

II

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

49% of the Department's Net Costs support this Goal.

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

FY 2012 Outcome Goal: Dismantle a cumulative total of 212 organized criminal enterprises (FY 2007-2012)

FY 2007 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The FBI's investigative subprograms that focus on criminal enterprises involved in sustained racketeering activities and that are mainly comprised of ethnic groups with ties to Asia, Africa, Middle East, and Europe are consolidated into the Organized Criminal Enterprise Program. Organized criminal enterprise investigations, through the use of the Racketeering Influenced Corrupt Organization (RICO) statute, target the entire entity responsible for the crime problem. With respect to groups involved in racketeering activities, the FBI focuses on: the La Cosa Nostra (LCN), Italian and Balkan organized crime groups, Russian/Eastern European/Eurasian criminal enterprises, Middle Eastern criminal enterprises, and Asian criminal enterprises. Additionally, the FBI investigates Nigerian/West African criminal enterprises that are involved in a myriad of criminal activities.

Performance Measure: Number of Organized Criminal Enterprises Dismantled

FY 2006 Revised Actual: 36 (Previous Actual: 25)

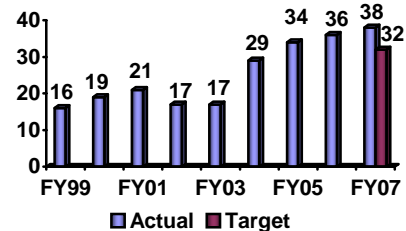
FY 2007 Target: 32

FY 2007 Actual: 38

Discussion of FY 2007 Results: The FBI met its target for this measure in FY 2007. Of the notable accomplishments during FY 2007:

FBI New York Division: Along with the U.S. Department of Labor, New York State Organized Crime Task Force, New York State Police, and the Rockland County District

Number of Organized Criminal Enterprises Dismantled



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

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

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. The data are subsequently verified through the FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data are traced back to source documents contained in FBI files.

Data Limitations: FBI field personnel are required to enter accomplishment data within 30 days of the accomplishment or a change in the status of an accomplishment, such as those resulting from appeals. Data for this report are compiled less than 30 days after the end of the fiscal year, and thus may not fully represent the accomplishments during the reporting period. FY 2006 data subject to this limitation were revised during FY 2007.

Attorney's Office executed arrest warrants on 31 members and associates of the Colombo LCN Family on charges ranging from violating the RICO and Hobbs Acts to participating in an illegal gambling business, extortion, extortionate extension of credit (loan sharking), commercial bribery, and wire and mail fraud. To date, 27 out of the 31 defendants have been convicted;

FBI Miami Division: Dismantled a cell of approximately 9 individuals closely associated with the Rizzuto Crime Family based in Montreal, Canada. They were indicted for developing a cocaine and heroin smuggling cell that shipped heroin from Eastern Europe and cocaine from South America to South Florida. The South Florida cell then arranged for tractor trailers with hidden compartments to transport the drugs to Montreal, Canada; and

FBI Chicago Division: Initiated an investigation based on information received from multiple sources regarding the distribution of methamphetamine, cocaine, and ecstasy in the Filipino Community in Chicago. Currently, Chicago has the third largest Filipino population in the United States. The source identified the leader of the drug distribution network and as a result, five subjects were charged, arrested and convicted. The criminal enterprise linked to the original targets was dismantled following their guilty pleas.

FY 2012 Outcome Goal: Shut down a cumulative total of 6,000 websites or web hosts (FY 2007-2012)
FY 2007 Progress: The Department is on target to achieve this long-term goal.

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

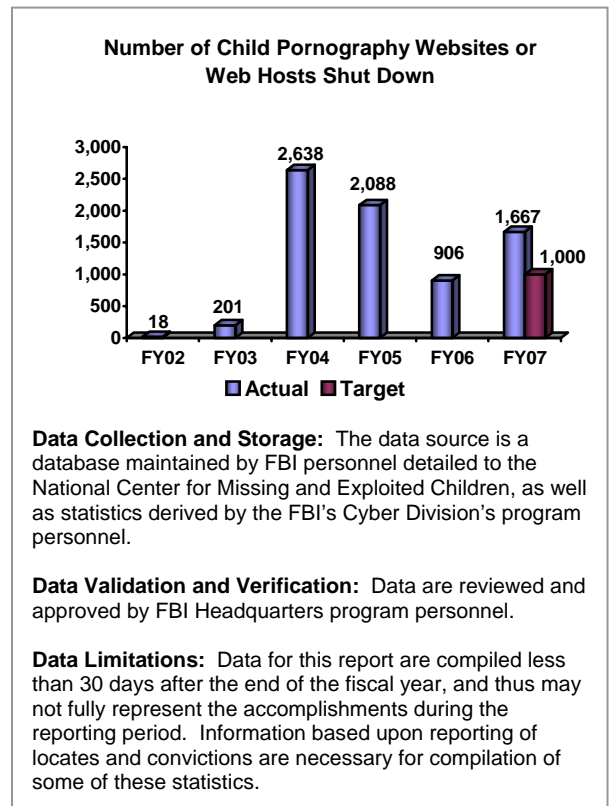
Performance Measure: Number of Child Pornography Websites or Web Hosts Shut Down

