

**Fiscal Year 1998  
Annual Accountability Report  
U.S. Department of Justice**

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# 1998 Annual Accountability Report U.S. Department of Justice



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# Foreword

## To the Senate and the House of Representatives of the United States of America in Congress Assembled:

*This Annual Accountability Report highlights the accomplishments of the Department of Justice in fiscal year 1998, reflecting the dedication and expertise of the Department's employees and their commitment to the principles of justice and fair treatment for all Americans.*

*Serious crime continued to fall in the first half of 1998, marking the 6th consecutive year of this decline. Working with Federal, tribal, state, and local governments, Justice components carried out innovative initiatives to dismantle international and domestic drug trafficking and money laundering organizations, improve emergency response capabilities to domestic and international terrorist threats, protect the integrity and availability of the Nation's critical information infrastructures, and obtain restitution for crime victims. Department-led, multi-agency task forces focused their efforts on violent drug offenders, organized gangs, corrupt public officials, worker exploitation, and Indian Country crime.*

*The tragic loss of life and injuries at several of our Nation's schools in 1998 prompted President Clinton to direct the Departments of Justice and Education to develop an early warning guide to help adults reach troubled children more effectively. The guide was distributed to every school in the Nation for the fall term.*

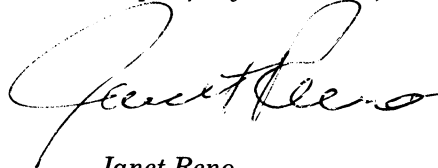
*The Community Oriented Policing Services Office added over 17,500 officers to our streets, bringing the ranks of funded community policing officers to more than 88,000, in support of the President's goal to fund 100,000 cops on the beat by the year 2000.*

*Legislation passed in 1998 supports our efforts to counter terrorism and espionage and fight crimes against women and children. The Department also supported passage of the Alternative Dispute Resolution Act of 1998, a statute designed to help prevent wasteful and protracted litigation from clogging our court system.*

*Also, this year, I am pleased to provide reasonable assurance that our management control and financial systems, taken as a whole, met the objectives of Sections 2 and 4 of the Federal Managers' Financial Integrity Act. While we still have a number of material challenges to resolve, the Department is steadily improving in this area.*

*This report is on the Department's web site at [www.usdoj.gov](http://www.usdoj.gov).*

Respectfully submitted,



Janet Reno

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# Introduction

## Overview of the Department of Justice

The Attorney General enforces Federal laws and contributes to the fair and efficient administration of the Federal justice system. To do this, the Attorney General directs the activities of the more than 121,300 attorneys, law enforcement professionals, and other employees of the U.S. Department of Justice (the Department). This Annual Accountability Report summarizes the Department's performance and major accomplishments during 1998.<sup>1</sup>

The responsibilities of the Department are wide-ranging. They include detecting, apprehending, prosecuting, and incarcerating criminal offenders; upholding the civil rights of all Americans; enforcing laws to protect the environment; ensuring healthy business competition in our free enterprise system; safeguarding the consumer from fraudulent activity; enforcing the immigration laws of the United States; and representing the American people in all legal matters involving the U.S. Government. The components of the Department, shown on the following organizational chart, carry out these responsibilities. Among these components are the major law enforcement agencies—the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), the United States Marshals Service (USMS), the Immigration and Naturalization Service (INS), and the Bureau of Prisons (BOP)—the litigating components, i.e., the legal Divisions and the U.S. Attorneys; and the Office of Justice Programs (OJP) and the Community Oriented Policing Services (COPS) Office.

Although the Department is headquartered in Washington, DC, most of its work takes place outside of Washington. As a result, most of its employees are located in any of roughly 2,700 Department installations around the country (which range from a one- or two-person border station to a large Division office in a major city) or in one of more than 74 foreign cities.

The Department of Justice had a budget of more than \$20 billion in 1998, a 7-percent increase over last year's budget of \$18.7 billion. This increase was due largely to the Department receiving targeted increases in OJP grants and in drug, counterterrorism, and immigration programs.

