

## **STRATEGIC GOAL ONE: Keep America Safe by Enforcing Federal Criminal Laws**

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At the heart of the Department of Justice's (DOJ) mission is our responsibility to enforce the Nation's federal laws through the investigation and prosecution of criminal offenses. The array of areas for which we are responsible are diverse and challenging, including: cybercrime, drug related crime, violent crimes, firearms offenses, white-collar crime, child exploitation, terrorism, and public corruption.

Adding to this challenge is the complexity of the American criminal justice system. The law enforcement responsibility in the United States is shared and addressed cooperatively among DOJ organizations, and other federal, tribal, state, and local agencies. Several DOJ component organizations share primary responsibility for enforcing the Nation's criminal laws. In addition, the increased globalization of crime requires the Department to strengthen cooperation with international law enforcement organizations.

The Federal Bureau of Investigation (FBI) has responsibility to investigate over 200 categories of federal crimes, and monitor activities that threaten the Nation's security. The FBI also provides law enforcement assistance and other specialized support when required.

The Drug Enforcement Administration (DEA) has responsibility to enforce the controlled substance laws and regulations of the United States, and to bring to justice those organizations and individuals who are involved in the growth, manufacture, and distribution of those substances destined for illicit traffic in the United States. The DEA focuses on priorities of critical drug related intelligence and other specialized enforcement assistance, and it supports non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets.

The Immigration and Naturalization Service (INS) is charged with enforcing the Nation's immigration laws. Although Strategic Goal Four focuses on DOJ's immigration efforts, the interrelationship between immigration issues and criminal offenses also makes INS an important contributor to the fight against violent crime, drug related crime, and terrorism.

The United States Attorneys (USA) and the Criminal Division (CRM) are also key players in these goals as they prosecute violators of federal criminal law, seek punishment of those guilty of unlawful behavior, and represent the United States in other specialized litigation. Both are committed to dismantle major drug organizations, target terrorist acts and violent crime, and prosecute high priority white-collar crime nationwide. The USA and CRM play key roles in providing leadership and direction to the combined federal, state, tribal, and local law enforcement effort.

The U.S. National Central Bureau (USNCB) represents U.S. law enforcement components in the International Criminal Police Organization (INTERPOL) and facilitates international law enforcement cooperation on behalf of the Attorney General and the Department of the Treasury's Under-Secretary for Enforcement. In short, the INTERPOL network is designed to link international police entities in much the same way the National Crime Information Center (NCIC) does for domestic law enforcement.

In addition, the Antitrust (ATR), Civil (CM), Civil Rights (CRT), Environment and Natural Resources (ENRD) and Tax (TAX) Divisions perform critical and specialized functions in prosecuting violators of the Nation's antitrust, consumer, civil rights, environmental, wildlife, and tax laws. The priority performance goals of these divisions are split between Strategic Goals One and Three as appropriate.

In FY 2002, while we continue to focus on violent crime, white-collar crime, and illegal drugs, we must confront the sophistication of criminals that will challenge our ability to prevent and solve crimes, and bring criminals to justice. We will work aggressively to combat gun crimes. We will also face the complexities of fighting cybercrime, international crimes, and terrorism. We will confront these issues recognizing that the Department is a crime-fighting partner with other federal, state, tribal, and local agencies working strategically to define our

roles and coordinate our efforts to ensure that our scarce resources provide maximum impact in our crime-fighting efforts.

## **MANAGEMENT CHALLENGES**

There are no existing material weaknesses that will hinder the achievement of goals in this area in FY 2002.

However, the DOJ OIG included Departmental Response to Terrorism in its December 2000 list of the ten most serious management challenges facing DOJ. The OIG restated General Accounting Office's (GAO) recent finding that governmentwide, anti-terrorism resources were not clearly linked to a threat analysis and a national anti-terrorism strategy (GAO report #T-NSIAD-00-145). According to GAO, this situation creates the potential for gaps or duplication in United States anti-terrorism strategy. (The next section of this document, STRATEGIC GOAL TWO: Prevent and Reduce Crime and Violence by Assisting State, Tribal, Local, and Community-Based Programs, addresses another aspect of this issue, the risk of inappropriate use of grant funding by state and local emergency response agencies.)

Performance measures related to this management challenge are noted.

## **PROGRAM EVALUATIONS**

DOJ awarded KPMG Consulting, LLC, a contract on September 19, 2000, to review the operational effectiveness of the Department of Justice and the Department of Treasury's asset management and disposal practices as they pertain to assets seized for forfeiture. KPMG finished its review of applicable statutory, regulatory, and departmental policies and procedures governing seized and forfeited property within Justice and Treasury. KPMG also established a standard profile of property management functions that reflect both private and public best practices for each type of property managed. KPMG also interviewed appropriate government officials engaged in asset forfeiture work at DOJ and Treasury, and began work on compiling financial data on program operations. A draft report, containing initial findings and recommendations, is expected in the March/April 2001 time frame, with a final report to follow by the end of the fiscal year.

The FBI has in place a three-year schedule for conducting assessments of its programs, through the inspection process. Such assessments are designed to determine the program's overall effectiveness and efficiency. Inspections were conducted of the Criminal Investigative Division, National Security Division, Critical Incident Response Group, Administrative Services Division, Office of Professional Responsibility, and Office of the General Counsel programs during FY 2000, as well as numerous field office operations. Detailed and extensive program evaluations of the Background Investigation Contract Service (BICS) and Aviation Programs were also concluded in FY 2000. These evaluations reviewed substantive policies and procedures to make a determination of the effectiveness and efficiency of the programs. Studies of Field Office Organizational Structure, Field Office Rapid Deployment Teams, Domestic Terrorism, and Technically Trained Agents Programs are ongoing and will be completed in FY 2001. In FY 2002, the Organized Crime/Drug program operation will be evaluated.

**STRATEGIC OBJECTIVE 1.1: VIOLENT CRIME**

**Reduce the threat, incidence, and prevalence of violent crime, especially as it stems from gun crime,\* organized crime and drug and gang-related violence.**

*\* this reflects a minor adjustment to the published Strategic Plan*

**Annual Goal 1.1: Reduce LCN membership, targeted gangs, gun violence, and identify and apprehend child predators, while providing assistance to tribal and foreign governments.**

**STRATEGIES**

Target specific organized criminal enterprises to eliminate their power and influence in America.

Target, investigate, and prosecute the most violent gangs in our cities and communities.

Implement gun violence and reduction strategies in each of the 94 federal judicial districts.

Strengthen our nationwide capability to quickly and effectively respond to incidents of crimes against children.

Provide operational enforcement assistance and training to tribal governments.

Promote increased cooperation with foreign law enforcement authorities.

In FY 2002, DOJ's principal law enforcement investigative agencies will counter violent crime by emphasizing targeted enforcement strategies. The ultimate goal of the Department's organized crime program is to dismantle the most significant organized crime enterprises through investigation and prosecution. Our principal enforcement efforts are currently directed against: (1) the 22 La Cosa Nostra (LCN) and native Italian organized crime families operating in the United States; (2) the 21 most significant Russian/Eastern European/Eurasian criminal enterprises (more commonly referred to as the Russian Organized Crime (ROC)) operating in the United States and elsewhere; and (3) approximately 25 Asian organized crime groups operating in the United States, including Chinese Triads, criminally influenced Tongs and various gangs. The transnational activities of these groups will also be addressed to the extent that such activities impact domestically on the United States. A related goal is to undercut the strong financial underpinnings of these large criminal enterprises by placing renewed emphasis on efforts to prevent the laundering of their illegal proceeds and to

forfeit their assets, thereby seeking to permanently cripple their operations.

The Criminal Division's Organized Crime and Racketeering Section (OCRS) supervises the investigation and prosecution of these cases by Strike Force Units within United States Attorney's (USAs') Offices in 23 federal districts having a significant organized crime presence and by a Litigation Unit in OCRS. These cases involve a broad spectrum of criminal offenses, including extortion, murder, bribery, fraud, narcotics, Racketeer Influenced and Corrupt Organizations (RICO), and labor racketeering.

OCRS is involved in setting national priorities for the organized crime program by coordinating with investigative agencies such as the FBI, DEA, INS, Department of Labor (DOL), and others, and by working with the Attorney General's Organized Crime Council, which is ultimately responsible for the Federal Government's policy in this area.

In a more specialized context, OCRS also provides support for criminal prosecutions, which involve labor racketeering, labor-management disputes, the internal affairs of labor unions in the private sector, and the operation of employee pensions and welfare benefit plans. Preventing organized crime's infiltration of labor unions is also a central objective of OCRS. The FBI intends to remove LCN affiliates from labor unions and contracting cartels that make up their power base and to prevent further organized crime infiltration of labor unions by LCN.

The FY 2002 performance plan also discusses the continued commitment of resources for international liaison and enforcement efforts. This will help counter the foreign-based aspect of emerging threats such as Russian, Eastern European, Asian, Italian, and other organized crime groups. The increasing international nexus of this new breed of criminal organization means that the corruption of key officials in major industries and the operation of large-scale money laundering schemes through bank stock exchanges and commodities markets

can flourish without regard to national boundaries.

Another key element of DOJ's performance plan involves a stronger focus on the growing threat posed by emerging organized crime enterprises. These so-called "non-traditional" crime organizations have a rapidly expanding membership, flourish in the drug underworld, and often employ violent means to establish themselves. The FBI and the DEA have adopted new technologies to improve analytical support to investigations and strengthen their intelligence base about these non-traditional groups and their leadership in order to prevent them from gaining a stronger foothold. Another effort will focus on monitoring changes in patterns of drug abuse and shifts in trafficking trends to measure the impact of enforcement initiatives.

Efforts to curtail gang-related violence and the illegal use of firearms are other major features of this plan. In response to a surge in juvenile and gang-related violent crime between 1985 and 1995, the FBI developed its National Gang Strategy. As part of this gang strategy, federal law enforcement agents form multi-agency task forces that include state and local police officers. Collectively, these teams are able to achieve results, which no agency could do on its own.

Similarly, the DEA will deploy its highly successful Mobile Enforcement Teams (MET) to help meet emerging drug crises in particular localities and in collaboration with the National Crime Prevention Council and the Bureau of Justice Assistance. DEA will continue to provide anti-drug training to community leaders following their MET deployment where appropriate. The training is a grass-roots effort to help communities plan, organize, implement and evaluate a prevention program. In addition, the National Drug Intelligence Center (NDIC) will update its National Street Gang Survey Report, a key reference for enforcement agencies. At the district and headquarters levels, the USA and CRM play a leadership role in developing and refining the Department's violent crime reduction strategies and increasing cooperation between state, local, and federal enforcement authorities.

Another on-going initiative will address the rising incidence of crimes against children, including abduction cases, sexual exploitation offenses, and the production of child pornography. DOJ's performance plan calls for multi-agency, multi-disciplinary teams to address these problems, including the growing use of the Internet and commercial on-line subscription services, to pursue related crimes.

The Department's plan for coordinating DOJ law enforcement activities includes strategies to ensure that the objectives of the Department's investigative agencies are fully coordinated and complementary, that intelligence is shared, and that administrative practices are consistent. The Department will develop and implement, under the guidance of each U.S. Attorney, a District enforcement strategy that targets both national and local priorities and identifies how all parts of the system can interact more effectively to meet the needs of justice. In addition, the Department will identify and coordinate cases in which a multi-district prosecution effort is needed.

At the international level, the U.S. National Central Bureau (USNCB) has agents on site to initiate, and respond to, requests concerning international organized crime units. For example, "Project Rockers" (e.g. International Outlaw Motorcycle Gangs) is a USNCB initiative that identifies to Interpol countries and the state law enforcement offices the activities of motorcycle gangs. The USNCB has also adopted new technologies to improve analytical support to investigations and strengthen its knowledge base about such groups and their leadership in order to prevent them from gaining a stronger foothold in the international world. The USNCB will continue to provide on-site training and to supply technological tools to State Liaison Offices. On-site training at the USNCB will involve cities serving a large diverse community to conduct international criminal investigations, pursue fugitives and locate missing and abducted children.

USNCB will also use its expertise to halt international parental child abductions in progress, pursue child abductors, and locate victim children. The majority of the 19,000 U.S. law enforcement agencies have no foreign police liaison offices. Even agencies with an international presence cannot access the global police community to the extent available through the Interpol network. Through Interpol, every law enforcement agency in the U.S. can reach police, customs, and immigration authorities in more than 177 other countries.

**MEANS – Annual Goal 1.1**

**Dollars/FTE\***

Appropriation	FY 2000 Obligated		FY 2001 Enacted		FY 2002 Requested	
	\$ mil	FTE	\$ mil	FTE	\$ mil	FTE
General Administration	4	29	9	56	9	56
Criminal Division	40	338	37	327	37	226
Interpol	7	63	8	64	8	64
U.S. Attorneys	264	2052	283	2873	303	2224
FBI Salaries and Expenses	1262	9473	1303	9234	1439	9444
FBI Construction	7	0	5	0	0	0
<b>TOTAL</b>	<b>1584</b>	<b>11955</b>	<b>1645</b>	<b>12554</b>	<b>1796</b>	<b>12014</b>

\* Includes resources for 1.3 Espionage

**Skills**

**The Department requires skilled agents, attorneys, analysts, and linguists. Linguists are critical to supporting criminal and national security investigations and intelligence success. This goal requires the skills and abilities of experienced attorneys and law enforcement professionals. Interpol must employ experienced law enforcement professionals, knowledgeable and experienced IT specialists and professionals experienced with state and**

**Information  
Technology**

FBI programs in this area are supported by: the Integrated Statistical Reporting and Analysis Application (ISRAA), a centralized database which tracks statistical case accomplishment from inception to closure; the Automated Case Support System (AC S), a database which captures all information pertaining to the administration of cases; and the Innocent Images National Initiative (IINI), a separate case management system. There are two primary DEA systems supporting efforts in this area: FIRE BIRD, the primary office automation infrastructure that supports the full spectrum of DEA's global operations; and MERLIN, an advanced intelligence system designed to support the classified processing needs of Special Agents and Intelligence Research Specialists operating worldwide. The USNCB uses web based technology to communicate worldwide through Interpol's telecommunications systems to member countries and headquarters. This technology is used to search investigative information from the FBI's NCIC, National Law Enforcement Telecommunications System, Treasury Enforcement Communication System, BOP's SENTRY, INS's databases and the USNCB System Database.

## PERFORMANCE ASSESSMENT – Annual Goal 1.1

### 1.1A Dismantle Targeted Organized Crime Groups

#### Background/ Program Objectives:

The FBI, working closely with DOJ's prosecutors, will continue its intensive efforts to reduce active La Cosa Nostra (LCN) membership as a major crime factor in the United States. While crimes are combated as individual events by other programs, the Organized Crime Section, through the use of the RICO statute, targets the entire entity responsible for the crime problem, *the organization*. This is accomplished by charging the organization's members as a group with a wide range of crimes committed by its members, in violation of local, stat, and federal laws.

Organized Criminal Enterprises are structured to ensure that their leadership is far removed from the criminal activity making it very difficult to link overt crimes to the leaders of the organization. Moreover, even if key individuals are removed, the strength of these organizations often allows the enterprise to be sustained. This requires the FBI to develop strategies targeted primarily at dismantling the organization, as opposed to merely removing key individuals.

#### FY 2000 Actual Performance:

**Performance Measure:** % of LCN Members Incarcerated

**Target:** 22%                      **Actual:** 22.1%

**Discussion:** At the beginning of FY 2000, there were 1,039 LCN members on the LCN Program's "Master Membership List." A hand count conducted from the LCN Program's "Master Membership List" through 09/30/2000 revealed that 8 LCN members were removed from the LCN member list through death or other reasons while 9 LCN members were added to the LCN member list bringing the total to 1,040. (Of the total documented LCN members, at least 5 are inactive due to significant health problems and age.) The hand count revealed that 230 LCN members (or 22.1%) were incarcerated. Furthermore, of the 230 LCN members incarcerated, 26 (or 11%) were Bosses, Underbosses, or Consiglieres constituting the top leadership positions of the LCN.