FY 2007 Target: 1,000
FY 2007 Actual: 1,667

Discussion of FY 2007 Results: A website/web host gets shut down at the request of the FBI once a subpoena is served to obtain information on who is responsible for the illicit content. Often the subpoena would be the factor that alerted the Internet Service Provider (ISP) of the illegal content. The reported websites/web hosts shut down by the FBI's staff, assigned to the National Center for Missing and Exploited Children (NCMEC), account for approximately half of the FBI's reported totals. According to the Innocent Images FBI Supervisor detailed to NCMEC, ISPs are now getting in compliance with the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today (PROTECT) Act and this compliance has led to several changes that have reduced the way that the FBI receives data on the number of websites shut down:

The largest ISPs that offenders host child pornography websites on, including America On Line (AOL) and Yahoo, are now aggressively and automatically shutting down the website upon confirmation of illicit material. Previously ISPs waited for the FBI and other law enforcement to investigate and request the website be shut down. The ISPs continue to report the website to the NCMEC to fulfill their reporting obligations, but the number of reports where the website is still active by the time the lead is referred to the FBI has significantly decreased;

FBI subpoenas to effect the shutting down of a website typically contained only a few websites on each subpoena to shut down. This was due to the fact that NCMEC's reporting mechanism only allowed ISPs to make a few reports per tip submitted. However, NCMEC recently changed their submission form to allow ISPs to include many more reports per tip submitted. This allows greater efficiency and reduced duplication of reporting by the ISPs. It also provides more viable leads to the FBI at one time that can be contained in the same subpoena. This results in less subpoenas being served, but those that are served shutdown more websites. This method of serving subpoenas is much more efficient, but decreased the number of subpoenas served on each ISP, which are currently the only data available used to track this measure; and



Several FBI Divisions reported that it has become common practice for the FBI to request that citizens refer their complaints directly to NCMEC, since they can efficiently triage these tips. Therefore some of the complaints that previously went to the FBI are now directed to NCMEC. This shift in procedures ensures that the NCMEC does not send out leads that were already referred to other qualified law enforcement agencies to avoid duplication of efforts. NCMEC will only refer a lead to the FBI if an administrative subpoena is required.

The FBI is exploring alternative methods to track accomplishments in the fight against child pornography and those who use computers to commit sexual exploitation offenses against children.

FY 2012 Outcome Goal: Increase the percentage of criminal investigations to 62% resulting in referrals for prosecution (FY 2007-2012)
FY 2007 Progress: The Department is on target to achieve this long-term goal.

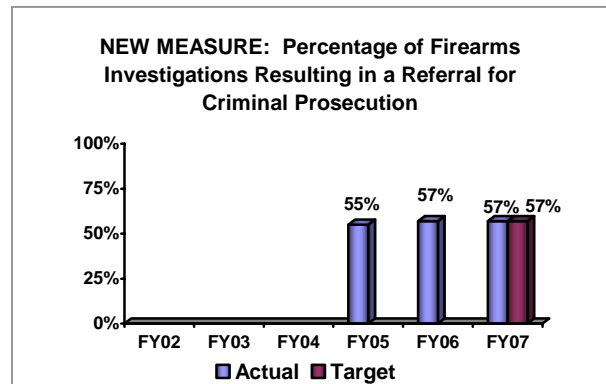
Background/Program Objectives: Violent firearms crime remains a significant and complex domestic problem, fueled by a variety of causes that vary from region to region. The common element, however, is the relationship between firearms violence and the unlawful diversion of firearms out of commerce into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

Partnering with law enforcement agencies and prosecutors at all levels to develop focused strategies to investigate, arrest, and prosecute violent offenders, persons prohibited from possessing firearms, domestic and international firearms traffickers, violent gangs, and others who attempt to illegally acquire or misuse firearms;