In an attempt to bring cohesion to the Department's many mandatory planning and reporting documents, and to make these documents more useful, the format of the *FY 1998 Annual Accountability Report of the Department of Justice* aligns with the

### Mission

**T**o enforce the law and defend the interests of the United States according to the law, to provide Federal leadership in preventing and controlling crime, to seek just punishment for those guilty of unlawful behavior, to administer and enforce the Nation's immigration laws fairly and effectively, and to ensure fair and impartial administration of justice for all Americans.

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<sup>1</sup> This report covers fiscal year (FY) 1998, which began on October 1, 1997, and ended on September 30, 1998. All references to years indicate fiscal years unless otherwise noted.

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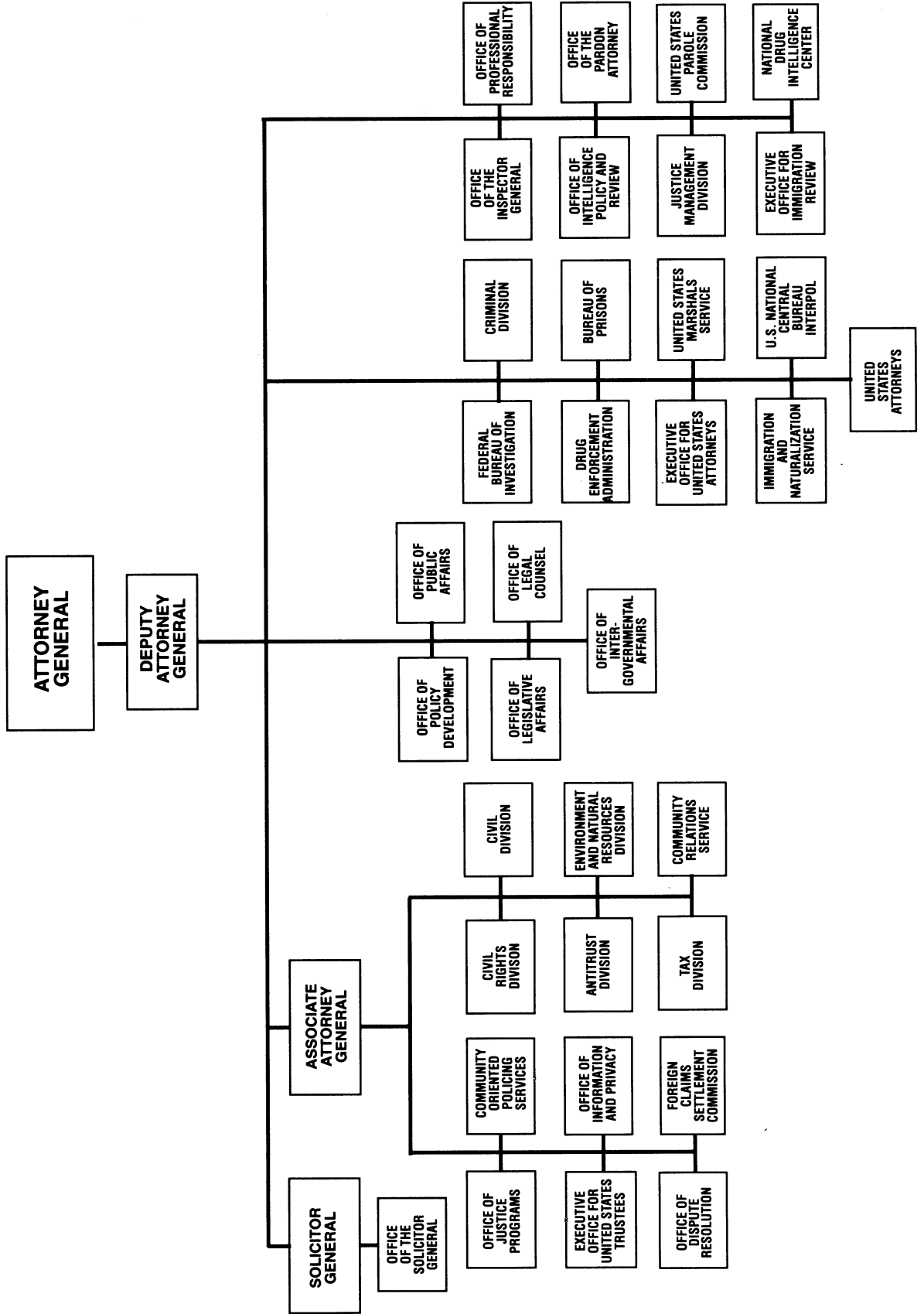
Department's core functions and related goals as delineated in its Strategic Plan. The Strategic Plan sets out the broad direction for the Department and provides performance indicators for measuring its progress. To provide consistency in the Department's planning and reporting efforts, these seven core functions also serve as chapter divisions for the present Annual Accountability Report. Further, the Department's *FY 1998 Annual Financial Statement* is included intact as the final chapter. The report is organized as follows:

- Chapter I: Investigation and Prosecution of Criminal Offenses
- Chapter II: Assistance to Tribal, State, and Local Governments
- Chapter III: Legal Representation, Enforcement of Federal Laws, and Defense of U.S. Interests
- Chapter IV: Immigration
- Chapter V: Detention and Incarceration
- Chapter VI: Protection of the Federal Judiciary and Improvement of the Justice System
- Chapter VII: Management
- Chapter VIII: Annual Financial Statement

Each chapter examines ways in which the Department, through the work of its various component agencies, has made progress over the past year towards achieving the performance goals associated with each core function. Also identified in each chapter, in compliance with the Federal Manager's Financial Integrity Act (FMFIA), are "management challenges," or areas that raise particular FMFIA issues for management. In addition to identifying problems associated with a particular Department function or program, the report also offers solutions for overcoming identified management challenges and describes progress being made toward that end.

Three appendices include (1) a glossary of the abbreviations and acronyms used in this report, (2) criminal caseload statistical reports on intellectual property crimes with related information from the U.S. Attorneys, and (3) an index of justice component web sites.

# U.S. Department of Justice





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## Highlights of 1998 Accomplishments

### Investigation and Prosecution of Criminal Offenses

- In the first half of 1998, serious crime continued to fall, as it has for the past 6 years in a row. The Department worked closely with state and local law enforcement agencies, using a coordinated approach to combat crime. The Federal Bureau of Investigation's (FBI's) Safe Streets program, which targets violent gangs in city, suburban, and rural areas, achieved more than 12,000 arrests nationwide. The Drug Enforcement Administration's (DEA's) Mobile Enforcement Team program concluded 34 cases in 1998, taking more than a ton of drugs and 2,250 dealers off the streets.
- In Operation Reciprocity, the FBI and DEA, together with the U.S. Customs Service, arrested more than 50 people for drug trafficking along the Southwest border, seizing tons of cocaine.
- The Unabomber pleaded guilty and was sentenced to life in prison.
- The Department's enforcement efforts placed a special emphasis on the continued threat presented by Iraq, Iran, and Libya in the area of nuclear and conventional weapons procurement and chemical and biological weapons endeavors.
- The United States obtained custody in 1998 of Mohammed Rashed, charged with the 1982 terrorist bombing of Pan American Flight 830 en route from Tokyo to Honolulu. He is currently awaiting trial on murder charges.
- The FBI strengthened its programs to prevent and combat terrorism. Shortly after United States embassies in Kenya and Tanzania were bombed, three suspects were taken into custody and indicted in the cases. Also, charges were filed in the fatal bombing at Centennial Olympic Park during the Olympic Games.

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## **Assistance to Tribal, State, and Local Governments**

- In 1998, the Department awarded more than three times the money and twice the number of grants awarded last year under the Rural Domestic Violence and Child Victimization Enforcement Grant Program. A total of \$19.4 million went to 62 jurisdictions to help women and children affected by domestic violence. Another 90 jurisdictions received \$53.8 million to help investigate and prosecute domestic violence as a serious crime.
- The Community Oriented Policing Services Office awarded nearly \$1.2 billion in grants to put more than 17,500 officers on the streets, bringing the ranks of community policing officers funded to 88,112. The Department is ahead of schedule and under budget in its commitment to fulfilling the President's goal of adding 100,000 community policing officers to our Nation's streets.
- In an effort to better coordinate and optimize the resources of the various law enforcement agencies in certain areas of Indian Country, five Safe Trails Task Forces were made operational there to address drug trafficking, violent gang and non-gang activity, and crimes against children.