**Public Benefit:** One of the major goals of the FBI is to provide a long-term, sustained, and coordinated attack on the number one organized crime problem confronting American society – LCN. To this end, in FY 2000, 230 LCN members were incarcerated.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we expect to meet the corresponding FY 2001 target.

**Data Collection and Storage:** The data source is the FBI's Integrated Statistical Reporting and Analysis Application (ISRAA). The database tracks statistical accomplishments from inception to closure. The data for the % LCN members incarcerated is derived from the FBI's Operation Button Down annual report. The reports take into account incarceration data of "made" members from bureau of prisons.

**Data Validation and Verification:** Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through FBI's inspection process. Inspections occur on a 2-3 year cycle. Using statistical sampling methods, data in ISRAA is tracked back to source documents contained in FBI files. The LCN program uses the Operation Button Down annual report as its primary instrument for data aggregation.

**Data Limitations:** The FBI's LCN program made its performance projections based upon a calendar that does not coincide with the fiscal year calendar (April-March). Thus, there is some difference in reporting statistics between budget and program materials.

**Performance Measure:** Dismantled Asian Criminal Enterprises

**Target:** Not projected – new measure

**Actual:** 15

**Discussion:** The goal of the FBI's Asian Criminal Enterprise subprogram is to reduce the rapid growth and increasingly adverse impact of domestic and international Asian Criminal Enterprises on the U.S., as well as prevent Asian Criminal Enterprises from becoming established and entrenched criminal institutions in the U.S. In FY2000, 15 ACE groups were completely dismantled.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we expect to meet the corresponding FY 2001 target.

**Performance Measure:** Dismantled Eurasian Criminal Enterprises

**Target:** Not projected – new measure

**Actual:** 6

**Discussion:** Over the past decade, Eurasian Organized Crime (EOC) groups in the U.S. have maintained a high level of contact with criminal elements in their source regions of the former Soviet Union (FSU), Central and Eastern Europe, and Israel. EOC groups are involved with the traditional crimes associated with organized crime, such as extortion, murder, prostitution, and drugs, and they are becoming increasingly sophisticated. In FY 2000, six EOC groups were completely dismantled.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we expect to meet the corresponding FY 2001 target.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

In FY 2002, DOJ will continue to restore open and free economic competition in industries influenced by organized crime. The FBI is entering the last phase of "Operation Button Down," a five year initiative which targets the influences of organized crime on American society. One of the goals of the initiative was to reduce the active membership of the LCN by at least 25% nationwide through incarcerations. We will also continue our efforts to dismantle Asian and Eurasian criminal enterprises.

**Crosscutting Activities:**

The FBI, U.S. Attorneys and the Criminal Division continue to work together in dismantling traditional organized crime groups and to ensure that a new generation of criminal enterprises do not emerge utilizing more advanced technology and new crime schemes. Law enforcement personnel from DOJ and other federal agencies including: the Bureau of Alcohol, Tobacco and Firearms (ATF); DEA; FBI; the Internal Revenue Service (IRS); the United States Coast Guard (USCG), the United States Customs Service (USCS); and the United States Marshals Service (USMS), combine their expertise and resources with state and local investigators to meet these objectives.

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

**Data Validation and Verification:** Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through FBI's inspection process. Inspections occur on a 2-3 year cycle. Using statistical sampling methods, data in ISRAA is tracked back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

## 1.1 B Reduce the Number of Targeted Gangs

### Background/ Program Objectives:

The Violent Crime Major Offender strategy seeks to identify and neutralize emerging national crime trends and maintain an unparalleled reactive capacity to provide an efficient and effective law enforcement response to violent crime which falls within the FBI's investigative responsibilities, whenever and wherever it occurs.

Research shows that victimization costs \$105 billion annually in property and productivity losses and for medical expenses. This amounts to an annual "crime tax" of roughly \$425 for each United States citizen. From the business owner who must pay "protection" money to neighborhood gangs; to families who live like hostages within their own homes, afraid to venture out; to the residents of Indian Country - the harmful impact of violent crime on actual victims and on society collectively is both psychologically and physically debilitating.

### FY 2000 Actual Performance:

**Performance Measure:** # Dismantled of the 30 Gangs Targeted by the FBI as the Most Dangerous

**Target:** 3                      **Actual:** 3

**Discussion:** The FBI strives to reduce the level of violent crime by dismantling gangs identified as being the most dangerous. The FBI updates a "Top 30" list of these gangs each year, selected upon the extent to which each gang's activity is multi-jurisdictional, violent, having a deleterious effect on the community, and affiliated with a group identified in the FBI's National Gang Strategy. The FBI's objective is to dismantle 15 gangs that appear on this list over five years, an average of 3 per year. Thus far, the FBI has been successful in meeting this objective.

**Public Benefit:** Despite the general decline in violent criminal activity, gangs are still a threat to the nation. The gangs that are emerging are older, more experienced, hardened criminals that engage in a myriad of violent activities as well as thefts of cargo, motor vehicles, and high tech goods. In FY 2000, 175 Safe Streets Task Forces in 52 field offices, 49 of which concentrated on violent criminal gangs, worked to make 5,392 arrests and 2,304 convictions of gang members.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, the FBI expects to achieve the corresponding FY 2001 goal.

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

**Data Validation and Verification:** Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through FBI's inspection process. Inspections occur on a 2-3 year cycle. Using statistical sampling methods, data in ISRAA is tracked back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

### Strategies and Initiatives to Achieve the FY 2002 Goal:

In FY 2002, DOJ will target and respond to particular local crime problems involving violence and gang activity, including drug-related crimes. To achieve this, DOJ will strive to reduce the level of violent crime by taking violent criminals and gangs off our streets through cooperative enforcement efforts with state and local law enforcement programs such as FBI's Safe Streets Task Forces and DEA's Mobile Enforcement Teams (MET). We will do this by dismantling 15 of the most dangerous gangs over a five year period. Cases will be selected based upon the multi-jurisdictional nature, violent activity, affiliation with a group identified in the National Gang Strategy, and /or degree of deleterious effect on the community. These cases are identified at the beginning of each fiscal year and always consist of the 30 most dangerous gangs fitting the criteria above. As cases and investigations are closed, new gangs meeting the established criteria are rotated in to maintain a base of 30.



**Crosscutting Activities:**

The FBI, USNCB, DEA, USMS, U.S. Attorneys and the Criminal Division work closely together with state and local law enforcement agencies through the department's Anti-Violent Crime Initiative to reduce the level of violent crime associated with these targeted gangs.

## 1.1C Implement Gun Violence Reduction Strategies

### Background/ Program Objectives:

The Brady Act requires Federal Firearm Licensees (FFL) to request background checks on individuals attempting to purchase a firearm or transfer ownership. The Act also required the establishment of a National Instant Criminal Background Check System (NICS) that any FFL may contact by telephone, or other electronic means, for information to be supplied immediately, on whether the receipt of a firearm by a prospective transferee would violate federal or state law.

### FY 2000 Actual Performance:

**Performance Measure:** Number of Criminal Background Checks

**Target:** 4.81 million **Actual:** 4.49 million

**Performance Measure:** Persons with Criminal Backgrounds Prevented From Purchasing Firearms

**Target:** 140,244 **Actual:** 71,890

**Discussion:** The previously reported targets for these measures were based upon the assumption that all states and territories would be full participants in the program. The initial estimate of the percentage of denials due to a criminal background was based upon this presumption as well. Since NICS began in November 1998, however, only 27 states have come on board as full participants. In addition, the status of these states has been subject to change. For example, the state of Oregon recently changed its NICS participation status to a full Point-of-Contact (POC) state, handling all its own background checks, whereas they previously processed long gun purchases through NICS. NICS program analysts collaborate with state representatives and travel around the country to attend various Clerk of Courts and Magistrates conferences in an effort to promote awareness and understanding about the purpose and operations of NICS. Projections of future data will take the current participant status into account.

**Public Benefit:** NICS is an important tool that allows DOJ to prevent firearms from falling into the wrong hands. Potential firearms purchasers who have a criminal history or other background rendering them ineligible are blocked at the point of sale. Since its inception in November 1998, through December 2000, NICS has completed 18,574,000 inquiries and blocked 244,000 gun sales to ineligible persons.

**FY 2001 Performance Plan Evaluation:** Based on prior year performance, we do not anticipate meeting the Criminal Background Checks goal of 5.05 million checks; rather, current estimates project a revised target of 4.54 million. We do plan to meet the FY 2001 goal for Persons with Criminal Backgrounds Prevented from Purchasing Firearms.

**Data Collection and Storage:** The NICS Operations Calls Center retains records on the calls made from FFLs directly to the FBI. Data are taken directly from the NICS.

**Data Validation and Verification:** Analysts advise management of daily volume for NICS checks to ensure validity of system generated data.

**Data Limitations:** Results of BJS surveys, supported under the National Criminal History Improvement Program (NCHIP), indicate that the number of criminal history records which are complete and instantly available through the national system has risen steadily since the late 1980's. However, a significant number of criminal history records are not complete. Efforts are needed to get state and local agencies and courts to update and report final dispositions in a more timely manner.

### Strategies and Initiatives to Achieve the FY 2002 Goal:

The FBI conducts NICS background checks for all firearm purchases for 27 states and territories and long gun purchase for 11 states. Point of Contact states (15 in all) conduct checks for all firearm purchases within their respective state. The FBI's Interstate Identification Index facilitates interstate exchange of criminal history records for law enforcement and related purposes. This includes pre-sale firearm checks, as well as the

collection and “flagging” of records of persons convicted of stalking and domestic violence, including persons subject to and/or convicted of, violations of protective orders. In FY 2002, we will focus our efforts to reduce NICS transactions not complete within three business days and to build a system to enable FFLs to conduct NICS background checks electronically. (Note that the FY 2001-2002 targets are reduced from FY 2000 target level due to the fact that a lesser number of states will go on-line than originally anticipated).

**Crosscutting Activities:**

The NICS is a partnership between the FBI, ATF, and other federal agencies, state and local agencies. Federal and state agencies contribute records for inclusion in the system. The Office of Justice Program’s National Criminal History Improvement Program also involves interaction between the FBI and state and local law enforcement officials.

## 1.1D Identify and Apprehend Child Predators and Locate Children

### Background/ Program Objectives:

The FBI's Crimes Against Children (CAC) program works to reduce the vulnerability of children to acts of sexual exploitation and abuse; develop a nationwide capacity to provide a rapid, effective investigative response to reported crimes involving the victimization of children; and to strengthen the capabilities of state and local law enforcement investigators through training programs and investigative assistance.

CAC impacts not only the victims but also their families, communities and law enforcement. Although the impact cannot be quantified, it clearly raises safety concerns for our citizens within their communities. Subjects who prey on children typically are not first time offenders, but rather, are serial offenders who may have traveled interstate during the commission of multiple offenses targeting children. Most importantly, a rapid, effective response to CAC incidents could literally mean life or death for a victim.

### FY 2000 Actual Performance:

**Performance Measure:** Convictions of Crimes Against Children Via online Computer Usage (NOTE: FY 1999 corrected to reflect most recent data.)

**Target:** NA **Actual:** 472

**Performance Measure:** Number of Missing Children Located

**Target:** NA **Actual:** 92

**Discussion:** The strategy for approaching crimes against children using the Internet is still valid. The FBI has remained consistent in its role as primarily assisting state and local municipalities in the location of missing children.

**Public Benefit:** The FBI is the primary investigative agency for on-line child pornography. Its Innocent Images National Initiative is responsible for a growing number of arrests and convictions in this crime area. Any reported child abduction or mysterious disappearance of a child receives an immediate and aggressive response from the FBI. This immediate response may be in the form of a full investigation based on a reasonable indication that a violation of the federal kidnapping statute has occurred, or it may take the form of a preliminary inquiry in order to determine if the federal kidnapping statute has been violated.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for these indicators.

### Strategies and Initiatives to Achieve the FY 2002 Goal:

In FY 2002, DOJ will increase efforts against those who commit sexual exploitation offenses against children, including those who traffic in child pornography. Indicators of successful implementation of the strategy will be determined by an increase in the percentage of victimized children safely returned, as well as an increase in the identification and apprehension of child pornographers. CAC facilitated by the use of an online computer is a national crime problem that is growing exponentially. Statistics in this area have doubled each year since 1996. The indicator tracks crimes against children conducted via computer and investigated by one of the FBI's undercover operations. FBI field offices are committing increased resources to this crime problem, which has resulted in a dramatic increase in the number of arrests (awareness has increased through specialized training). The FBI targets child pornography rings, manufacturers and distributors.

**Data Collection and Storage:** Innocent Images National Initiative (IINI) maintains a separate case management system (CMS). The CMS captures all sub-file statistics for IINI, however this will change for FY 2000 due to the addition of a separate classification in ISRAA to track these numbers.

**Data Validation and Verification:** Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through FBI's inspection process. Inspections occur on a 2-3 year cycle. Using statistical sampling methods, data in ISRAA is tracked back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

**Crosscutting Activities:**

Task forces comprised of representatives from the FBI, USCS, and USAs, as well as state and local law enforcement offices are involved in the Innocent Images National Initiative. In addition, the USCS and the U.S. Postal Service manage their own national initiatives to combat child pornography. The Department coordinates with the respective agencies on these programs.

## 1.1E Provide Enforcement Assistance and Training to Tribal Governments

### Background/ Program Objectives:

The FBI's Indian Country (IC) program works to provide a more effective, efficient and coordinated response to violent and serious crimes in connection with the FBI's investigative mandate in IC and to strengthen the capabilities of IC law enforcement investigators through training programs and investigative assistance.

Crimes committed in IC include child sexual abuse (among the top three crimes reported in IC) and growing juvenile gangs with overlapping jurisdictions and geographic remoteness. In addition, with the passage of the Indian Gaming Regulation Act in 1988, there is federal criminal jurisdiction over acts directly related to casino gaming in IC gaming establishments, including those located on reservations under state criminal jurisdiction. With the increasing number of Indian gaming casinos on the reservations, there is an increased potential to attract organized criminal elements.

### FY 2000 Actual Performance:

**Performance Measure:** Cases in Indian Country (NOTE: FY 1998 and FY 1999 have been updated to reflect the most recent data.)

**Target:** NA **Actual:** 1,926 Active Cases

**Discussion:** See Strategies and Initiatives to Achieve the FY 2002 Goal below.

**Public Benefit:** The FBI provides critical support to state and local law enforcement in an increasingly complicated jurisdiction.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for this indicator.

### Strategies and Initiatives to Achieve the FY 2002 Goal:

The FBI created an Indian Country Unit within its Violent Crime and Major Offenders section. In FY 2002, the FBI will work with tribal authorities to combat and reduce the incidence of violent crime on Indian reservations, especially that related to gang activity, through the use of Safe Trails Task Forces, and the identification of particular enforcement priorities.

In addition, several years ago the Departments of Justice and Interior developed a joint initiative to bring IC law enforcement up to adequate standards. A critical part of the initiative is increased coordination among the various components of both Departments that provide funding for law enforcement in IC. The FBI and the Bureau of Indian Affairs (BIA) will work together to provide maximum coverage throughout IC of effective, fully trained law enforcement officers and to coordinate the placement of new personnel to avoid duplication.

### Crosscutting Activities:

The FBI has established partnerships and strategies with its tribal and BIA law enforcement counterparts to investigate all federal crimes occurring in IC. One strategy, the Safe Trails Task Force, maximizes limited FBI, tribal, and BIA personnel resources to effectively address significant violent crime.

**Data Collection and Storage:** The data source for the number of investigations, arrests and convictions is the FBI's Monthly Administrative Report (MAR) and ISRAA. MAR is a system that tracks the number of cases opened, pending and closed within any given time period. ISRAA is a centralized database whereby the FBI tracks statistical accomplishment of cases from inception to closure.