Assisting the law enforcement community in identifying firearms trafficking trends and resolving violent crimes by providing automated firearms ballistics technology, tracing crime guns, and developing advanced firearms investigative techniques;

Ensuring that only qualified applicants who meet the eligibility requirements of the law enter the regulated firearms industry by employing appropriate screening procedures prior to licensing;

Inspecting firearms dealers to identify any illegal purchases or diversion of firearms to criminals and to ensure the accuracy of records used in tracing firearms. ATF ensures that firearms industry members comply with the Gun Control Act, the National Firearms Act, and the Arms Export Control Act;



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

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

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

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

Keeping restricted firearms such as machineguns out of the hands of prohibited persons by performing criminal records checks on applicants. ATF maintains the accuracy and integrity of the National Firearms Registration and Transfer Record so that the location and ownership of restricted firearms are kept current;

Ensuring that only firearms that are legally importable under ATF and State Department rules are imported into the United States and are properly marked and recorded by the importer for sale domestically;

Collaborating with schools, law enforcement agencies, community organizations, and the firearms industry to implement educational programs which help reduce firearms violence; and

Informing the public and firearms industry about ATF policies, regulations, and product safety and security, so that they can better comply with the law. To do so, ATF uses diverse communication methods such as the Internet, trade and community publications, seminars, and industry meetings.

Performance Measure: NEW MEASURE: Percentage of firearms investigations resulting in a referral for criminal prosecution.

FY 2007 Target: 57%

FY 2007 Actual: 57%

Discussion of FY 2007 Results: ATF met its target goal of the percentage of investigations within the firearms programs area that resulted in a defendant being referred for criminal prosecution. Meeting this measure reflects the impact ATF has towards reducing firearms violence in targeted violent cities across America. ATF is the federal law enforcement agency with unique expertise and statutory authority to enforce federal firearms laws and meeting this goal shows that ATF reduces firearms violence through investigations and their resulting law enforcement consequences (specifically the referral of criminals for prosecution).

ATF has been at the forefront of efforts across the country to reduce violent crime involving firearms. ATF actively initiated investigations against violent offenders and firearms traffickers and provided key services to its law enforcement partners. The following case examples highlight ATF's FY 2007 efforts:

Chicago, Illinois and Mississippi: In February 2007 a 2-year ATF firearms trafficking investigation resulted in the arrests of 19 defendants in Chicago and northern Mississippi. ATF agents in Chicago and New Orleans worked with the Illinois State Police, the Chicago Police Department, the United States Marshals Service, and the Mississippi Bureau of Narcotics to arrest these defendants, who are charged with conspiring to illegally purchase firearms in pawn shops and gun stores in Clarksdale and Tunica, Mississippi, transport the firearms to Chicago, and distribute the firearms to members of Chicago street gangs. The members of the conspiracy are alleged to have transported in excess of 100 firearms from Mississippi to Chicago between August 1999 and April 2005. Some of those illegally purchased guns were later recovered at crime scenes. This investigation and prosecution is ongoing.

Nashville, Tennessee: In January 2007, 13 members of the Mara Salvatrucha (MS)-13 street gang were arrested and indicted following a year-long joint investigation conducted by ATF and the Nashville Metropolitan Police Department. During the course of the investigation, information was developed linking Nashville-based MS-13 members and associates with seven shootings, three alleged murders, several planned murders, threats and intimidation, and many other significant violent crimes occurring in 2006. The defendants were indicted on racketeering conspiracy charges. If convicted, the defendants face a maximum penalty of life in prison on the RICO conspiracy charges.

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

FY 2012 Outcome Goal: Develop meaningful baselines for the supply of drugs available for consumption in the United States (FY 2007-2009). Achieve a 6% reduction in the supply of illegal drugs (FY 2010-2012) available for consumption in the United States using the baseline established by the close of FY 2009
FY 2007 Progress: The Department is on target to achieve this long-term goal by establishing a baseline by FY 2009.

Background/Program Objectives: Measuring reduction in the drug supply is a complex process because supply reduction is a reflection of a number of factors. Drug seizures, eradication efforts, precursor chemical interdictions, cash and asset seizures, increased border/transportation security, international military operations, social and political forces, climatic changes, and even natural disasters all impact the drug supply at any given time. The Department's strategy focuses on incapacitating entire drug networks by targeting their leaders for arrest and prosecution, by disgorging the profits that fund the continuing drug operations, and eliminating the international supply sources. These efforts ultimately have a lasting impact upon the flow of drugs in the United States, although the results are not easily measurable in a single year. Accordingly, the Department recently reexamined its approach related to this goal and set realistic milestones in the Department's FY 2007-2012 Strategic Plan. For FYs 2007-2009, the Department will report progress toward establishing meaningful baselines for the supply of drugs available for consumption in the United States. During FYs 2010-2012, the Department will focus on a targeted reduction in the supply of illegal drugs available for consumption.

