 | 0 | 0 | 2 | 0 |
| Information Technology Memt (2210) | 3 | 9 | 0 | 0 | 0 | 3 | ٥ |
| Total | 99 | 99 20 | 0 | 0 | 18 | 74 | 0 |
| Headquarters (Washington, D.C.) | 15 | 15 | 0 | 0 | 4 | 19 | |
| U.S. Field | 44 | 41 | 0 | D | 14 | 55 | 0 |
| Foreign Field | 0 | 0 | 0 | 0 | 0 | ō | |
| Total | 99 | 99 20 | 0 | 0 | 18 | 74 | 0 |

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes Community Relations Service Stabiles and Expenses (Decus an Thocasea)

| | | | | ì | | | | | | |
|---|-----------|---------------------------------------|----------|--|---------|--|--------------------------|--|-----------------------|---------|
| | | | Conflict | Conflict Resolution and Violence Reduction | Molence | Reduction | | | | |
| Grades | Hato Crit | Hato Crime Prevention and Response | CRS Tra | CRS Training Acadomy | Coll | Collaborative Community Strengthening Millative | Law En Organ Chang | Law Enforcement Organizational Change Initiative | Total Program Changes | Changes |
| | Direct | Amount | Direct | Amount | Direct | Amount | Dane | Amount | Detect Poe | Ombano. |
| GS-13 | 0 | Ó | c | 0 | 2 | 985 | ē | G | * | San |
| GS-12 | 2 | 203 | 0 | • | 0 | ó | 0 | 0 | | 5 |
| GS-11 | 4 | 339 | ٥ | 0 | 10 | 407 | 0 | 0 | | 746 |
| 62:9 | 2 | 139 | 6 | o | 0 | - | ã | - | | 9.5 |
| Total Positions and Annual Amount | 8 | 189 | O | 0 | 5 | 786 | 0 | 0 | 18 | 1,669 |
| Lapse (·) | * | 5 | 0 | ō | 'n | -493 | 0 | - | 9 | 258 |
| 11 5 Other Personnel Compensation | | • | | ō | | 0 | _ | C | , 0 | } - |
| Total FTEs and Personnel Compensation | 7 | 340 | 0 | 6 | ν. | 493 | - | | ō | 3 |
| 21 0 Travel and Transportation of Persons | | 100 | | 0 | | 178 | | 0 | 5 6 | 370 |
| 22 0 Transportation of Things | _ | _ | | 0 | | | | - | 5 6 | • |
| 23 1 Renial Payments to GSA | | 12 | | | | | | , | , | |
| 23.3 Communications, Utatics, and Miscellaneous Charges | _ | 5 | | ō | | 38 | - | 0 | - | : 2 |
| 25.2 Otter Services from Non-Foderal Sources | | 2 | | 240 | _ | 4 | | 200 | o | 446 |
| 25.3 Other Goods and Services from Federal Sources | | 9 | | 4 | | #2 | | ٥ | 0 | 8 |
| 25.6 Medical Care | | _ | | 0 | | - | | 6 | ō | 2 |
| 26 0 Supplies and Materials | _ | φ- | | 5 | | 5 | | ō | c | Ξ |
| 310 Equipment | | 8 | | 0 | | 25 | | ō | 6 | 65 |
| Total Program Change Requests | 7 | 267 | ٥ | 240 | 5 | 775 | 0 | 200 | 6 | 1,772 |
| | | | | | | | | | | |

Summary of Requirements by Object Class Community Relations Service Salaries and Expenses (Dollars in Thousands)

| | 201 | 2014 Actual | 2015 A | 2015 Availability | 2016 | 2016 Request | Increas | Increase/Decrease |
|---|---------------|-------------|---------------|-------------------|---------------|--------------|---------------|-------------------|
| Object Class | Direct FTE | Amount | Direct FTE | Amount | Direct FTE | Amount | Direct FTE | Amount |
| 11.1 Full-Time Permanent | 44 | 4,762 | 48 | 4.875 | 57, | 5,547 | 6 | 672 |
| 11.3 Other than Full-Time Permanent | - | 156 | ۲- | 157 | - | 157 | 0 | 0 |
| 11.5 Other Personnel Compensation | 0 | 49 | 0 | 49 | 0 | 49 | 0 | 0 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.8 Special Personal Services Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | o |
| Total | 45 | 4,967 | 49 | 5,081 | 28 | 5,753 | 6 | 672 |
| Other Object Classes | | | | | | | | |
| 12.0 Personnel Benefits | | 1,466 | | 1,584 | | 1,883 | | 299 |
| 21.0 Travel and Transportation of Persons | | 509 | | 726 | | 1,004 | | 278 |
| 22.0 Transportation of Things | | 47 | | 48 | _ | 52 | | 4 |
| 23 1 Rental Payments to GSA | | 1,512 | | 1 578 | | 1,639 | | 61 |
| 23.2 Rental Payments to Others | | 104 | | 106 | | 106 | | 0 |
| 23.3 Communications, Utilities, and Miscellaneous Charges | | 332 | | 337 | | 390 | | 53 |
| 24.0 Printing and Reproduction | | 2 | | 2 | | 2 | | 0 |
| 25.1 Advisory and Assistance Services | | 1,006 | | 1,022 | | 1,022 | | 0 |
| 25.2 Other Services from Non-Federal Sources | | 615 | | 625 | | 1,293 | | 668 |
| 25.3 Other Goods and Services from Federal Sources | | 920 | | 938 | | 1,021 | | 83 |
| 25,4 Operation & Maintenance of Equipment | | 2 | | 2 | | 2 | | 0 |
| 25.6 Medical Care | | 7 | | 7 | | 6 | | 2 |
| 25.7 Operation and Maintenance of Equipment | | 53 | | \$ | | 54 | | 0 |
| 26.0 Supplies and Materials | | 58 | | 9 | | 77 | | = |
| 310 Equipment | | 78 | | 80 | | 145 | | 65 |
| 42.0 Insurance Claims and Indemnities | | 165 | | | | | | |
| Total Obligations | 45 | | 49 | 12,250 | 58 | 14,446 | σ | 2,196 |
| Total Direct Requirements | 45 | 11,843 | 49 | 12,250 | 28 | 14.446 | σ | 2 196 |