**Data Validation and Verification:** Before data are entered into the ISRAA system they are reviewed and approved by an FBI field manager. Data in both systems are subsequently verified through the FBI's inspection process. Inspection occurs on a 2 to 3 year cycle. Using statistical sampling methods data in ISRAA is traced back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

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## 1.1F Increase Cooperation with Foreign Law Enforcement

### Background/ Program Objectives:

International law enforcement cooperation is critical to addressing the dramatic growth in the scope of transnational crime such as narcotics trafficking, terrorism, money laundering, and cybercrime and the immediate threat it poses to the United States and the global community. The Criminal Division of the DOJ is increasing emphasis on cooperation with foreign law enforcement and criminal justice officials to make it easier to obtain and provide information and evidence needed to pursue cases against transnational criminals. Working jointly with foreign counterparts is a realistic way to achieve the goals of dismantling international criminal organizations, to locate fugitives, and to establish mutually recognized processes for ensuring they are brought to justice.

The U.S. National Central Bureau (USNCB) represents U.S. law enforcement components in the International Criminal Police Organization (Interpol), facilitates international law enforcement cooperation and provides investigative links between the U.S. and the 177 Interpol member countries. In addition, Interpol and other law enforcement organizations initiate international IT projects such as the NCIC project for querying stolen vehicles.

### FY 2000 Actual Performance:

**Performance Measure:** Number of New Interpol Cases

**Target:** 20,000 **Actual:** 19,549

**Discussion:** INTERPOL works through its network of State Liaison Offices (SLO) consisting of the 50 states, Puerto Rico, American Samoa, Virgin Islands, New York City, and Washington, DC. These offices have a turnover rate of 25 to 50 percent each year. These SLOs provide the vital link to the state and local law enforcement. INTERPOL requires an annual conference to maintain the skills at the SLOs.

**Public Benefit:** INTERPOL focuses on outreach strategy to engage state and local law enforcement through face-to-face meetings, exposure with counterparts in regional and national law enforcement conferences. INTERPOL provides direct information to more than 18,800 domestic law enforcement entities through internet distribution and publications in national law enforcement.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we expect to achieve the corresponding FY 2001 target.

**Performance Measure:** Number of new treaties with other countries entering into force

**Target:** 8 extradition treaties **Actual:** 8

**Target:** 10 new mutual legal assistance (MLATs) **Actual:** 8

**Discussion:** The number of bilateral MLATs fell short by two from the target. There are a number of entities including representatives of foreign governments, the Department of State, the White House, and the U.S. Senate who have key roles in the effort to bring a treaty into force. The Criminal Division has limited control over the actions of these entities. During FY 2000, the Criminal Division's Office of International Affairs (OIA) took legal action for each of ten MLATs to enter into force, but the diplomatic exchange of instruments of ratification did not occur on two of these (the treaties with Estonia and with Luxembourg) until October 20 and December 20, 2000, respectively. The Criminal Division put considerable effort into completing and bringing into force several important non-treaty international agreements that contain mutual assistance provisions. These included the Organization of American States Convention Against Corruption, which entered into force July 27, 2000, and a Memorandum of Understanding Between the U.S. and Hungary on the Exchange of Information Concerning the Prevention and Interdiction of Organized Crime, which entered into force January

**Data Collection and Storage** USNCB employs a workflow and database system to capture comprehensive statistics in Interpol Case Tracking database. Data is captured from the actual business transaction and deposit direct into database tables.

**Data Validation and Verification:** Statistics are reviewed by the USNCB Compliance Officer on a quarterly basis for accuracy, when such statistics are available (see limitations).

**Data Limitations:** The current reporting system is severely limited. In FY 2001, the database and procedures will be validated for accuracy, redesigned for efficiency, and include the development of a comprehensive and flexible reporting system to extract the statistics from the database.



13, 2000. The fact that eight bilateral MLATs entered into force during FY 2000 instead of the ten initially predicted, does not indicate a performance problem or issue, and no change in strategy is required.

**Public Benefit:** OIA serves as the law enforcement community's sole coordinator for all requests for international extradition. OIA advises federal, state, and local prosecutors throughout the U.S. whether extradition is possible, on the law and procedure for extradition, and on the preparation and presentation of the extradition documents under each of the U.S.'s 110 extradition treaties. The needs of U.S. law enforcement demand that new treaties be negotiated and outdated or ineffective treaties be revised. The number of extradition cases has increased sharply, from 842 in 1992 to 3,923 in FY 2000.

OIA is the Central Authority for the United States under 37 MLATs in force. As such, OIA makes and receives all MLAT requests, and is responsible for the drafting by federal, state, or local prosecutors, of requests for bank records or other evidence abroad. OIA insures that the requests are presented to the proper foreign Central Authority, and presses for the execution of the request in a timely manner. OIA also coordinates the execution in the U.S. of requests from foreign countries under the MLATs. OIA has been able to use the MLATs to secure critical evidence in major fraud, terrorism, and computer crime cases. OIA has also employed the MLATs to freeze hundreds of millions of dollars in narcotics proceeds in a variety of foreign countries, and to arrange for a large portion of that money to be returned to the United States for forfeiture.

**Data Collection and Storage:** CRM employs both, electronic case management tracking systems and manual systems to report workload statistics.

**Data Validation and Verification:** Statistics are reviewed three times a year for accuracy by CRM's Section – Office Management.

**Data Limitations:** To ensure more complete and accurate data, this process will be automated with the completion of CRM's case tracking system.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we expect to achieve the corresponding FY 2001 goals.

#### **Strategies and Initiatives to Achieve the FY 2002 Goal:**

In FY 2002, OIA in conjunction with the State Department, will pursue bilateral and multilateral agreements to modernize international procedures in the area of extradition and mutual legal assistance, and will work to implement existing and new agreements/arrangements. In addition, DOJ, through the Criminal Division's Organized Crime and Racketeering Section, will enlist the active cooperation of foreign law enforcement authorities active in the prosecution of international crime.

Similarly, Criminal Division's Fraud and Computer Crime and Intellectual Property Sections, will seek the active support of foreign law enforcement and authorities in the prosecution of criminals in those substantive areas, and in conjunction with OIA, pursue the implementation of international agreements/arrangements to address those activities on a bilateral and global level. The Asset Forfeiture and Money Laundering Section will continue its efforts to stop the flow of illicit profits to the criminal community. The Narcotics and Dangerous Drugs Section will become even more actively involved in international law enforcement cooperation as it moves forward with the implementation of Plan Colombia and the Joint Case initiative. Training projects will continue to focus on bolstering the capabilities of our foreign counterparts.

In FY 2002, the USNCB has a goal to deploy improved investigative services (direct queries, relaying of fingerprints/photos etc.) and educate the state and local organizations on the services and potential benefit gained from the USNCB. This will enhance the flow of information between the states (domestic) and foreign partners.

#### **Crosscutting Activities:**

DOJ works closely with the State Department in negotiating law enforcement related treaties and agreements and pursuing the extradition process. DOJ also deals with Treasury in international money laundering matters and with the Office of National Drug Control Policy in the development of strategies for domestic and transnational drug trafficking.

**STRATEGIC OBJECTIVE 1.2: DRUGS**

**Reduce the threat and trafficking of illegal drugs by identifying, disrupting and dismantling drug trafficking organizations which are international, multi-jurisdictional, or have an identified local**

**Annual Goal 1.2: Disrupt and dismantle major drug trafficking organizations, to include (drug) money laundering organizations, and reduce the domestic production of methamphetamine**

**STRATEGIES**

Coordinate domestic and foreign strategic intelligence information from all sources, including the law enforcement agencies, intelligence community, and financial databases.

Strategically target drug traffickers and their organizations, using asset forfeiture as well as other tools when appropriate, and investigate and prosecute the movement of drug proceeds into and out of the United States.

Develop and implement under the guidance of each U.S. Attorney, a district drug enforcement strategy.

Reduce the domestic production of illegal drugs and the illegal diversion of precursor and essential chemicals.

Support international cooperative efforts to investigate and prosecute major drug trafficking organizations and bilateral and multilateral initiatives to mobilize international efforts against illegal drug activities.

DOJ's FY 2002 Performance Plan supports the President's Anti-Drug Abuse Policy and is consistent with the general guidance of the Office of National Drug Control Policy (ONDCP) and the Department's Drug Control Strategic Plan. The objective is to curtail the availability of illegal drugs through the disruption and dismantlement of drug trafficking organizations, forfeiting illegal proceeds and their economic foundations at the national and international levels, as well as those that have an identified local impact.

The Department will continue its leadership role in supporting the intelligence needs of the law enforcement agencies. In FY 2002, the Department will strengthen its efforts to disrupt and dismantle drug trafficking organizations by continuing to strengthen the analytical capacity of each investigative agency and the Special Operations Division (SOD). The Department, working with ONDCP and the Intelligence Community, will continue to actively support the work of the National Drug Intelligence Center (NDIC), the El Paso Intelligence Center (EPIC), and the Financial Crimes Intelligence Center (FinCen).

DOJ will continue its focus on the Southwest border and the Caribbean Corridor. The Department will strengthen its programs to target drug smuggling organizations through the Southwest border Caribbean and Border Coordination Initiatives and Operation Trinity. All of these programs link federal, state and local investigations domestically and mobilize multilateral enforcement efforts abroad.

**MEANS – Annual Goal 1.2**

**Dollars/FTE**

Appropriation	FY 2000 Obligated		FY 2001 Enacted		FY 2002 Requested	
	\$ mil	FTE	\$ mil	FTE	\$ mil	FTE
National Drug Intelligence Center	28	182	34	272	27	272
Criminal Division	27	212	29	211	31	298
U. S. Attorneys	220	2558	236	3,241	252	2706
Asset Forfeiture Fund – Curr Bud Auth	19	0	23	0	23	0
Interagency Crime & Drug Enforcement	317	0	325	0	338	0
FBI Salaries and Expenses	515	5614	532	5,245	563	5286
FBI Construction	3	0	2	0	0	0
DEA	1295	8160	1,360	8,441	1481	8544
DEA Construction	8	0	0	0	0	0
Diversion Control Fee	74	613	84	656	86	656
<b>TOTAL</b>	<b>2506</b>	<b>17339</b>	<b>2,625</b>	<b>18,066</b>	<b>2801</b>	<b>17762</b>

**Skills**

Experienced prosecutors, agents, investigators, intelligence analysts, and linguists are critical to supporting Major Drug Trafficking Organization investigations. In addition, DEA must have skilled Special Agents, Diversion Investigators, and forensic chemists. The majority of positions require analysis and writing skills.

**Information Technology**

There are two primary DEA systems supporting efforts in this area. FIREBIRD, the primary office automation infrastructure that supports the full spectrum of DEA's global operations and MERLIN, an advanced intelligence system designed to support the classified processing needs of Special Agents and Intelligence Research specialists operating worldwide. The Criminal Division's Executive Office for the Organized Crime Drug Enforcement Task Forces (OCDETF) maintains a management information database system that captures information on investigations and prosecutions. FBI programs in this area are supported by ISRAA, a centralized database which tracks statistical cases accomplishment from inception to closure; and ACS, a database that captures all information pertaining to administration of

## PERFORMANCE ASSESSMENT – Annual Goal 1.2

### 1.2A Improve Intelligence Gathering

#### Background/ Program Objectives:

DEA will strengthen its various intelligence programs to expand and foster the collection, analysis and dissemination of drug related intelligence to federal, state, local, and international law enforcement concerning major national and international drug trafficking organizations. EPIC is a national multi-agency intelligence center designed specifically to act as a clearinghouse for tactical drug-related intelligence. The General Counter-drug Intelligence Plan (GCIP) has recommended that EPIC serve as the principal center for operational and investigative intelligence analysis of illicit drug movements in support of drug law enforcement investigations as well as drug interdiction efforts.

The Special Operations Division (SOD), the El Paso Intelligence Center (EPIC), and the National Drug Intelligence Center (NDIC), are all DOJ supported programs whose primary purpose is to collect and analyze information and provide intelligence to local, state, and federal law enforcement counterparts. The SOD, comprised of agents, analysts and prosecutors from DEA, FBI, USC, and NDDS, is the federal government's premier multi-agency national law enforcement coordination and intelligence program. SOD's mission is to coordinate and support regional and national level criminal investigations and prosecutions against the major criminal drug trafficking organizations operating along either side of the U.S.-Mexico land border, as well as major Colombian drug trafficking organizations. EPIC assists international and domestic drug trafficking investigations by providing query access to more than 100 million computer records from EPIC member agencies. EPIC has grown to serve 15 federal agencies, all 50 states, the District of Columbia, Canada, Puerto Rico, the Virgin Islands and Guam and has developed into a fully coordinated, tactical intelligence center supported by databases and resources from member agencies.

#### FY 2000 Actual Performance:

**Performance Measure:** EPIC Inquiries Resulting in Positive Responses

**Target:** 24,602 **Actual:** 22,624

**Discussion:** DEA did not meet its planned target because there were fewer requests for information than anticipated. If an agency requests only a name check, that counts as one response. However, if, an agency requests a series of information, such as names, social security numbers, and vehicle licenses about an organization, EPIC counts each response separately.

**Public Benefit:** The EPIC Intelligence Database responds to state and local law enforcement requests for information on drug dealers and/or organizations. The agencies receive as much information as possible and then EPIC posts a variety of alerts and lookouts in the national and worldwide lookout systems of member agencies. As a result, more drug trafficking organizations will be disrupted and dismantled.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we do not anticipate meeting the FY 2001 target. DEA currently estimates EPIC inquiries resulting in positive responses at 22,081 for FY 2001, and has reduced the FY 2002 target to 21,500.

**Data Definition:** A positive response is a match that occurs when a query detects similarities to the entry such as a telephone number, vehicle identification number, first name, last name, etc.

**Data Collection and Storage** When a request for information is received by EPIC, a control form is generated and the specific databases checked are automatically recorded as well as the results of the inquiry. The control forms are retained and abstracted in a database that provides detailed information concerning the nature and results of each inquiry.

**Data Validation and Verification:** All statistics are reviewed and verified by both a Management Analyst and a Program Analyst prior to dissemination outside EPIC.

**Data Limitations:** None known at this time

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

One of the action items in the GCIP is a nationwide system to report drug seizures aggregating data from the federal-wide Drug Seizure System and the State and Local initiative into a common database. EPIC intends that this new database would provide an automated system for the reporting and dissemination of drug seizure and related drug movement information among the High Intensity Drug Trafficking Areas (HIDTA), state and local law enforcement, and EPIC.

Through the EPIC Information System, EPIC will assist federal, state, and local law enforcement officers conducting domestic and international investigations by providing query access to more than 100 million computer records contained within the EPIC Internal Database as well as from EPIC member agency information systems.

**Crosscutting Activities:**

The National Drug Intelligence Center (NDIC) has greatly improved information sharing across federal state and local enforcement agencies through its National Drug Intelligence Drug Digest and other drug intelligence products. These products provide strategic analysis of current trends and activity in the counter-drug community and are distributed to law enforcement officials throughout the country. SOD, NDIC, CIA, FinCen and others collaborate in collecting drug intelligence information.

EPIC is a national intelligence center whose mission is to participate in and to promote national and international information exchange. At EPIC, participating agencies join together to exchange ideas and information in order to accomplish the mission with a focus on drug trafficking, alien smuggling and weapons trafficking. EPIC has grown to serve 15 federal agencies, all 50 states, the District of Columbia, Canada, Puerto Rico, the Virgin Islands and Guam.

## 1.2B Disrupt and Dismantle Major Drug Trafficking Criminal Enterprises

### Background/ Program Objectives:

DOJ will continue its efforts to disrupt and dismantle the command and control operations of major drug trafficking organizations (MDTO) at the local, national, and international levels, which are responsible for the supply of illicit drugs in the United States. The ultimate goal at the national and local levels is to dismantle the criminal organization by putting it out of existence or break it up to the extent that reconstruction of the same criminal organization is impossible. The U.S. Attorneys, DEA, FBI, USMS, INS, and other federal, state, and local law enforcement entities use a wide range of capabilities to disrupt and dismantle the highest level of drug trafficking organizations and those with an identified local impact.