Discussion of FY 2007 Results: Measuring reduction in the drug supply is a complex process reflecting of a number of factors outside the control of the drug enforcement. Moreover, the impact of enforcement efforts on drug supply and the estimated availability are currently not measurable in a single year. However, the Department is intent on achieving an interim goal of setting a baseline by the close of FY 2009. Once the baseline is set, the Department intends to achieve a 6 percent total reduction in the supply of illegal drugs available for consumption in the United States over the next three years.

FY 2012 Outcome Goal: Dismantle 1,260 Consolidated Priority Organization Target-linked drug trafficking organizations (FY 2007-2012). Disrupt 810 CPOT-linked drug trafficking organizations (FY 2007-2012)
FY 2007 Progress: The Department is not on target to achieve this long-term goal.

Background/Program Objectives: The Department focuses its drug law enforcement efforts on reducing the availability of drugs by disrupting and dismantling the largest drug supply and related money laundering networks operating internationally and domestically, including those on the Attorney General's Consolidated Priority Organization Target (CPOT) List. The first CPOT List was issued in September 2002 and is reviewed and updated bi-annually. The List identifies the most significant international drug trafficking and money laundering organizations and those primarily responsible for the Nation's drug supply. The Attorney General has designated the Organized Crime Drug Enforcement Task Force (OCDETF) Program as the centerpiece of DOJ's drug supply reduction strategy. The Program coordinates multi-agency and multi-jurisdictional investigations targeting the most serious drug trafficking threats. The OCDETF Program functions through the efforts of the United States Attorneys; elements of the Department's Criminal and Tax Divisions; the investigative, intelligence, and support staffs of the Drug Enforcement Administration (DEA); the Federal Bureau of Investigation; the Bureau of Alcohol, Tobacco, Firearms and Explosives; the United States Marshals Service; U.S. Immigration and Customs Enforcement; the U.S. Coast Guard; and the Internal Revenue Service. The OCDETF agencies also partner with numerous State and local law enforcement agencies.

The goal of each OCDETF investigation is to determine connections among related investigations nationwide in order to identify and dismantle the entire structure of the drug trafficking organizations, from international supply and national transportation cells, to regional and local distribution networks. A major emphasis of the Department's drug strategy is to disrupt financial dealings and to dismantle the financial infrastructure that supports these organizations. OCDETF has the greatest impact upon the flow of drugs through this country

when it successfully incapacitates the entire drug network by targeting and prosecuting its leadership and seizing the profits that fund continued operations.

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

FY 2006 Revised Actuals:

Disrupted: 189
 Dismantled: 93
 (Previous Actual: Disrupted: 183;
 Dismantled: 90)

FY 2007 Target:

Disrupted: 210
 Dismantled: 135

FY 2007 Actual:

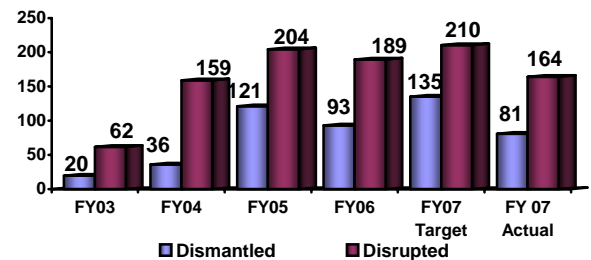
Disrupted: 164
 Dismantled: 81

Discussion of FY 2007 Results: The Department did not meet its ambitious targets for disrupting and dismantling CPOT-linked drug trafficking organizations in FY 2007. It is difficult to accurately predict how many disruptions and dismantlements of CPOT-linked organizations will occur in a given fiscal year because these statistics are inherently volatile from year to year. While the Department did not meet its expected targets in FY 2007, it still achieved significant results against these CPOT-linked organizations and the CPOTs themselves. In fact, the FY 2007 CPOT-linked dismantlements are more than double the number achieved in FY 2004, and historically unprecedented successes were recorded in FY 2007 against the leaders of some of the world’s most powerful drug-trafficking organizations, including the Gulf Cartel, the Tijuana Cartel, and the Norte Valle Cartel.