## **Legal Representation, Enforcement of Federal Laws, and Defense of U.S. Interests**

- The Department's Antitrust Division obtained a record \$267 million in criminal fines and had a record year in its merger enforcement activities, challenging 51 mergers either formally or informally, including the largest merger to have been successfully challenged in American history. It also obtained the largest divestiture in any merger case.
- In March 1998, the Foreign Claims Settlement Commission settled claims filed in its Holocaust Survivors Claims Program by U.S. nationals who suffered "loss of liberty or damage to body or health" from being in concentration camps.
- The Department's Civil Division gained its first significant success in the massive and protracted Winstar litigation, achieving four favorable settlements and averting the payment of over \$1 billion in unmeritorious claims.
- In its heightened efforts to combat health care fraud, the Department secured \$253 million in judgments and settle-

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ments. Topping these efforts was a \$140 million settlement with Health Care Service Corporation, the Medicare carrier for Michigan and Illinois, to resolve allegations of fraud.

- The Tax Division successfully prosecuted the largest motor fuels excise tax case to date, which involved an attempt by organized crime figures to evade \$140 million in taxes.
- The Environment Division made significant progress in the battle for cleaner air by obtaining \$1 billion in settlements with diesel engine manufacturers and historic settlements with Honda and Ford. In partnership with the U.S. Environmental Protection Agency, the Department participated in the Mississippi River Basin Initiative, a comprehensive Federal effort to keep illegal pollution out of the river and restore it and surrounding communities to their historic grandeur.
- The Civil Rights Division reached settlements with national restaurant and hotel chains, ensuring greater access for Americans with disabilities. The Division also established two new task forces to combat worker exploitation and abortion clinic violence.

## Immigration

- In 1998, the Immigration and Naturalization Service (INS) increased the number of deportable or inadmissible aliens it removed from the United States by 48 percent over the previous year. Largely as a result of the expedited removal program, INS exceeded its goal by a third, achieving 170,574 final order removals. Sustained focus on the removal of criminal aliens yielded 55,776 removals, marking the first time INS has removed more than 55,000 criminal aliens in a fiscal year.
- Since 1993, INS has undertaken an ambitious hiring initiative that is in its 5th year. As a result, the number of full-time permanent INS staff has increased by more than two-thirds, from 17,163 in 1993 to 28,941 in 1998. Even in a tight labor market with low unemployment, INS sustained its hiring momentum, adding 2,957 new staff in 1998.
- The INS, in cooperation with other Federal agencies and foreign governments, dismantled a multimillion-dollar alien smuggling ring whose operations spanned four continents, the largest alien smuggling organization ever dismantled in the United States.
- The Department succeeded in getting provisions of the Illegal Immigration Reform and Immigrant Responsibility Act upheld through the dismissal of a longstanding 45,000-member class action.

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## **Detention and Incarceration**

- The Federal Bureau of Prisons activated five new facilities and increased inmate housing at existing institutions, ensuring sufficient prison space so that violent and serious criminal offenders are imprisoned to the fullest extent of the law.

## **Protection of the Federal Judiciary and Improvement of the Justice System**

- The U.S. Marshals Service (USMS) helped to secure more than 57,000 criminal trials, including the Oklahoma City and World Trade Center bombing trials.
- The Department continued to place a high priority on development of technology. Programs include pioneering work in DNA identification of violent offenders and progress on developing an automated fingerprint identification system.
- Parole hearings were opened up so that victims could attend or provide input.
- In an effort to reduce violent crime by parolees in the District of Columbia, the U.S. Parole Commission has devised an improved point score system to replace the system used by the DC Parole Board. This improved scoring system will identify and disable those offenders with a high probability of serious recidivism. The Department coordinated the transition from the DC Parole Board to the Parole Commission of all DC offenders eligible for parole or reconsideration as of August 5, 1998.
- The Department prevailed in several high-profile cases in which major law firms were required to disgorge or reduce their fees because they failed to inform the bankruptcy court of actual or potential conflicts in legal representation, as required under the Bankruptcy Code. The U.S. Trustee Program worked with U.S. Attorneys to obtain bankruptcy fraud convictions of “bankruptcy foreclosure scam” operators, who unlawfully used the bankruptcy system to prey upon hundreds of financially distressed families facing home foreclosure.