Under the new Strategic Plan, DEA developed a performance indicator that will effectively measure performance, Percent of MDTOs Disrupted or Dismantled. To achieve the strategic goal of disrupting and dismantling drug trafficking organizations, DEA has developed a strategy that will achieve the maximum impact against international, national/regional, and local drug traffickers through the use of intelligence-driven investigations. These three levels of drug trafficking make up DEA's Priority Drug Enforcement Initiative (PRIDE). Each represents a critical aspect of the drug enforcement continuum and impacts communities across our nation.

DEA's strategic objectives will be to: identify and target the national/regional organization most responsible for the domestic distribution and manufacture of drugs; and to systematically dismantle the targeted organization by arresting/convicting the leaders and facilitators, seizing and forfeiting their assets and destroying their command and control networks. Measurements of effectiveness/outcomes will be: (1) the number/percentage of disrupted national/regional target organizations; (2) the number/percentage of dismantled domestic target affiliates; (3) the collapse or disruption of identified drug organizations that threaten the Nation as signaled by changes in organization leadership, trafficking patterns, drug production methods or violence within and between organizations; and (4) the number of significant money laundering organizations disrupted or dismantled.

**Data Definition:** Disruption occurs when the normal and effective operation of a specific enterprise of the targeted criminal organizations is impacted as a result of an affirmative law enforcement action. Indicators of disruption include changes in organizational leadership, trafficking patterns, drug production methods and violence within and between organizations. Dismantlement occurs when an identified organization is eviscerated and no longer capable of operating as a coordinated criminal enterprise. The organizations must be impacted to the extent that it is incapable of reforming.

**Data Collection and Storage:** All assessments will be supported by data and information stored in an automated system located in DEA's Headquarters Operational Support Division.

**Data Validation and Verification:** Each Special Agent in Charge (SAC) and Country Attaché nominates organizations to qualify as priority targets (based on intelligence information). The threat assessment of these organizations will be forwarded to the Headquarters, Chief of Operation who will validate the selection through quantitative data. Headquarters staff will ensure that the approved targets are tracked.

**Data Limitations:** DEA is working to develop a process to capture information and data to report on this indicator. It is anticipated that the system will take between two and three years to be fully operational.

**Performance Measure** U.S.-Based Drug Organizations  
Affiliated with the 13 National Priority Targets (NPTs)

**Target:** 250 Identifications  
50 Dismantlements

**Actual:** 201 Identifications  
12 Dismantlements

**Discussion:** The FBI overestimated what could be accomplished based on resource restraints. As FBI investigations are resource-intensive and long-term, they result in the identification and dismantlement of an organization years after the onset of an investigation. These factors contributed significantly to the FBI not meeting the projected number of identifications and dismantlements in FY 2000.

**Public Benefit:** In order to make the most progress with the resources available, the FBI concentrates counter-narcotics resources against Drug Trafficking Organizations (DTOs) with the most extensive drug networks in the United States. The FBI's focus on major national drug targets is characterized by long-term, comprehensive investigations that probe the full scope of these organizations and seek the dismantlement of their distribution networks. To this end, of the 115 DTOs dismantled in FY 2000 by the FBI, 12 were affiliated with the NPTs.

**FY 2001 Performance Plan Evaluation:** There was a base reduction of ODETF agents and support staff at the end of FY 2000. As these resources play an integral part in the FBI's ability to identify and dismantle Major Drug Trafficking Organizations, the targets have been revised to 225 identifications and 18 dismantlements in FY 2001.

**Data Collection and Storage:** The data source is ISRAA, a centralized database whereby the FBI tracks statistical accomplishment of cases from inception to closure. In 1999, the FBI Drug Program designated each National Priority Target with a Crime Problem Indicator (CPI) code. The utilization of these codes will allow a more refined identification and analysis of FBI investigative activities.

**Data Validation and Verification:** Before data is entered into the system they are reviewed and approved by an FBI field manager. They are subsequently verified through the FBI's inspection process. Inspection occurs on a 2 to 3 year cycle. Using statistical sampling methods data in ISRAA is traced back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

The FBI targets and dismantles those drug trafficking organizations most significant to the operations of the 13 major Colombian, Mexican and Dominican organizations identified as National Priority Targets (NPT). It has been postulated that these NPTs are responsible for the majority of drug trafficking in the U.S. In addition, the FBI ensures that at least 75 percent of its drug resources are directed against the most significant national/local drug trafficking organizations.

Money laundering organizations are an inherent component of drug smuggling. According to ONDCP estimates, roughly \$57 billion is spent annually in the U.S. on illegal drugs; thus generating enormous profits for drug trafficking syndicates and fueling one of this nation's largest black market economies. In order to freely access and utilize these revenues, drug trafficking organizations must bypass U.S. and international banking laws in order to convert huge quantities of their ill-gotten currency into "legitimate" funds.

In recent years, money laundering has become an issue of national significance, attracting the attention of senior policy makers. In 1998, Congress passed the Money Laundering and Financial Crimes Strategy Act, which directed the Departments of Justice and Treasury to work jointly to increase federal, state, local, and private sector participation in identifying, disrupting, and dismantling money laundering organizations. This legislation spawned the development of the National Money Laundering Strategy (NMLS).

A key element of the NMLS is to improve investigative and prosecution efforts to ensure the collection of and exchange of information relevant to anti-money laundering efforts. The Strategy also called for the establishment of High Intensity Money Laundering and related Financial Crimes Areas (HIFCAs), similar to ONDCP's High Intensity Drug Trafficking Areas (HIDTA) initiative. A HIFCA is defined as any geographic area, industry, sector, or institution in the U.S. in which it is determined that money laundering and related financial

crimes are extensive or present a substantial risk. Once implemented, HIFCAs will be supported by the Financial Crimes Enforcement Network (FinCEN), which acts as a clearinghouse for financial/money laundering-related intelligence, as well as state, local, and federal participating members. The objective is to improve our capability to identify, target, disrupt and dismantle more money laundering organizations.

To achieve the strategic goals of disrupting dismantling drug trafficking organizations, DEA will develop effective enforcement operations directed against targeted organizations in each sector, thereby disrupting the networks that link them. DEA is currently finalizing a list of priority targets that will serve as the baseline to measure the agency's progress and success against MDTOs. Beginning in FY 2001 and continuing through FY 2005, DEA 's goal is to achieve a five percent increase per year in the percentage of MDTOs disrupted or dismantled from this baseline.

**Crosscutting Activities:**

Interagency cooperation is key to successful drug enforcement. Given the sophisticated, multi-jurisdictional nature of drug trafficking operations, controlled largely by criminal organizations in Colombia, Mexico and the Dominican Republic, the Department has developed a number of programs through which the investigators can coordinate the counter-narcotics investigations with international, federal, state and local counterparts. Among these are the following:

SOD, a combined DEA, FBI, Criminal Division, IRS, USCS, and Department of Defense (DOD) effort that supports ongoing investigations by producing detailed and comprehensive data analyses of the activities of MDTOs.

OCDETF, is a long standing model of multi-agency, multi-jurisdictional drug enforcement cooperation. The OCDETF program joins federal, state and local law enforcement in coordination with the United States Attorneys (USAs), in a comprehensive attack against drug trafficking organizations that are international, multi-jurisdictional or that have an identified local impact.

OCDETF Executive Office assists all the USA Offices in developing updated district drug strategies, which are required under the Drug Control Strategic Plan.

The Executive Office for OCDETF and HIDTA Director's Office work collaboratively to ensure that HIDTA task forces are generating OCDETF quality investigations targeting international drug trafficking organizations or those that have an identified local impact.

DOJ, the Department of Transportation/U.S. Coast Guard work together to develop evidence to prosecute the maritime drug smuggling cases where U.S. forces have participated in the apprehension of the perpetrators.

The NDIC assembles and synthesizes intelligence from federal, state, regional, and local law enforcement from the Intelligence Community to prepare a "National Drug Threat Assessment."

EPIC, a national multi-agency intelligence center, acts as a clearinghouse for tactical drug related intelligence to support law enforcement at the federal, state, local and international levels.



**1.2C Reduce the Domestic Production of Methamphetamine**

**Background/ Program Objectives:**

The National Methamphetamine Strategy recognized methamphetamine's emergence as a national threat and a top priority of drug law enforcement. The SOD supports investigations against MDTOs that traffic in methamphetamine in the same manner that it supports investigations against all other MDTOs. In addition, DEA will continue to significantly reduce the quality of illegal drugs in the U.S. through the National Methamphetamine Strategy and multi-agency coordinated efforts with other enforcement agencies. Chemical control is an integral facet in DEA's efforts to reduce methamphetamine production, as clandestine methamphetamine laboratories continue to proliferate across the U.S. With the enhanced investigative authority provided under the Comprehensive Methamphetamine Control Act (CMCA) of 1996, DEA initiated a record number of investigations against rogue chemical companies diverting products to clandestine laboratories.

**FY 2000 Actual Performance:**

**Performance Measure:** Drugs Removed: Heroin, Cocaine, Cannabis, Methamphetamine, Amphetamine – Discontinued Measure

**Target:** Not projected

<b>Actual:</b> Heroin (kg.)	557
Cocaine (kg.)	54,955
Cannabis (kg.)	371,460
Methamphetamine (kg.)	2,204
Amphetamine (kg.)	148
<b>TOTAL</b>	<b>429,324</b>
Others (du)	4,061,832

**Discussion:** DEA can not estimate the amount of drugs to be removed by type as drug removals vary from case to case. DEA does not select cases based on projected drug removals; rather, DEA seeks to investigate cases that will have the greatest impact on drug trafficking, drug-related crime and violence. Drug seizures are therefore incidental to investigations. Therefore, this indicator is discontinued as it does adequately assess performance and is not results oriented.

**Performance Measure:** Clandestine Laboratories Seized, Dismantled and Disposed

**Target:** Not projected **Actual:** 1,888

**Discussion:** DEA agents often receive leads from state and local agencies or concerned citizens regarding the location of a clandestine laboratory, which may result in a seizure, dismantlement, and disposals. As the number of leads vary from year to year the resulting seizures vary as well.

**Public Benefit:** As these clandestine laboratories are dismantled and drugs seized, America's communities become safer.

**Data Collection and Storage:** The source of drug removal statistics is STRIDE, which is managed by DEA's Office of Forensic Sciences. STRIDE drug removal statistics reflect the total of all drug purchases, seized or otherwise obtained through DEA controlled and DEA cooperative investigations that are sent to DEA laboratories for analysis. The total amount or a representative sample of the collected drug is submitted and accompanied by a DEA Form 7 completed by the submitting case agent. The STRIDE database contains information from the DEA Form 7 as well as the results of the analysis. Clandestine statistics are collected and maintained by DEA's Intelligence Division's Strategic Domestic Units (NDS).

**Data Validation and Verification:** STRIDE contains built-in data edit checks on various data fields including location, substance identification and DEA office code. On a monthly basis, each of the 8 DEA labs retrieve 15 STRIDE records at random and compare them to the source documents for accuracy. Lab program managers receive a monthly report from each lab on the results of the quality control review. Lab program managers also visit each lab on a yearly basis to conduct independent reviews of STRIDE records. In that review, 100 random records are compared to the source documents. NDS verifies clandestine lab statistics through a review of teletypes, DEA investigative forms, and Clandestine Laboratory Reports filed by DEA chemists subsequent to a lab seizure.

**Data Limitations:** None known at this time.

***FY 2001 Performance Plan Evaluation:*** Based on program performance in FY 2000, we anticipate meeting the FY 2001 target.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

DEA will target major methamphetamine drug trafficking organizations and rogue chemical companies that supply the precursors to methamphetamine manufacturers. Chemical commodities used to produce illegal drugs formerly handled by specialized brokers can now be conducted quickly and anonymously over the Internet. This change in distribution patterns provides criminals an unprecedented opportunity to procure controlled chemicals directly from manufacturers. In the future, most chemical transactions will likely take place online. Systematic investigation of the Internet, the objective of DEA's FY 2002 Internet Precursor Chemical Initiative, will provide for collection and analysis of intelligence needed to target sites conducting suspicious activity.

The national Clandestine Laboratory Seizure System (CLSS) database, managed by EPIC, is used to analyze information for dissemination to appropriate law enforcement agencies. The CLSS captures data to include: persons, addresses, vehicles present, weapons, chemical types, chemical suppliers, children present, etc. as the information pertains to clandestine laboratories seized in the United States by local, state and federal law enforcement agencies. For FY 2002 EPIC will establish national connectivity and online access to the CLSS for authorized law enforcement personnel. Online access will enable law enforcement officers to access the CLSS via smartcard technology and other law enforcement communications systems, to query, run reports, analyze information and further their clandestine laboratory investigations.

**Crosscutting Activities:**

The COPS Methamphetamine Initiative provides grants to develop community policing strategies to halt the production and use of this increasingly popular drug. It provides opportunities for local law enforcement agencies to partner with state and federal agencies, fire departments and other local agencies to develop comprehensive responses to the spread of methamphetamine.

**STRATEGIC OBJECTIVE 1.3: ESPIONAGE**  
**Deter and detect espionage against the United States by strengthening counterintelligence capabilities.**

**Annual Goal 1.3: Identify, prevent and defeat foreign intelligence operations.**

**STRATEGIES**

Strengthen the Department's intelligence base and analytical ability to assess and respond to intelligence threats.

DOJ's FY 2002 Performance Plan gives strong emphasis to programs designed to address U.S. national security. To combat foreign intelligence operations against U.S. interests, DOJ, through the FBI, will emphasize effective intelligence gathering and analytical capability to evaluate foreign intelligence threats. The FBI's counterintelligence program conducts, manages, and supports investigations which collect, analyze, and exploit

intelligence in order to identify and neutralize the intelligence activities of foreign powers and their agents that adversely affect U.S. national security or have a substantial economic impact on the nation.

The 1990's saw great changes in the global intelligence environment, patterned after the changes in the geopolitical environment. There has been an increase in the number of intelligence actors, both at the state and individual levels. To achieve their goals, foreign countries are engaged in long-term efforts designed to gain critical intelligence relating to sensitive U.S. information. Our adversaries will continuously strive to impede investigative operations, obtain sensitive information, initiate and implement reprisal actions against DOJ personnel or facilities, and take illegal advantage of any opportunity presented to them.

**MEANS – Annual Goal 1.3**

**Dollars/FTE** Reported under 1.1 Violent Crime

**Skills**

The accomplishment of this goal requires the skills of agents, attorneys, analysts and linguists.

**Information Technology**

FBI programs in this area are supported by: ACS, a database that captures all information pertaining to administration of cases; IIIA, a centralized database that tracks foreign activity; data collected through FBI's Foreign Intelligence Surveillance Act (FISA); and internal databases that support the National Infrastructure Protection Center (NIPC) which maintains key assets.

**PERFORMANCE ASSESSMENT – Annual Goal 1.3**

**1.3A Identify, Prevent, and Defeat Foreign Intelligence Operations**

**Background/ Program Objectives:**

Foreign intelligence operations directed against the United States reflect the complexity and fluidity of the new world order. While the national goals of any traditional rivals have changed, their capabilities and willingness to target traditional objectives, such as national defense information, plans and personnel, have not. At the same time, many of these rivals have increased their activities in other sectors affecting our national interests, such as in economic competitiveness, and now target U.S. interests in these areas. They join a formidable array of other foreign powers jockeying for economic or political preeminence whose success in these areas is dependent upon effective intelligence operations directed against the United States.

Foreign intelligence threats can never be eliminated given that their origin and impetus lie primarily with sovereign states. They are planned, authorized, and financed by government entities beyond our boundaries and the reach of our laws. Measures of success in these areas will gauge the FBI's capacity to detect potential hostile activities by foreign powers against the United States. In addition, the FBI will analyze its record at preventing and defeating these hostile activities in comparison to the best available estimates of the magnitude of foreign intelligence operations.