The Department continues to review its performance for this measure for FY 2007 versus FY 2005, which saw a record number of disruptions and dismantlements. The Department attributes the decline in this performance measure to three factors. First, the 46 targets on the FY 2007 CPOT List represent a much different group of organizations than was first placed on the list in FY 2003. When the CPOT List was first established, it contained many organizations that had been known to law enforcement for decades.

Investigations of these organizations were already quite mature, and, as a result, 522 CPOT-links had already been identified at the time the CPOT List was initially promulgated. As a result of the Department’s investigative and prosecutorial successes, only 18 of the original 53 targets remain on the FY 2007 CPOT List.

CPOT-Linked Drug Trafficking Organizations Disrupted and Dismantled



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

Data Collection and Storage: Investigations may be linked to a CPOT organization at any time during the investigation. Once the link is verified, a specific code or other identifier is assigned to the investigation. Accordingly, data on this performance measure may lag behind actual identification of the link by the investigative agency. The investigation is tracked as “CPOT-linked” by the agency and within the OCDETF management information system.

Data Validation and Verification: The CPOT List is updated semi-annually. Each OCDETF agency has an opportunity to nominate targets for addition to/deletion from the List. Nominations are considered by the CPOT Working Group (made up of mid-level managers from the participating agencies). Based upon the Working Group’s recommendations, the OCDETF Operations Chiefs decide which organizations will be added to/deleted from the CPOT List. Once a CPOT is added to the List, OCDETF investigations can be linked to that organization. The links are reviewed and confirmed by OCDETF field managers using the OCDETF Fusion Center, agency databases, and intelligence information. Field recommendations are reviewed by the OCDETF Executive Office. In instances where a link is not fully substantiated, the sponsoring agency is given the opportunity to follow-up. Ultimately, the OCDETF Executive Office “un-links” any investigation for which sufficient justification has not been provided. When evaluating disruptions/dismantlements of CPOT-linked organizations, OCDETF verifies reported information with the investigating agency’s headquarters.

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

The FY 2007 CPOT List consists largely of targets that have been more recently identified by law enforcement. With respect to these newer CPOT targets, it has taken longer to identify subsidiary organizations linked to the CPOT itself to reach the point of achieving disruption or dismantlement of those linked organizations. Accordingly, from FY2004 to FY2007 the Department has witnessed a 36 percent drop in newly-identified CPOT links.

Second, the investigations against these targets have become more complex. CPOT level organizations have learned from law enforcement's past successes, and have adjusted their operations to thwart law enforcement efforts. Law enforcement has been forced to pursue more complex investigative techniques to achieve a lasting impact against these organizations. This inherently takes more time. Pursuing such things as electronic surveillance and in-depth financial investigations has permitted the Department to continue, and even to improve upon, its success in permanently dismantling major drug trafficking organizations. However, these sophisticated techniques are more time intensive. For instance, DEA reports that the average number of days that their CPOT-linked investigations are open has increased by 67 percent since FY 2005.

Finally, the Department has very specific standards for claiming a "CPOT-link". As a result of these high standards, it is taking a significant number of investigative hours to uncover the information necessary to substantiate a link. Although the CPOT disruptions and dismantlements are lower than estimated, law enforcement efforts are having a profound impact as evidenced by a record of cash forfeitures, and the fact that cocaine prices have increased while purity has decreased.

FY 2012 Outcome Goal: Neutralize a cumulative total of 78 high-impact Internet fraud targets (FY 2007-2012)

FY 2007 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Internet fraud is any scam that uses one or more components of the Internet to present fraudulent solicitations to prospective victims, conduct fraudulent transactions, or transmit the proceeds of fraud to financial institutions or others that are connected with the scheme. Identity theft and Internet auction fraud are problems that plague millions of U.S. victims, and the threat of illegitimate online pharmacies exposes the American public to unregulated and often dangerous drugs.

The FBI and National White Collar Crime Center partnered in May 2000 to support the Internet Crime Complaint Center (IC3). For victims of Internet crime, IC3 provides a convenient and easy way to alert authorities of a suspected violation. For law enforcement and regulatory agencies, IC3 offers a central repository for complaints related to Internet crime, uses the information to quantify patterns, and provides timely statistical data of current trends. In addition, the FBI uses synchronized, nation-wide takedowns (i.e., arrests, seizures, search warrants, indictments) to target the most significant perpetrators of on-line schemes.

Performance Measure: TITLE REFINED: Number of High-Impact Internet Fraud Targets Neutralized

FY 2006 Revised Actual: 9

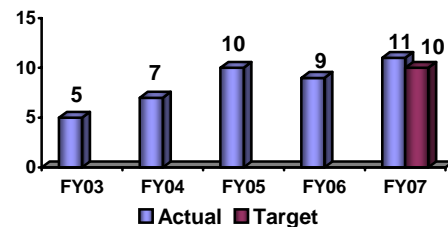
(Previous Actual: 7)

FY 2007 Target: 10

FY 2007 Actual: 11

Discussion of FY 2007 Results: The FBI met its FY 2007 target for this measure. One of the notable cases in FY 2007 involved Robert Alan Soloway, a man described as one of the world's top spammers. Soloway was able to send millions of unsolicited e-mails advertising his Websites by utilizing networks of compromised computers, or botnets. Recipients who clicked on a link in the e-mail were directed to his Web site, where he advertised two types of services. In one, he would agree to send out as many as 20 million e-mail advertisements over 15 days for \$495. In another, he would offer to sell software the buyer could use to "broadcast" e-mails to 80 million e-mail addresses. He falsely claimed the e-mail addresses were all legal from people who had chosen to receive his solicitations. Soloway was arrested on May 29, 2007, a week after a federal grand jury returned a 35-count indictment charging him with mail fraud, wire fraud, e-mail fraud, aggravated identity theft, and money laundering. Another case involved brothers Bartholomew and Steven Stephens, who spoofed a Salvation Army Web site during the aftermath of Hurricane Katrina in order to divert hurricane relief donations to their PayPal accounts. The brothers were able to collect \$48,000 fraudulently in the name of Hurricane Katrina relief. After an FBI investigation, arrest, and criminal trial, the Stephens were found guilty on all nine counts of conspiracy, wire fraud, and aggravated identity theft on June 14, 2007.

TITLE REFINED: Number of High-Impact Internet Fraud Targets Neutralized



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

Data Collection and Storage: The data source is a record system maintained by the IC3. The list of targets is updated each year. The IC3 maintains a complaint database that receives input from the FBI's public website, <http://www.ic3.gov>. Complaints are also referred through industry subject matter experts, who use a secure listserv/message board established to facilitate information exchange.

Data Validation and Verification: Targets are determined by subject matter expert teams at the IC3 and approved by the Unit Chief. IC3 staff maintains the list and determine when a target has been the subject of a take-down. During FYs 2003-2006 data were recorded as the measure "Number of Top-Ten Internet Targets Neutralized."

Data Limitations: None known at this time.

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

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

U.S. citizens and businesses lose billions of dollars each year to criminals engaged in non-violent fraudulent enterprises. The globalization of economic and financial systems, technological advances, declining corporate and individual ethics, and the sophistication of criminal organizations has resulted in annual increases in the number of illegal acts characterized by deceit, concealment, or violations of trust. The loss incurred as a result of these crimes is not merely monetary. These crimes also contribute to a loss of confidence and trust in financial institutions, public institutions, and industry.

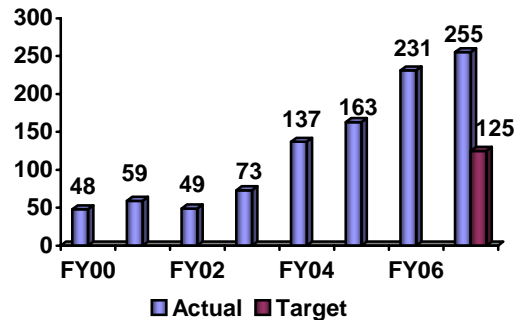
Performance Measure: Number of Criminal Enterprises Engaging in White-Collar Crimes Dismantled

FY 2006 Revised Actual: 231 (Previous Actual: 206)

FY 2007 Target: 125

FY 2007 Actual: 255

Number of Criminal Enterprises Engaging in White-Collar Crimes Dismantled



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

Data Collection and Storage: The data source is the FBI's Integrated Statistical Reporting and Analysis Application ISRAA database. 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 the FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data in ISRAA are tracked back to source documents contained in FBI files.

Data Limitations: FBI field personnel are required to enter accomplishment data within 30 days of the accomplishment or a change in the status of an accomplishment, such as those resulting from appeals. Data for this report are compiled less than 30 days after the end of the fiscal year, and thus may not fully represent the accomplishments during the reporting period. FY 2006 data subject to this limitation were revised during FY 2007.