**FY 2000 Actual Performance:**

**Performance Measure:** Defeat Intelligence Operations

**Target:** NA **Actual:** 6

**Discussion:** The methodology of foreign counterintelligence is well established. The general strategy is not expected to significantly differ within the next year. Although less than FY 1999 and FY 1998, the actual performance is still within acceptable levels.

**Public Benefit:** Foreign entities frequently attempt to collect sensitive economic intelligence to enhance their military capabilities, as well as their economic stability and competitiveness. Advanced critical or restricted US technologies, defense-related industries, and critical business trade secret information, remain the primary targets of the foreign economic espionage activities. Through the identification and neutralization of such activities, the FBI has deterred foreign efforts to wrongfully obtain critical U.S. Government and private sector data, information and technologies that are critical to maintaining U.S. national security, and economic prosperity.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for certain indicator types within this goal.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

In FY 2002, DOJ will continue to emphasize intelligence gathering of foreign power activities that pose a national security threat. The Department will also improve its analytical capability to evaluate both traditional and nontraditional threats and produce operational and strategic intelligence in support of the counterintelligence program. Intelligence information about the intentions,

**Data Definition: Pretrial Diversion:** A pretrial diversion can be claimed when a subject and the USA agree to a pretrial diversion plan under which the subject must complete a plan of lawful behavior in lieu of prosecution. Generally, a pretrial diversion plan may be considered for misdemeanor offenses involving first time offenders.

**Data Collection and Storage:** The data source is ISRAA, a centralized database whereby the FBI tracks statistical accomplishment of cases from inception to closure

**Data Validation and Verification:** Before data are entered into the system they are reviewed and approved by an FBI field manager. They are subsequently verified through the FBI's inspection process. Inspection occurs on a 2 to 3 year cycle. Using statistical sampling methods data in ISRAA is traced back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

methods of operation and capabilities of many nontraditional threats will be developed, particularly those foreign powers conducting activities in areas that have not typically targeted.

The number of convictions and pretrial diversions indicates the number of individuals that DOJ has prevented from continuing hostile intelligence activities. This may serve as a deterrent to other individuals who may be susceptible to participating in foreign intelligence operations.

**Crosscutting Activities:**

Within the Department, the FBI, USA, Criminal Division and Office of Intelligence Policy and Review work together during the investigation phase and prosecution phases. In addition, DOJ continues to work with the intelligence community and with selected foreign governments to develop the internal and external relationships necessary to support investigations and prevention of intelligence threats and to generate information upon which analysis can be made. Coordination will facilitate long-range analysis of emerging threats.

**STRATEGIC OBJECTIVE 1.4: TERRORISM**

**Deter and detect terrorist incidents by developing maximum intelligence and investigative capability.**

**Annual Goal 1.4: Prevent terrorist acts and protect critical infrastructure.**

**STRATEGIES**

Identify, investigate and prosecute suspected terrorists around the world.  
Ensure domestic preparedness through training, assistance and operational support.  
Prevent and deter debilitating damage to the U.S. information infrastructure.

The rapid technological advancements of the information age have rendered crime-fighting efforts increasingly complex and opened new avenues for global criminal activities. The increasing interconnectivity of our critical infrastructures through cyber and information systems has created new vulnerabilities as criminals, terrorists, and foreign intelligence services are learning to exploit the power of cyber tools and weapons. The challenge that computer crime presents to federal law enforcement in the 21<sup>st</sup> century creates a clear goal to help secure cyberspace by minimizing the impact of malevolent actors on the U.S.

information systems. The achievement of this goal requires a proactive approach by the FBI. The core of the FBI approach will be prevention, detection, and response.

To deal effectively with international and domestic terrorism, the FBI must concentrate on both prevention and response. To this end, the FBI's Counterterrorism program developed a five pronged approach to identify, prevent and deter terrorist activities. By developing this capability, the FBI can effectively respond to terrorist activities. Through the FBI National Infrastructure Protection and Computer Intrusion Program (NIPCIP), DOJ is currently utilizing this multifaceted approach to detect, deter, prevent, assess, investigate and respond to cyber attacks on the nation's infrastructure.

The NIPCIP is working in conjunction with the FBI's counterterrorism program to identify and neutralize terrorist organizations involved in cyber crimes from both a reactive and increasingly proactive field, headquarters, inter-component and interagency standpoint.

**MEANS – Annual Goal 1.4**

**Dollars/FTE**

Appropriation	FY 2000 Obligated		FY 2001 Enacted		FY 2002 Requested	
	\$ mil	FTE	\$ mil	FTE	\$ mil	FTE
Counterterrorism Fund	1	0	5	0	5	0
Criminal Division	8	57	8	57	9	59
U.S. Attorneys	3	21	3	29	3	22
FBI Salaries and Expenses	400	3353	478	3,336	541	3352
FBI Construction	2	0	2	0	0	0
<b>TOTAL</b>	<b>414</b>	<b>3431</b>	<b>496</b>	<b>3,422</b>	<b>558</b>	<b>3433</b>

**Skills**

**The accomplishment of this goal requires the skills of agents, attorneys, analysts and**

Information  
Technology

FBI programs in this area are supported by: ACS, a database that captures all information pertaining to administration of cases; IIIA, a centralized database that tracks foreign activity; data collected through FBI's Foreign Intelligence Surveillance Act (FISA); and internal databases that support the National Infrastructure Protection Center (NIPC) which maintains

**PERFORMANCE ASSESSMENT – Annual Goal 1.4**

**1.4A Prevent Terrorists' Acts (Management Challenge)**

**Background/ Program Objectives:**

Recognizing that the U.S. Government will never be able to prevent all acts of terrorism, DOJ focuses on developing maximum feasible capacity throughout the Department. "Maximum feasible capacity" is defined as the situation in which DOJ is doing everything within its power to counter the terrorist threat. By continuously working to achieve maximum feasible capacity, DOJ is putting the elements in place to effectively prevent, deter, and respond to all aspects of the terrorist threat, whether international or domestic.

To effectively address international and domestic terrorism, DOJ must focus on both prevention and response. DOJ has developed a five-pronged approach to build maximum feasible capacity to identify, prevent, and deter terrorist activity. DOJ will investigate and prosecute terrorist matters as they occur, but the emphasis of DOJ's counterterrorism program will be on prevention. By developing maximum capacity, DOJ can effectively respond to terrorist activities from both a reactive and proactive field, headquarters, inter-component, and interagency standpoint.

**FY 2000 Actual Performance:**

**Performance Measure:** Number of Terrorist Cases Investigated

**Target:** Not projected **Actual:** 10,538

**Performance Measure:** Number of Terrorist Convictions

**Target:** Not projected **Actual:** 236

**Discussion:** The measure Terrorist Acts Prevented has been discontinued as an externally reported performance measure. The FBI may continue to determine which acts over the course of a year meet the criteria of a "terrorist incident prevented," for internal purposes. However, the measure varies considerably from year to year, is wholly subject to external factors, and does not demonstrate any sort of predictive value about the condition of defense against terrorism in the U.S. In addition, the FBI is establishing a new set of performance criteria that emphasizes the FBI's capacity to prevent, deter, and investigate acts of terrorism.

**Public Benefit:** Through both criminal and national security investigations, the FBI's counterterrorism program has taken steps to ensure that those who threaten terrorist acts against the U.S. are brought to justice. A prime example is the FBI's efforts to thwart the terrorist efforts organized by Usama Bin Laden (UBL) and his Al Qaeda organization. Of note are the cases concerning the Nairobi bombing, which resulted in the death of 12 U.S. citizens, and the Dar es Salaam bombing,

**Data Definition:** Prevention is defined as a documented instance in which a violent act by a now or suspected group or individual with the means and a proven propensity for violence is successfully interdicted through investigative activity.

**Data Collection and Storage:** The data source for the number of investigations convictions Monthly Administrative Report (MAR), which tracks the number of cases opened, pending and closed within any given time period; and ISRAA, a centralized database that tracks statistical accomplishment of cases from inception to closure.

**Data Validation and Verification:** Before data are entered into the ISRAA system they are reviewed and approved by an FBI field manager. Data in both systems are subsequently verified through the FBI's inspection process. Inspection occurs on a 2 to 3 year cycle. Using statistical sampling methods data in ISRAA is traced back to source documents contained in FBI files.

**Data Limitations:** None known at this time.



which resulted in the injury of 12 U.S. citizens. To date, a total of 17 subjects have been charged in these criminal cases, nine of whom are incarcerated (six in the United States and three in the United Kingdom), while the remaining eight are fugitives. Those fugitives, including UBL himself, are the subjects of a \$5,000,000 reward offered by the State Department. Recently, UBL was designated as one of the FBI's "Top Ten Fugitives." If convicted, the indicted defendants face a maximum penalty of life imprisonment without parole, or in some cases death. The FBI will continue to investigate all aspects of the bombings, inside and outside of East Africa; pursue all known and unknown subjects who participated in the bombings; and pursue other Al Qaeda members suspected of otherwise being involved in criminal activity directed at American targets.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for the indicator types currently reported for this goal. In order to report performance targets more effectively, these measures will be replaced.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

In FY 2002, DOJ will continue to combat terrorism by building maximum feasible capability throughout the Department to prevent, disrupt, and defeat terrorist operations before they occur. DOJ will continue to attack terrorism by investigating and prosecuting those persons and countries that finance terrorist acts. DOJ will aggressively use the money laundering and asset forfeiture statutes to locate and disrupt the financial sources of terrorist organizations. Investigations and convictions indicate the activity necessary to stay on top of the terrorist threat and contribute to the prevention by intervening before a terrorist act is attempted, or by preventing a terrorist from acting again. The ultimate goal is to prevent a terrorist before it occurs, however, the Department must be able to respond should an act occur. To that end, DOJ's efforts include improved information gathering and sharing, improved analytical capabilities, and enhanced training and liaison.

All elements of crisis and consequence management at the federal, state and local levels throughout the country must be prepared to respond should a terrorist act occur. Thus, maximum feasible capability will be pursued at and within every level, from the field to the various component headquarters, to effective liaison with other federal agencies and state and local partners. By building maximum feasible capability, DOJ can accurately and quickly identify and evaluate threats so that the Department can respond to terrorist threats before they occur.

**Crosscutting Activities:**

Consistent with legislative mandates, related Presidential Directives, and the five-year Interagency Counterterrorism and Technology Crime Plan, DOJ and its components coordinate with other Executive partners. These include the Air Force Office of Special Investigations, the CIA, DOD, DOT, Federal Emergency Management Agency (FEMA), National Security Agency (NSA), the Defense Intelligence Agency (DIA), the Department of Energy (DOE), EPA, the Naval Crime Investigative Service, the Department of State, the Department of Commerce, the Secret Service, the Federal Aviation Administration (FAA), IRS, and the USCS. The National Defense Authorization Act of 1996 provided funding and a training mandate to assist state and local authorities in the proper response to a terrorist incident. The DOJ participates with DOD, the Department of Energy, and EPA in the development and delivery of this training.

## 1.4B Improve Response Capabilities to Terrorists' Acts

### Background/ Program Objectives:

Dramatic changes in the international and domestic environments have produced credible and serious terrorist threats. Each of these threats, which include the efforts of international terrorists, the growing threat of criminal use of weapons of mass destruction (WMD), and criminal acts perpetrated by domestic terrorists, present the Department with a clear, but difficult threat.

One of the most alarming trends in terrorism today is the rise in the number of groups for which political or religious beliefs constitute sufficient motivation for terrorist attacks. To the individuals associated with these groups, violence is often viewed as the most effective means to achieve their goals. For many international terrorists, there is no incentive to moderate their violence. Rather, indiscriminate violence and mass casualties serve their ends by intimidating large population groups and fomenting societal instability.

The wide range of terrorist threats include: Usama Bin Ladin's "fatwa" claiming it is the duty of all Muslims to kill American civilians and military, terrorist organizations attempting to obtain a WMD capability, a dramatic increase in disruptive non-credible threats to use anthrax, violent anti-government groups and white supremacists, and threats against the information infrastructure. Due to the diversity of the terrorist threat and the complicated nature of terrorist investigation and response, the Department focuses on developing the capacity to respond to any terrorist issue, whether it is domestic or international. While the Department cannot prevent all terrorism, by developing a structure to build and maintain maximum feasible capability, the Department is in a position to prevent and deter terrorism to the maximum extent possible.

### FY 2000 Actual Performance:

**Performance Measure:** Number of U.S. Attorney's Offices (USAOs) with Crisis Response Plans

**Target:** 60      **Actual:** 80

**Discussion:** The Terrorism and Violent Crime Section has worked with the Attorney General's Advisory Committee (AGAC) and the Executive Office for U.S. Attorneys (EOUSA) to encourage U.S. Attorney's Offices to develop their individualized crisis response plans. These plans articulate the steps each office would take in the event of a terrorist act or other critical incident in their jurisdiction. Critical aspects of each plan include a listing of essential points of contact with state and local authorities, including first responders and other emergency personnel; identification of potential infrastructure targets, in both the public and private sector; and coordination with the local the FBI field office and other law enforcement entities. This strategy has proved successful in that the actual number of plans submitted exceeded the targeted number for FY 2000.

The Department has also worked to augment the capability of each U.S. Attorney's Office to address terrorist and other critical threats and incidents by providing comprehensive training to the Crisis Management Coordinators (CMCs) in each U.S. Attorney's Office. The CMCs are senior, experienced Assistant U.S. Attorneys who are educated as to the range of potential threats and the resources available to respond to them.

**Public Benefit:** The crisis response plans establish a framework to enable each U.S. Attorney's Office to address and plan for the steps to be taken in the event of a terrorist or other critical threat or act in their jurisdiction. Through such advance planning, we improve our readiness to respond to such incidents in a coordinated and efficient manner. These plans provide a cross walk to FBI crisis response plans and other similarly focused state, local, regional and federal emergency response plans.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we expect to achieve the corresponding FY 2001 goal.

**Data Collection and Storage:** The data source is the Criminal Division (CRM). The plans are submitted by the EOUSA and CRM.

**Data Validation and Verification:** The plans are evaluated to determine if they meet the criteria of a complete Plan. This criteria includes, but is not limited to whether resource support elements such as other government agencies (FEMA, National Guard, etc) are identified. Due to the limited number of plans received, CRM is able to maintain accurate manual data records.

**Data Limitations:** None known at this time.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

Our strategy is to build *maximum feasible capability* in the counterterrorism program, allowing the Department to identify and address terrorist threats. A strategy of maximum feasible capability builds the capacity to restrain all types of groups and individuals engaged in acts of terrorism and deterring and responding to threats *before* attacks occur. It builds the capacity to safely and effectively respond to the challenges of unconventional terrorist methods such as the use of chemical, biological, nuclear, and radiological materials. It means that all elements of crisis and consequence management at the federal, state, and local levels throughout the country will have developed and implemented integrated terrorism response plans. It builds the capacity to rapidly identify, locate, apprehend, and prosecute those responsible for terrorist attacks when they do occur; and to prevent, disrupt, and defeat computer intrusion and infrastructure threats through early watch and warning capability and preventative measures.

DOJ will expand partnerships with other federal agencies as well as state, local, foreign and international entities to enhance domestic and international responsiveness to terrorist acts. This includes continuing the development of district crisis response plans to establish a framework for response to terrorist and other critical incidents. These plans provide a cross walk to FBI crisis response plans, as well as similarly focused state, local and regional emergency response plans and increase inter-governmental liaison.