Discussion of FY 2007 Results: The FBI met and surpassed the target for this measure. Notable accomplishments for FY 2007 include the following:

Qwest Communications International, Inc. (Qwest): The investigation of Qwest's Chief Executive Officer, Joseph Nacchio, and Chief Financial Officer, Robin Szeliga, was one of the largest insider trading cases ever prosecuted. The investigation began in June 2002 amid allegations that company executives had improperly stated revenue, lied to accountants and engaged in insider trading. Qwest ultimately restated its 2000 and 2001 revenue by \$2.5 billion as a result of the fraud. In December 2006, Szeliga pled guilty to one count of insider trading and agreed to testify against Nacchio, who was later convicted on 19 counts of insider trading. On July 27, 2007, Nacchio was sentenced to six years imprisonment, a \$19 million fine and forfeiture in the amount of \$52 million. To date, five company executives have been convicted of charges related to the corporate fraud at Qwest.

Mutual Benefits Corporation (MBC): MBC was a viatical settlement (i.e., sale of a life insurance policy by its owner before it matures) company that sold interests in insurance policies to investors. In order to increase

profits for themselves, MBC executives falsified the life expectancies of the insured parties and paid kickbacks to physicians for signing fraudulent documents that were provided to investors. The scheme defrauded over 28,000 investors out of approximately \$956 million. To date, seven individuals have been convicted of securities fraud charges for their roles in the scheme, including former MBC president Peter Lombardi, who was sentenced to 20 years imprisonment in January 2007.

FY 2012 Outcome Goal: Favorably resolve 90% of Criminal Cases (litigating divisions)
FY 2012 Outcome Goal: Favorably resolve 80% of Civil Cases (litigating divisions)
FY 2007 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: Goal II of the Department's Strategic Plan describes the role of the Department as the Nation's chief litigator, representing the United States Government in court, enforcing federal civil and criminal statutes, including those protecting civil rights, safeguarding the environment, preserving a competitive market structure, and defending the public fisc against unwarranted claims. The Department's efforts fall into two general categories: criminal litigation and civil litigation.

Performance Measure: Percent of Cases Favorably Resolved

FY 2007 Target:

Criminal Cases: 90%

Civil Cases: 80%

FY 2007 Actual:

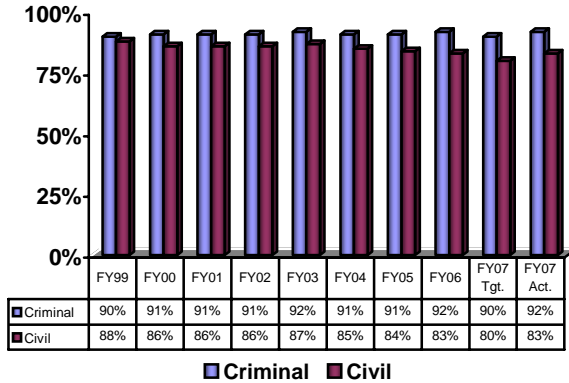
Criminal Cases: 92%

Civil Cases: 83%

Discussion of FY 2007 Results: Through the efforts of the Department's litigating attorneys, the Offices, Boards and Divisions (OBD) have consistently exceeded the targets for the percentage of criminal and civil cases resulting in court judgments that have been favorable to the government. The strong partnerships among the Department and other federal, State, and local investigators, OBD prosecutors, and dedicated staff have contributed to this extraordinary success rate.

As an example, in FY 2007, the Civil Division exceeded its target by defeating billions of dollars in unmeritorious claims and successfully defending the government in suits involving counterterrorism initiatives, federal policies and programs, military actions, and commercial activities. The Division also pursued affirmative litigation, which resulted in the return of billions of dollars to the Treasury, Medicare and other entitlement programs.

Percent of Cases Favorably Resolved



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

Data Collection and Storage: Data are currently captured within each component’s automated case management system and companion interface systems. Representatives from each component providing data for this measure are currently participating in a working group to build a litigation case management system (LCMS) to collect and manage case information. The working group is currently discussing and determining system controls and procedures to insure consistent reporting of data across components. Until LCMS is implemented, the following information about this measure should be noted. Currently, cases worked on by more than one component are included in the totals from CRM, CRT, ENRD, and EOUSA. Also, the court’s disposition date is used for reporting purposes for ATR, CIV, CRM, CRT, and ENRD, however, EOUSA and TAX use the date it is entered into their current case management system. Additionally, CIV counts at the party level, CRM, ENRD, and EOUSA counts cases at the defendant level, CRT and TAX count Civil and Criminal cases. Lastly, ATR includes Criminal, Civil, Civil Merger, and Civil Non-Merger, ENRD includes, affirmative, defensive, criminal, and condemnation cases in their totals. Once LCMS is fully implemented, all components will be using the same procedures for reporting.