**Crosscutting Activities:**

The U.S. Attorneys draft the crisis response plans in support of the FBI in responding to critical incidents and investigating criminal conduct related to such incidents. The Criminal Division provides support and guidance. U.S. Attorneys provide for effective liaison and coordination with DOJ headquarters; FBI field offices; other federal agencies; with state, local and regional authorities; and private sector owners and operators of their local critical infrastructure, such as utilities, mass transit, and telecommunications. Crosscutting functions include deterring and responding to terrorist acts; improving capabilities through training, planning, exercises, and research and development; and improving coordination domestically and internationally. The FBI has the lead in deterring and responding to terrorists acts which occur in the U.S., while the Department of State has the lead in regard to acts abroad which impact U.S. citizens or U.S. interests. DOD leads tactical and logistical support, through well-established protocols. Extensive interagency and inter-jurisdictional training and exercising efforts focus on the goal of seamless counterterrorism response. DOJ, in coordination the Departments of State, the Treasury and others, work closely with our allies in the G-8 and in the Council of Europe to pursue common counterterrorism efforts.

## 1.4C Protect Critical Infrastructure

### Background/ Program Objectives:

All critical infrastructure now relies on computers, advanced telecommunications, and, to an ever increasing degree, the Internet. That dependence creates new vulnerabilities. Our national vulnerability is exacerbated by several factors. First, most of our infrastructures rely on commercially available technology, which means that a vulnerability in hardware or software is not limited to one company, but is likely to be widespread. Second, our infrastructures are increasingly interdependent and interconnected with one another, so it is difficult to predict the cascading effects that the disruption of one infrastructure would have on others. Third, our telecommunications infrastructure is now truly global. Satellite communications, the Internet, and foreign ownership of telecommunication carriers in the U.S. have all combined to undermine the notion of a "National Information Infrastructure." The National Infrastructure Protection Center's (NPIC) goal is to enhance U.S. national security by preventing infrastructure damage through a multifaceted approach to maximizing its investigative and preventative resources to thwart cyber attacks on the nation's infrastructure.

### FY 2000 Actual Performance:

**Performance Measure:** Computer Intrusions Investigated

**Target:** Not projected

**Actual:** Closed: 921 Open and Pending: 2,032

**Performance Measure:** Computer Intrusion Convictions (NOTE: data has been corrected to reflect the most recent data available.)

**Target:** Not projected **Actual:** 54

**Performance Measure:** Key Assets Identified

**Target:** 3,000 **Actual:** 5,384

**Discussion:** The number of Key Assets indicates the number of identified organizations, systems, or physical plants, of which the loss would have widespread or dire economic or social impact on a national, regional or local basis. FBI field agents identify assets in their jurisdiction that may qualify as Key Assets and consult with the owners as to their operations and impact on the localities critical infrastructure. Key Assets are identified and entered into a database from which maps are created that help determine any overlapping or secondary Key Assets that are interlinked.

The strategy of the National Infrastructure Protection Center has continued to be effective, identifying over 2,000 more key assets than it anticipated a year ago. The program is opening more cases than it has previously, and its rates of arrests, convictions, and cases closed have remained consistent. Due to an emphasis of quality control over quantity in the development of the key asset database, the out year targets have been reduced.

**Public Benefit:** The FBI's NPIC works closely

**Data Collection and Storage:** The data source for the number of intrusions investigated is the FBI's Monthly Administrative Report/Automated Case Support (MAR/ACS) system. Key Assets are identified and entered into a database.

**Data Validation and Verification:** For the computer intrusions, before data is entered into the system, they are reviewed and approved by an FBI field manager. Data in both systems are subsequently verified through the FBI's inspection process. Inspection occurs on a 2 to 3 year cycle. Using statistical sampling methods data in ISRAA is traced back to source documents contained in FBI files. The mapping process helps to verify that an "asset" is a critical Key Asset and any others that have not been identified. This results in a continual process of validating the information. The maps/grids produced from the database are used to plan for various scenarios in the event of a threat or an incident.

**Data Limitations:** Although the numbers provided are cumulative, the delta between any two years may not be a true indicator of activity given that as new assets are identified, other assets may no longer meet the Key Asset criteria and are removed from the database.

with the private sector and promotes a close working relationship between law enforcement, industry, and government at all levels. The core of the NIPC approach is prevention, detection, and response.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for certain indicator types within this goal. For Key Assets Identified, based on program performance in FY 2000, the FBI expects to surpass FY 2001 target, current estimates project that 4,384 key assets will be identified.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

The NPIC is working to develop maximum feasible capacity in detecting, deterring, assessing, investigating and responding to cyber attacks on the nation's infrastructures from both a reactive and increasingly proactive field, headquarters and interagency standpoint. In FY2002, DOJ will develop all necessary assets and capabilities to support operations aimed at disrupting and defeating threats to critical infrastructures. Key assets will be identified to assess vulnerabilities and develop proactive techniques and countermeasures. Note that the growth in key assets from FY 1998 (400) to FY 1999 (2,745) resulted from a modification of the criteria to include assets significant on a state and regional level (in addition to those significant on a national level).

FBI Field Offices and headquarters will recruit agents and analysts with specialized computer expertise; training/education on computer incident investigations and infrastructure protection will be provided to FBI and public and private sector partners; InfraGard will ensure private sector infrastructure owners and operators share information about cyber intrusions, exploited vulnerabilities and physical infrastructure threats. An indications and warning network for federal computer systems will be developed; research and development will continue; state of the art tools, technologies and intellectual capital related to computer intrusions and infrastructure protection will be provided for FBI investigators and analysts.

The Criminal Division's Computer Crime and Intellectual Property Section (CCIPS) will provide expert legal and technical advice regarding information warfare, infrastructure protection and other topics related to Critical Infrastructure Protection (CIP). During FY 2002, CIP will focus on: international outreach, in coordination with the State Department; increasing information sharing between industry and government; legal and policy issues presented by intrusions detection systems and other means of protecting critical networks, balancing the need to protect the resources against privacy rights of persons who need to use those networks; and ensuring that the private sector is taking sufficient measures to protect the infrastructure as well as develop prevention programs such as Cybercitizen Partnership, to increase public awareness and teach responsible/ethical online behavior.

**Crosscutting Activities:**

The NIPC staff includes detailees from federal and state agencies as well as two international partners. These agencies include: Department of Energy (DOE), CIA, DOD, USAF, Defense Central Intelligence Service, NSA, Postal Service, Navy, GSA, etc. NIPC staff ensures coordination with FBI field offices, other government agencies and foreign police and security. Rapid response to intrusions is often required, placing a premium on cooperation.

The InfraGard initiative encourages the exchange of information by government and private sector member through the formation of local InfraGard chapters within the jurisdiction of each field office. Chapter membership includes representatives from the FBI, private industry other government agencies, state and local law enforcement and the academic community. The initiative provides four basic services to its members: an intrusion alert network using encrypted e-mail; a secure website for communications about suspicious activity or intrusions; local chapter activities and a help desk for questions.

**STRATEGIC OBJECTIVE 1.5: WHITE COLLAR CRIME**

**Reduce white collar crime, including public corruption, in order to minimize its negative social and economic impacts.**

**Annual Goal 1.5: Reduce white collar crime through the investigation and prosecution of public corruption, high technology crimes, international price fixing cartels, environmental crimes, and**

**STRATEGIES**

Bolster the effectiveness of white collar crime investigations and prosecutions by strengthening coordination among domestic and international law enforcement agencies.

Increase investigation and prosecution of public corruption as a means to maximize deterrence.

Investigate and prosecute high technology crimes.

Investigate and prosecute international price fixing cartels.

Investigate and prosecute environmental crimes.

Identify, investigate and prosecute tax fraud.

DOJ's FY 2002 plan for reducing white collar crime is based on the premise that a strong deterrent capability is required to prevent criminals from defrauding and thus weakening the Nation's industries and institutions. In monetary terms, the annual loss to American citizens and businesses is conservatively estimated in the billions of dollars.

The criminal threat originates from several sources and may have a variety of purposes and targets including: the health care field; public officials open to corruption; communications facilities; critical infrastructure; computers storing sensitive proprietary, financial and personal data; valuable intellectual properties; international commerce; and telemarketing, insurance, commodities, retirement system, and other businesses susceptible to fraud.

During FY 2002, the Department will devote considerable resources to countering white collar crime matters involving: health care fraud; financial institutions, telemarketing and other

fraud; public corruption and government fraud; high technology crime; computer crime and the theft of intellectual property; and international price fixing cartels. Environmental and wildlife crime issues focus on the endangerment of the environment and public health, fraud in environmental remediation industry, smuggling of endangered species, over exploitation and abuse of marine resources through illegal commercial fishing, and other environmental impacts of criminal activity.

Violations of the Internal Revenue Code drain the federal fisc and undermine public trust in the voluntary tax system. The Tax Division utilizes criminal prosecutions to ensure that the Nation's internal revenue laws are fairly and uniformly applied and the public complies with the Nation's tax laws. In this way our accomplishments contribute significantly and directly to efforts by the administration and the Congress to protect the federal fisc from intentional false tax returns and evasion schemes. For all stages of case investigation, review, litigation and appeals the Division's attorneys are guided by the principles of fair and uniform treatment for all categories of taxpayers.

**MEANS – Annual Goal 1.5**

**Dollars/FTE**

Appropriation	FY 2000 Obligated		FY 2001 Enacted		FY 2002 Requested	
	\$ mil	FTE	\$ mil	FTE	\$ mil	FTE
Tax Division	17	157	18	146	19	141
Criminal Division	34	238	36	235	39	242
Environment & Natural Resources Division	5	44	5	45	5	45
U.S. Attorneys	394	3182	423	1,914	451	3366
FBI Salaries and Expenses	600	5032	615	4,941	651	4975
FBI Construction	3	0	2	0	0	0
Pre-Merger Filing Fees	27	190	31	210	37	245
FBI Health Care Fraud	76	689	88	752	101	793
<b>TOTAL</b>	<b>1156</b>	<b>9532</b>	<b>1,218</b>	<b>8,243</b>	<b>1303</b>	<b>9807</b>

**Skills**

Successful accomplishment of this goal requires highly skilled agents, analysts and engineers with sophisticated knowledge of computer technology and computer systems, as well as an array of highly complex software and hardware systems. The Antitrust Division requires experienced attorneys, economists, paralegals and support staff. Attorneys experienced in complex, international investigations are particularly valued. The Tax Division requires experienced trial and appellate attorneys and support staff. That Division also requires some specialized experience to include substantive tax issues and tax procedures; search warrants of computer stored financial data; sentencing guidelines in financial crimes; obtaining foreign evidence and information and knowledge about international agreements to achieve international tax compliance, such as tax treaties, mutual legal assistance treaties and extradition treaties. The Environment and Natural Resources Division (ENRD) requires attorneys, particularly litigators experienced in criminal, civil, administrative and appellate law, in addition to experienced support staff.

**Information Technology**

FBI programs in this area are supported by: ISRAA, a centralized database which tracks statistical case accomplishment from inception to closure; and a centralized repository for internet fraud complaint data and analysis. The Antitrust Division relies upon its Matter Tracking System and companion user interfaces; office systems, including networks and infrastructure; litigation support tools and applications, including those for courtroom presentations; and data storage capacity related to all of these technologies. The Tax Division relies upon the Justice Consolidated Office Network system and recently implemented TaxDoc Case Management System. ENRD relies upon its version of the DOJ Justice Consolidated Officer Network system and its Case Management System.

## PERFORMANCE ASSESSMENT – Annual Goal 1.5

### 1.5A Reduce Fraudulent Practices in the Health Care Industry

#### **Background/ Program Objectives:**

The General Accounting Office (GAO), as well as industry experts, have generally estimated that more than \$100 million of annual health care costs may be attributable to fraud. Public spending for health care services throughout the Medicare, Medicaid and other government funded health care programs accounted for nearly 46 percent of total health care spending in 1998. According to the Health Care Financing Administration (HCFA), growth in public sector spending has slowed during the 1990s, increasing only 4.1 percent in 1998 (the most recent year for which data are available). HCFA states, "the single most important factor in this decelerating public spending trend in the 1998 was Medicare, where the early impacts of the Balanced Budget Act of 1997 and progress in combating fraud and abuse combined to reduce spending growth from 6.0 percent in 1996 to 2.5 percent in 1998." Furthermore, the Office of Inspector General for the Department of Health and Human Services' (HHS) most recent annual audits of improper payments to health care providers participating in Medicare fee-for-service programs show the payment error rate has decreased from 14 percent (\$23.2 billion) in FY 1996 to 8 percent (\$13.5 billion) in FY 1999.

Fraudulent billing submitted to other health care insurers and medically unnecessary services performed simply to generate billings are prevalent in every geographical area in the country. An increasing number of cases demonstrate that fraud exists on a national scale, through either corporate driven schemes to defraud or systemic abuse by certain provider types. Those that have shown to be particularly susceptible to fraud are home health care agencies, transport companies, suppliers of durable medical equipment (DME) and clinical laboratories. As the FBI has conducted one successful investigation after another, we have come to realize that the magnitude of the crime problem may have been grossly underestimated. An opportunity exists to become more proactive in our analysis of the HCF crime problem through "data mining." Ideally, the HCF program will then be able to not only identify systemic weaknesses in the system, but have an opportunity to recommend changes to allow for the closing of the loopholes before the criminal elements take further advantage of them.

#### **FY 2000 Actual Performance:**

**Performance Measure:** Medicare Expenditures for Clinical Laboratory Tests and Ambulance Services – DISCONTINUED (NOTE: Data has been corrected to reflect the most recent data available.)

**Target:** \$3.28 billion **Actual:** \$3.63 billion

**Performance Measure:** Home Health Agencies Medicare Expenditures (Florida, Louisiana, & Texas)

**Target:** \$3.84 billion **Actual:** \$1.43 billion (pro-rated estimate)

**Discussion:** Although future HCFA data will undoubtedly show some differences in the levels currently estimated, the FBI feels safe in stating that concentration of its investigative resources on Home Health Agencies fraud in these three states (in conjunction with other federal agencies) has achieved, at the very least, the targeted reduction in billings to Medicare for these services. While the FBI, in conjunction with other federal agencies, continues to be vigilant in identifying all types of health care fraud, the impact of its major investigative initiatives is expected to level off as fraudulent billings become less frequent. Absent other non-fraud related factors, the FBI does not expect further substantial declines in billings to Medicare in Clinical Laboratory Tests and Ambulatory Services and will therefore discontinue further reports on that measure. (See also Data Limitations on the following page for a description of reporting on HCFA data).

**Public Benefit:** The FBI's Health Care Fraud initiative protects the nation's health care system in multiple ways. First, it directly impacts the current operating budget of the Medicare system by preventing criminals from bilking taxpayers for hundreds of millions of dollars. Second, well-publicized and high-impact cases act as a deterrent for future crimes by those sectors of the health care industry that previously felt their activities would go unnoticed. For example, the investigation of Columbia/HCA, the world's largest health care corporation, resulted in widely publicized guilty pleas to criminal charges, in addition to criminal fines and civil settlements that totaled hundreds of millions of dollars. The FBI also found that one of the nation's leading home health agencies, Beverly Enterprises, fabricated cost figures and overstated nursing costs attributable to the care rendered to Medicare beneficiaries. In January, 2000, Beverly plead guilty to a criminal information charging them with one count of wire fraud and ten counts of making false statements to Medicare. Beverly will



also pay a \$5 million criminal fine. A civil settlement was also announced, whereby Beverly will pay the United States a total of \$170,000,000 and ten Beverly nursing homes will be excluded from the Medicare program.

**FY 2001 Performance Plan Evaluation:** Based on the cost projections for CY 2000, we expect a leveling off of the previously stated payments for lab tests and ambulance services, and thus do not expect further reductions to reach the previously stated goal(s). The current estimate for Home Health expenditures is \$1.45 billion.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

In FY 2002, DOJ will continue to successfully investigate, prosecute and obtain judgements, forfeitures and settlements against providers, carriers and fiscal intermediaries that defraud health care programs. The key summary indicators below illustrate projected reductions in discrete HCFA Medicare expenditures based on recent and ongoing enforcement initiatives. The relationship between law enforcement efforts targeting health care fraud in identifiable areas involving clinical labs, ambulance services and Home Health Agencies and the reduction in expenditures is implied. The Department will focus resources on early indicators of potential fraud that are anticipated to lead to high-impact investigations of nationwide health care schemes, such as systemic abuse from large scale medical corporations and nursing home chains. Industries and market that have been identified has potential targets will be monitored for reductions in the economic loss and frequency of fraud as a result of the interventions targeted Department programs.

**Crosscutting Activities:**

The FBI works in conjunction HCFA to procure the FBI performance data. Thus far, HCFA has seen considerable decreases in its amounts of expenditures. Top officials from federal, state and local law enforcement agencies responsible for fighting health care fraud abuse service on the National Health Care Fraud and Abuse Task Force. The task force meets biannually to discuss policy issues and to develop directives to member agencies for implementing initiatives to fight common problems affecting federal and state health care programs. The task force is chaired by the Deputy Attorney General and includes representatives from: HHS, FBI, two state Attorneys General and a representative from the National Association of Attorneys General, a local prosecutor representing the National District Attorneys Association, and a representative of the National Association of (state) Medicaid Fraud Control Units. Common goals and strategies were developed to protect nursing home residents from abuse and neglect; increase the number of dishonest health care providers that excluded from participating in public health care programs; enhance the use of information technology to detect and combat health care fraud and abuse; and develop training programs for prosecutors, investigators and other law enforcement officials. DOJ has increased participation on multi-agency and inter-agency task forces and formed an interagency steering committee comprised HCFA, HHS-OIG and the FBI.

**Data Collection and Storage:** *The Department's data reflect HCFA fraud targets. The Medicare costs measurements for this performance goal include payments for all clinical lab tests and ambulance services billed to Medicare during the reporting period.*

**Data Validation and Verification:** *Validation and verification of the data takes place primarily at its collection point, HCFA. The FBI review the data received from HCFA to consistency and reliability.*

**Data Limitations:** *The data from HCFA are reported on a calendar year basis. Since billing data can be received up to a year after services, complete FY 2000 data will not be available until the beginning of CY 2002. Changes to the Medicare payment system through legislative or regulatory action could invalidate any comparison to data for previous years.*

**Note:** *Data for Home Health Agency Expenditure in CY2000 reflect only claims paid through June 6, 1999. The data presented are prorated based upon actual billings up to that date.*

**1.5B Deter Fraud**

**Background/ Program Objectives:**

Private industry in the U.S. controls trillions of dollars in assets, an inviting target for criminal schemes ranging from technological attacks on a corporation's intellectual property to more traditional attempts to defraud. The primary challenge facing the FBI in this area is to create and maintain a strong deterrent capability that will prevent criminal organizations from defrauding, and thereby weakening U.S. industries. To prevent significant levels of fraud, the FBI must be able to identify emerging trends and industry vulnerabilities and enlist the cooperation of the private sector.

The overwhelming number of frauds committed each year far exceeds the FBI's capacity to investigate and prosecute each individually. Accordingly, the FBI will concentrate on the most significant crime problems, leverage limited resources through cooperative efforts with affected industries and other law enforcement agencies, and implement a preventive strategy that will rely heavily on improved intelligence, rather than investigating frauds once they have occurred.

**FY 2000 Actual Performance:**

**Performance Measure:** Recoveries/Restitutions; Fines  
(NOTE: data has been corrected to reflect the most recent data available.)

**Target:** NA

**Actual:** Recoveries/Restitutions \$3.89 billion  
Fines \$ 880 million

**Performance Measure:** Convictions in White Collar Crime  
(NOTE: data has been corrected to reflect the most recent data available.)

**Target:** Not projected

**Actual:** Convictions/Pre-trial Diversions: 6,868

**Discussion:** The FBI is still in development of performance measures that will reflect its ability to prevent and deter significant fraud in the U.S. At this time, the FBI believes that its strategic emphasis in fighting fraud will continue to yield greater statistical accomplishments in the future. However, the measures currently used to report its progress are insufficient to project performance targets by which the FBI's white collar crime investigations can be externally evaluated. The FBI plans on newer measures to be implemented after the reporting period of FY 2000.

**Public Benefit:** With respect to fraud against the government, the FBI targets the most notorious cases of procurement and entitlement fraud using joint investigations with Inspectors General and task forces with other federal and local agencies. The FBI recently concluded the Maritime Procurement Initiative (MPI), a four year undercover investigation into kickbacks and gratuities paid to officials at Bayship Management, one of the largest ship management companies in the world. Bayship held a \$200 million Military Sealift Command (MSC) privatized ship management contract. The MSC is responsible for all Department of Defense ocean transportation needs, including ship repair, maintenance and readiness. Its mission is to sustain U.S. military forces through sea delivery of equipment and supplies. MSC provides direct support for Navy combatant ships by allowing them to remain at sea for extended periods. The FBI, together with the Defense Criminal Investigative Service (DCIS) and Naval Criminal Investigative Service

**Data Collection and Storage:** Data are drawn from the FBI's Integrated Statistical Reporting and Analysis Application (ISRAA). ISRAA is a centralized database that tracks statistical accomplishments of cases from inception to closure.

**Data Validation and Verification:** Before data are entered into the system they are reviewed and approved by an FBI field manager. They are subsequently verified through the FBI's Inspection process. Inspections occur on a 2 to 3 year cycle, depending on funding. Using statistical sampling methods, data in ISRAA are traced back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

(NCIS), identified over 100 persons and corporations involved in kickback schemes to acquire lucrative repair contracts. Bayship defrauded the U.S. government of millions of taxpayer dollars and its actions could have crippled the military's ability to support U.S. troops overseas in time of conflict.

***FY 2001 Performance Plan Evaluation:*** In accordance with Department guidance, targeted levels of performance are not projected for certain indicator types within this goal.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

In FY 2002, DOJ will continue to identify and target fraud schemes, such as financial institution fraud, insurance fraud, and securities/commodities fraud that threaten to undermine our Nation's financial institutions. DOJ will aggressively utilize the money laundering and asset forfeiture statutes to ensure that fraudulently obtained funds are located and proper restitution is made to the victims of fraud. DOJ's enforcement strategy is a coordinated approach whereby the Department will continue to work with other Federal agencies to identify and target fraud schemes by successfully investigating, prosecuting, and obtaining judgments and settlements. The FBI, through its WCC program, addresses a myriad of fraud crimes, selectively targeting the most significant problems as national WCC priorities. These priorities are based on the analysis of information such as historical crime data. With regard to Internet crime, the WCC program addresses crimes that are primarily frauds; these are typically Internet scams that involve credit card fraud, false business or investment opportunities; ponzi/pyramid schemes; piracy; and stock manipulation schemes.

**Crosscutting Activities:**

DOJ coordinates with the Department of Treasury (on coordination of SARs data and the implementation of the Financial Crimes Strategy Act of 1998) and other federal agencies to identify and target fraud schemes. DOJ coordinates with State Attorneys General throughout the country to prosecute victim venue cases involving subjects of telemarketing fraud schemes. Furthermore, the Attorney General's Council on White Collar Crime, serves as an advisory body to coordinate the focus of federal law enforcement efforts to combat fraud and WCC. The Council periodically brings together senior level representatives of all federal law enforcement and regulatory agencies that investigate or prosecute economic crime to ensure appropriate enforcement and prevention efforts. The Council consists of representatives from the Department, including the Assistant Attorneys General from the Antitrust, Civil, Criminal, Environment and Natural Resources and Tax Divisions, and the FBI; the Treasury Department, including the IRS, USCS, USSS, EPA, the Securities Exchange Commission; the U.S. Postal Inspection Service; a representative of the Inspectors General community; the Federal Trade Commission; and the National Association of Attorneys General. The Council has endorsed and added its support to various law enforcement initiatives to fight WCC that involve multiple federal agencies, including: Internet Fraud Initiative; Intellectual Property Initiative; Counterfeit Aircraft Parts Initiative; Counterfeit Software Initiative and Identity Theft Initiative.

## 1.5C Combat Public Corruption

### Background/ Program Objectives:

Public corruption is a serious crime against both the individual and society as a whole. All public corruption offenses, regardless of the type, share a common objective: to pervert our representative system of government and replace it with a government of special interests. Furthermore, the higher the office or level of government tainted by the corruption, the broader are its invidious effects. The Department therefore places a high priority on attacking public corruption by senior government officials. At the present time, the level of investigative resources devoted to this crime problem are sufficient to address known work. However, the Public Corruption Unit of the FBI believes a significant amount of corruption is untouched. The FBI addresses this problem, both domestically and internationally, by determining likely points of corruption, and then cultivating an intelligence base within government and/or the business entity and monitoring activity.

Over the past five years, there have been over 600 subjects in law enforcement corruption cases. There is a growing trend of law enforcement corruption cases involving the active participation of law enforcement officers in criminal acts, rather than merely protecting such actions. The single greatest obstacle to a law enforcement corruption investigation is the fact that police departments throughout the country regard their own corruption issues as their own "dirty laundry," not to be taken outside the agency.

### FY 2000 Actual Performance:

**Performance Measure:** Convictions/Pre-trial Diversions; Recoveries/Restitutions; Fines (NOTE: Prior year actuals have been corrected to provide the most recent and accurate data available.)

**Target:** Not projected

**Actual:** Convictions/Pre-trial Diversions: 481  
Recoveries/Restitutions: \$19.49 million  
Fines: \$ 3.11 million

**Discussion:** The FBI is still developing performance measures that will reflect its ability to reduce public corruption in the U.S. At this time, the FBI believes that its strategic emphasis in fighting public corruption will yield greater statistical accomplishments in the future. However, the measures currently used to report its progress are insufficient to project performance targets by which the FBI's public corruption investigations can be externally evaluated. The FBI plans on newer measures to be implemented after the reporting period of FY 2000.

**Public Benefit:** The FBI vigorously pursues public corruption cases at all levels of public life, with more than 1,500 corruption probes during FY 2000. Approximately 30 percent of these convictions were associated with law enforcement corruption. These investigations are crucial to ceasing high-impact criminal conduct by the public servants entrusted with the safety and protection of American citizens and public property.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for these indicators.

**Data Collection and Storage:** The Department's measurements for this goal include data from the FBI's Integrated Statistical Reporting and Analysis Applications (ISRAA). The ISRAA is a centralized database whereby the FBI tracks statistical accomplishment of cases from inception to closure.

**Data Validation and Verification:** Before data are entered into the system they are reviewed and approved by an FBI field manager. They are subsequently verified through the FBI's inspection process. Inspection occurs on a 2 to 3 year cycle. Using statistical sampling methods data in ISRAA is traced back to source documents contained in FBI files.

**Data Limitations:** None known at this time.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

As stated in the Department's Strategic Plan, the Department will increase its efforts to address public corruption by (1) increasing Department-wide awareness of the significant harm caused by public corruption and the Department's interest in combating it; (2) making public corruption investigations and prosecutions a top priority throughout the Department; and (3) increasing the number and scope of training events for federal prosecutors and investigators focused on corruption cases.

One of the key strategic goals in the FBI regarding public corruption is the increased awareness and pursuit of international matters. The current caseload of investigations is not indicative of the true extent of the problem, but is an indication of the difficulty of pursuing these inquiries. Unfortunately, the U.S. is virtually alone in outlawing corrupt practices by its citizens abroad. As it stands, other nations do not criminalize bribery of foreign public officials, which make it very difficult for the U.S. to successfully investigate such allegations against its own citizens. However, the FBI is making an effort to gain intelligence into such activities to support its own investigations.

**Crosscutting Activities:**

The Department also will continue its participation in training events sponsored by other federal department and agencies and will continue to instruct the Offices of Inspector General of the federal agencies on the investigations of conflicts of interest and other corruption allegations. At the international level, the department will continue to assist in a number of anti-corruption efforts including those of the Council of Europe, the United Nations Crime Prevention and Criminal Justice Commission and the Organization for Security and Cooperation in Europe. The FBI is working with state and local police executives and law enforcement officers in Eastern Europe, the former Soviet Union and Asia, on recognizing and responding to emerging trends in law enforcement corruption.

## 1.5D Investigate and Prosecute High Technology Crimes

### Background/ Program Objectives:

With the continuing expansion of the Internet as a global medium for electronic commerce and communications, the type of cybercrime most likely to cause significant harm to consumer and businesses here and abroad, and to undermine consumer confidence, is Internet fraud. There are substantial increases in various fraud schemes involving the Internet, such as securities manipulation, online auctions and online retail sales of high value goods, pyramid schemes and credit card schemes. One estimate was that in 1999, credit card fraud through the Internet created more than \$400 million in losses.

### Strategies and Initiatives to Achieve the FY 2002 Goal:

The Criminal Division's Fraud Section is responsible for the implementation of the Internet Fraud Initiative which began in May 1999. During FY 2002, DOJ will increase the quality and variety of Internet fraud related training, to ensure that prosecutors and agents are fully conversant with changing trends. In FY 2001, the Criminal Division's Computer Crime and Intellectual Property Section, in coordination with the Division's Fraud Section, the Office of Legal Education, and the American Prosecutors Research Institute, held the first Internet fraud training course at the National Advocacy Center for 100 federal, state, local and foreign prosecutors. The NAC's first advanced Internet fraud course (for more than 60 federal and foreign prosecutors and FBI agents) was held on January 25, 2001, and a second is scheduled later in 2001. In addition, the Fraud Section expects to prosecute a higher number of Internet fraud and Internet related fraud cases, such as securities fraud, consumer fraud and identify theft that exploit the Internet. To make major inroads against such schemes, which may operate in multiple jurisdictions and use sophisticated techniques for concealing and laundering criminal proceeds, it must plan for appropriate investigative prosecutorial, financial and technical support. International coordination will occur through direct bilateral consultation and discussion with G-8 and other countries during FY 2002.

**Data Collection and Storage:** The Department's measurement for this goal includes data from the Criminal Division's Automated Case Tracking System (ACTS). ACTS is a centralized database used to track the Division's cases from inception to closure.

**Data Validation and Verification:** Data are provided by trial attorneys and reviewed by the overseeing deputy Chief/Chief prior to entering into the tracking system. All case information is reviewed and updated on a monthly basis by the assigned attorneys.

**Data Limitations:** None known at this time

During FY 2002, the Criminal Division's Computer Crime and Intellectual Property Section (CCIPS) and the Computer-Telecommunications Coordinators in the U.S. Attorneys Offices expect to prosecute a higher number of intrusion cases. CCIPS has a dedicated team of prosecutors building relations with various computer crime squads. CCIPS prosecutors are increasingly requested to train, provide advice, comment upon and propose legislation, and coordinate international efforts (such as investigation of the denial of service attack and Love Bug virus). In addition, CCIPS will increase assistance with wiretaps over computer networks, as well as taps and traces that require agents to segregate Internet headers.

CCIPS will also assist in the prosecution of crimes involving unlawful conduct on the Internet to include Internet gambling, online drug sales, child pornography and fraud; and will maintain primary responsibility for the prosecution of criminal intellectual property violations. As part of the Department's Intellectual Property Initiative CCIPS will continue to work with USCS, EOUSA and the FBI on prosecuting intellectual property cases. In addition, CCIPS will continue to coordinate approval for, as well as, prosecute, all the charges under the theft of trade secret provision of the Economic Espionage Act.

### Crosscutting Activities:

The Criminal Division provides coordination in relevant areas of high technology crimes by chairing the Telemarketing and Internet Fraud Working Group, the Securities and Commodities Fraud Working Group, the Bank Fraud Working Group, and the Identity Theft Subcommittee of the Attorney General's Council on WCC. The Council was established by Order of the Attorney General in July 1995 to serve as an advisory body to

coordinate the focus of federal law enforcement efforts to combat WCC. The Council consists of representatives from DOJ, the Department of the Treasury, EPA, the Securities and Exchange Commission, the U.S. Postal Inspection Service, the Inspectors General, the Federal Trade Commission and the National Associations of Attorneys General.

## 1.5E Prosecute International Price Fixing Cartels

### Background/Program Objectives:

The Antitrust Division (ATR) decreases and deters anticompetitive behavior affecting U.S. businesses and consumers by investigating and prosecuting violations of our Nation's antitrust laws. While we remain vigilant in the face of all criminal antitrust activity, we have placed a priority on the successful prosecution of international price fixing cartels. These cartels pose a number of challenges. They are highly sophisticated; significant for the large volumes of commerce involved; and extremely broad in terms of the number of businesses and consumers affected. ATR is committed to meeting these challenges in order to ensure the arrest of unlawful conduct, wherever it occurs, that causes injury in the United States. Successful enforcement of these laws – which both decreases and deters anticompetitive behavior – saves U.S. consumers million of dollars, allows them to receive goods and services of the highest quality at the lowest price and enables U.S. businesses to compete on a level playing field nationally and internationally.

### FY 2000 Actual Performance:

**Performance Measure:** Antitrust Criminal Success Rate (NOTE: This is a new measure. Actual data for FY 1998, FY 1999 will be reported in the FY 2001 Performance Report.)

**Target:** Not Projected - new measure

**Actual:** 100%

**Performance Measure:** Savings to U.S. Consumers

**Target:** Not Projected **Actual:** \$390 million

**Discussion:** In the area of criminal enforcement, the Antitrust Division continues to move forcefully against hardcore antitrust violations such as price fixing and market allocation schemes. A significant number of our prosecutions in recent years involve international price fixing cartels that impact billions of dollars in U.S. commerce. Since FY 1997, the Division has secured a stunning \$1.7 billion in criminal fines for deposit in the Crime Victims Fund. The vast majority of these fines came from international cartels. The global nature of anticompetitive behavior is also evidenced by the fact that over 37 percent of the Division's grand juries in FY 2000 were associated with investigations having subjects or targets located in foreign countries. The Division will continue to pursue this strategy in FY 2001.

**Public Benefit:** The Antitrust Division estimates it saved U.S. consumers \$390 million in FY 2000 due to its successful criminal enforcement efforts.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, levels of performance are not projected for certain indicator types within this goal. However, based on program performance in FY 2000, we expected to meet our projected success rate for criminal antitrust cases.

### Strategies and Initiatives to Achieve the FY 2002 Goal:

When businesses are found to be actively engaged in price fixing, bid rigging and other market allocation schemes that negatively affect U.S. consumers and businesses (no matter where the illegal activity may be taking place), ATR conducts criminal investigations and prosecutions. Our Individual and Corporate Leniency Programs, somewhat revamped in recent years for greater

**Data Collection and Storage:** Data is collected and stored in ATR management information systems (MIS), primarily in the Matter Tracking System and its companion user interfaces.

**Data Validation and Verification:** User training and software guides encourage accurate data entry. Instantaneous online data validations include inter-element cross-checks, numeric range checks, single element list-of-values checks and mandatory data element checks. In addition, batch data analysis and ad hoc reviews are conducted periodically. Finally, programmatic review of data helps assure the quality.

**Data Limitations:** Savings to U.S. consumers uses the volume of commerce affected by the conspiracy and the estimated price effect of the conspiracy. Volume of commerce is based on the best available information from investigative and public sources. We are limited in our ability to estimate the price effect, and thus in most cases rely on the 10 percent figure cited in the U.S. Sentencing Guidelines Manual as the average gain from price fixing. A one year estimate of savings may be significantly underestimated as many conspiracies exceed one year.



effectiveness, have recently proven critical in uncovering criminal antitrust violations. More and more, we are relying on formal international cooperation agreements or informal consultations with foreign antitrust authorities in pursuit of the companies and individuals involved, whether those companies come to our attention via the Leniency Programs, or through other channels. We also are spending more time and resources on investigation-related travel and translation given the increasingly international operating environment of “bad actors” on the antitrust stage. In all instances, if ATR ultimately detects market collusion and successfully prosecutes, we may obtain criminal fines or injunctive relief.

**Crosscutting Activities:**

The Antitrust Division maintains relationships with the FBI and the USA, largely in support of the criminal enforcement strategy. Activities in this area are typically coordinated on a case-by-case basis, and program performance is assessed in terms of successful prosecutions that arrest unlawful conduct.

## 1.5F Prosecute Environmental Crimes

### Background/ Program Objectives:

Prosecution remains the cornerstone of the Department's integrated approach to ensure broad-based environmental compliance. Notably, it is the goal of investigators and prosecutors to discover and prosecute criminals before there has been substantial damage done to the environment, serious effects to health, or economic damage to consumers or honest 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 fostering change in industry practice and greater environmental compliance. The Department vigorously pursues violators of the Nation's environmental laws. In conjunction with federal, state and local law enforcers, DOJ is meeting the challenges of increased referrals and increasingly more complex criminal cases through training of agents, officers and prosecutors; outreach programs; and domestic and international cooperation.

### FY 2000 Actual Performance:

**Performance Measure:** Percent of Defendants Convicted in Criminal and Wildlife Environmental Cases

**Target:** Not Projected **Actual:** 87%

**Discussion:** Successes in key initiatives included the Lab Fraud Initiative, Underground Storage Tank Initiative, and Vessel Pollution Enforcement Effort. In addition, the Department obtained the longest prison sentence ever for a particularly heinous environmental crime in which a businessman, who sentenced one of his employees to a lifetime of severe brain damage by ordering him to clean up a tank containing sodium cyanide, received his own sentence of seventeen years of imprisonment and \$6 million in restitution to the victim's family. Convictions were also obtained in airline safety initiatives and mismanagement of sewage treatment plants. Enforcement of wildlife laws resulted in a couple being charged in a 23-count indictment with conspiracy, smuggling, and Lacey Act offenses in an exotic bird smuggling operation in West Texas, and a well-known international wildlife dealer who spent nearly two years in a Mexican prison fighting extradition to the United States before voluntarily surrendering to U.S. authorities. He subsequently pleaded guilty in federal court to 40 felony charges stemming from federal indictments for trafficking in some of the most rare and endangered reptile species on earth.

**Public Benefit:** Successful environmental prosecutions raise the consciousness level in business and industry boardrooms to avoid the threat of prosecution and lead to specific improvements in the quality of the environment of the United States, and the health and safety of its citizens.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for these indicators.

**Performance Measure:** \$ Awarded in Criminal Environmental and Wildlife Cases

**Target:** Not Projected **Actual:** \$87 million

**Discussion:** The Department's success rate in environmental and wildlife cases makes real the threat that those who commit environmental and wildlife crimes can be prosecuted, punished and fined for their deeds. There was an increase in criminal fines and restitution paid in 2000, which included \$15.5 million in the Doyon Drilling case, \$11.1 million in the Value Jet case, \$9.4 million the Anax case, and \$8 million in the Koch Refining Company case. Other fines were awarded in carrying out criminal enforcement initiatives, prosecuting

**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:** The division has instituted a formal data quality assurance program to ensure a quarterly review of the division's docket. The systems data is constantly being monitored by the division to maintain accuracy.

**Data Limitations:** Timeliness of notification by the courts.

those who expose us to hazardous substances and in enforcing wildlife laws.

**Public Benefit:** Criminal fines in environmental cases offset the economic benefit of non-compliance and level the playing field of companies that comply with environmental laws. The environment, and public health and safety are improved by greater voluntary compliance with environmental and natural resource laws.

**FY 2001 Performance Plan Evaluation:** In accordance with Department guidance, targeted levels of performance are not projected for these indicators.

**Strategies and Initiatives to Achieve the FY 2002 Goal:** In FY 2002, the Department will continue its efforts to convict and deter environmental crimes through initiatives focused on Laboratory Fraud and Leaking Underground Storage Tanks. The Laboratory Fraud initiative developed in recognition that environmental enforcement efforts at the federal, state and local levels must rely on the accuracy of analyses performed by commercial laboratories. The principal efforts of this initiative will be to identify types of fraudulent practices, target companies suspected of committing laboratory fraud, and identify common investigative and prosecutorial issues in these cases. The focus of the Leaking Underground Storage Tanks initiative is uncovering widespread fraud by remediation firms that fail to lawfully test and analyze underground tank systems. Testing is critical to the protection of the nation's drinking water. The Department will work to identify the companies involved in these schemes and to develop criminal investigations and prosecute them. In addition, the Department will continue to battle smuggling of endangered species (including most recently, sturgeon) with a host of international allies.

**Crosscutting Activities:**

ENRD, the FBI and the U.S. Attorneys Offices are working collectively with other federal agencies (including EPA and the Department of the Interior (DOI)), and state and local governments to strengthen enforcement of environmental criminal cases. The Department is involved in the U.S./Canadian CFC Enforcement Work Group; eradicating clandestine drug labs; supporting enforcement of the lead-based paint disclosure rule in collaboration with DEA, DOI, state and local prosecutors, HUD and EPA; supporting the President's Task Force on Environmental Health Risks and Safety Risks to Children; and improving the Mississippi River through multi-agency efforts. In addition, the Department is focusing increased attention on training federal, state and local investigators and prosecutors, as well as their counterparts in neighboring Canada and Mexico.

## 1.5G Prosecute Tax Fraud

### Background/ Program Objectives:

The Tax Division's (TAX) criminal enforcement objective is to deter specific taxpayers from conduct that drains the federal fisc. TAX upon specific request, provides litigation assistance in the investigation and prosecution of criminal tax cases ensuring that the positions taken by the federal government are legally sound and in accordance with policy. In addition, it provides assistance in treaty negotiations and foreign evidence requests in matters involving criminal tax prosecutions.

Approximately 900 cases are reviewed annually to ensure that these prosecutions meet national federal criminal tax enforcement standards. The matters reviewed during each year cover the full range of criminal charges found in the IRS code as well as associated defenses found in Titles 18, 21 and 31 of the United States Code. The case review process is essential to the success of the Tax Division's supervisory oversight of criminal tax matters as it enables TAX to provide critical guidance to USAs on complex federal substantive and procedural tax issues, difficult requirements encountered in indirect methods of proof and unique evidentiary and sentencing problems found in criminal tax cases. As a result, the national average of convictions in indicted criminal tax prosecutions continue to exceed 90 percent and thereby advances one of the TAX goals of establishing overall general deterrence through carefully selected prosecutions.

Each year the three trial sections also successfully handle a substantial number of criminal tax investigations and prosecutions. These are primarily undertaken at the request of various USAs who either lack resources or do not have the expertise specific to the case. Cases having significant regional or national scope are undertaken as part of TAX's priority initiatives. The nature of cases range from illegal protestors to complex white collar fraud cases involving illegal international business transactions, complex tax issues, and foreign evidence gathering problems. TAX allocates its resources between specific and general deterrence to ensure internal revenue laws are fairly and uniformly applied and that the public complies with those laws.

The Criminal Sections of the Tax Division have three primary responsibilities: (1) conducting a centralized review of all referred criminal tax matters; (2) staffing the investigation, trial, and appeal of many of these criminal tax matters; and (3) providing litigation support services to both United States Attorney's Offices (USAOs) and the Internal Revenue Service (IRS). These activities advance the Tax Division's goal of uniform and consistent national enforcement. The prompt review of criminal referrals and the handling of the litigation and related support responsibilities also advances the IRS' service goals of achieving maximum deterrence and voluntary compliance with IRS laws.

The Tax Division currently defines legal source income cases as those where the source of the proposed criminal tax charges is income that is legally produced as distinguished from income earned as a result of illegal conduct. As the vast majority of the taxpaying public earns its income from legal sources, legal source income prosecutions have a significant deterrent effect on the general public.

### FY 2000 Actual Performance:

**Performance Measure:** Percent of Requests for Litigation Assistance Honored – Discontinued Measure (NOTE: Since the Tax Division consistently performs 100 percent of these cases it is shifting to report the number of cases honored to be more informative.)

**Target:** 90%

**Actual:** 100%

**Data Definition:** Legal source income cases encompass individuals or businesses engaged in legitimate activities to earn their income, who commit fraud by attempting to avoid payment of taxes on that legally acquired income.

**Data Collection and Storage:** TAX utilizes a case management system known as TaxDoc. The Division recently revised the complement of indicators that are tracked.

**Data Validation and Verification:** There are new procedures to collect and record pertinent data on activities related to specific issues enabling Section Chiefs to make projections and set goals based on complete, accurate and relevant statistics. On a quarterly basis, the Performance Management Committee reviews all the statistics.

**Data Limitations:** The Division lacks historical data on some activities that are now tracked in the new case management system. The new information system may cause variations in the way some statistics are presented.

**Performance Measure:** Number of Requests for Litigation Assistance Honored

**Target:** 151      **Actual:** 196

**Discussion:** The ability of the Tax Division to meet its projected targets depends, to a large extent on the number and types of cases recommended for prosecution, staffing levels, levels of expertise, and fluctuating caseloads in the USAOs and in the Tax Division's Criminal Enforcement Sections. IRS policies and initiatives also affect the complexity and volume of prosecution referrals. New areas of non-compliance also impact on the number and complexity of cases handled by the Tax Division.

**Public Benefit:** Though the deterrent effect cannot be measured, the prosecution of criminal tax law violators has a positive impact on income tax reporting. An important aspect of the criminal prosecution of tax violators is the impact on the general public. Taxpayers see that violators are not able to "beat the system" and that all taxpayers are required to pay their fair share. The Tax Division's litigation and enforcement effort achieve our joint goal with the IRS for citizens of this nation to voluntarily comply with tax laws which in turn, advances the federal fiscal system.

**FY 2001 Performance Plan Evaluation:** Based on program performance in FY 2000, we expect to achieve the corresponding FY 2001 goals.

**Strategies and Initiatives to Achieve the FY 2002 Goal:**

The Tax Division will conduct timely reviews of the prosecutorial merits cases; coordinate nationwide criminal investigations and prosecutions of illegal tax protestors

groups using new and emerging schemes; conduct training; provide expert technical assistance; propose initiatives concerning legislative and policy matters involving developments in sentencing guidelines, federal rules of evidence and procedure, and substantive criminal law; detect abusive international non-compliance schemes before they have an opportunity to cause significant damage to the tax system; prosecute WCC that employs tax evasion motives; stop the proliferation of regional and nationwide tax evasion schemes using illegal trusts; provide litigation assistance at trial appellate levels in legal source income cases; target enforcement areas (abusive trusts, excise tax, drug enforcement, health care and illegal protest); and support investigations and prosecutions of all types of white collar fraud that employ illegal domestic and international tax transactions.

**Crosscutting Activities:**

Criminal tax enforcement involves the cooperation of IRS, USA and other components of the DOJ to combat financial crimes and help protect the nation's fisc from tax evaders. During the recent past, the Tax Division has worked closely with the IRS in its on-going reorganization and to develop plans for an enhanced working relationship between the IRS and DOJ.

Representatives of the Tax Division are also liaison attorneys with the various regions of the OCDETF program and are formal members of its policy formation body, the Washington Agency Representative Group. In addition, the Tax Division is represented on the Domestic Terrorism Task Force chaired by the Terrorism Violent Crimes Section of the Criminal Division. Participation in these and other joint task forces enables the Tax Division to help formulate national programs, strategy and procedures in cooperation with other law enforcement components in a coordinated attack on financial crime.

**Data Definition:** *Legal source income cases encompass individuals or businesses engaged in legitimate activities to earn their income, who commit fraud by attempting to avoid payment of taxes on that legally acquired income.*

**Data Collection and Storage:** *TAX utilizes a case management system known as TaxDoc. The Division recently revised the complement of indicators that are tracked.*

**Data Validation and Verification:** *The are new procedures to collect and record pertinent data on activities related to specific issues enabling Section Chiefs to make projections and set goals based on complete, accurate and relevant statistics. On a quarterly basis, the Performance Management Committee reviews all the statistics.*

**Data Limitations:** *The Division lacks historical data on some activities that are now tracked in the new case management system. The new information system may cause variations in the way some statistics are presented.*