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

Data Limitations: Data quality suffers from the lack of a single DOJ case management system and a standardized methodology for capturing case related data. Due to the inherent variances in data collection and management, cases may refer to cases or individuals. In addition, due to reporting lags, case closures for any given year may be under or over-reported. To remedy these issues, the Department is currently developing a LCMS to standardize methodologies between the components and capture and store data in a single database. Further, Criminal Division data for FYs 1999 through 2002 are estimates. Actual data are not available due to technical and policy improvements that were not implemented until FY 2003. Lastly, EOUSA data does not include information for the month of September 2005 for the Eastern District of Louisiana due to Hurricane Katrina.

FY 2012 Outcome Goal: Return 58% of assets/funds to creditors in Chapter 7 cases
FY 2012 Outcome Goal: Return 85% of assets/funds to creditors in Chapter 13 cases
FY 2007 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: The U.S. Trustee Program (USTP) was established nationwide (except in North Carolina and Alabama) in 1986 to separate the administrative functions from the judicial responsibilities of the bankruptcy courts and to bring accountability to the bankruptcy system. The USTP acts as the “watchdog” of the bankruptcy system and ensures that parties comply with the law and that bankruptcy estate assets are properly handled. The USTP appoints Trustees who serve as fiduciaries for bankruptcy estates and administer cases filed under Chapter 7 and Chapter 13. The U.S. Trustee regulates and monitors the activities of these private trustees and ensures their compliance with fiduciary standards. To promote the effectiveness of the bankruptcy system and maximize the return to creditors, the Department targets and reports the percent of assets/funds returned to creditors.

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

FY 2006 Target: Chapter 7: 55%
Chapter 13: 83%

FY 2006 Actual: Chapter 7: 63%
Chapter 13: 87%

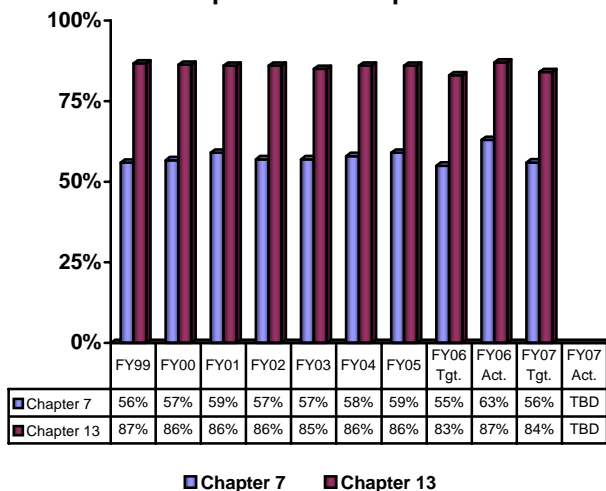
FY 2007 Target: Chapter 7: 56%
Chapter 13: 84%

FY 2007 Actual: Data not available until January 2008 for Chapter 7 and April 2008 for Chapter 13 because of the need to audit data submitted by private trustees prior to reporting.

Discussion of Results: In FY 2006, the USTP exceeded its target. The USTP utilizes a comprehensive process that ensures that cases filed each year are effectively and efficiently moved through the bankruptcy system. This includes following-up on deficiencies, ensuring that old cases are closed promptly, ensuring that assets are identified and distributed in a timely manner, and that action is initiated quickly when private trustees fail to comply with their obligations. In FY 2007, USTP’s civil enforcement efforts resulted in potential additional returns to creditors of \$870.6 million (Note: Total FY 2007 potential additional returns to creditors include dollar amounts associated with discharges under 11 U.S.C. 1328(f), a provision added to the Bankruptcy Code by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005).

In updating OMB’s Program Assessment Rating Tool information, the Program reevaluated its targets and workload, and subsequently revised the targets for this performance measure for FY 2007 and beyond. These more aggressive measures reflect the Program’s success in returning to creditors those funds available from the bankruptcy estate in Chapter 7 cases and by trust funds in Chapter 13 cases. The Program goal is to return the maximum amount possible, recognizing that certain legitimate expenses must be paid and that returning 100 percent of assets will never be possible. Funds not distributed to creditors may include private trustee compensation, professional fees and other costs of administering the bankruptcy case.

**Percent of Assets/Funds
Returned to Creditors for
Chapter 7 and Chapter 13**



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

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

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

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

FY 2012 Outcome Goal: Reduce homicides at Weed and Seed Program sites from 4.4 (CY 2005) to a maximum of 4.0 per Weed and Seed site by 2012
FY 2007 Progress: The Department is on target to achieve this long-term goal.

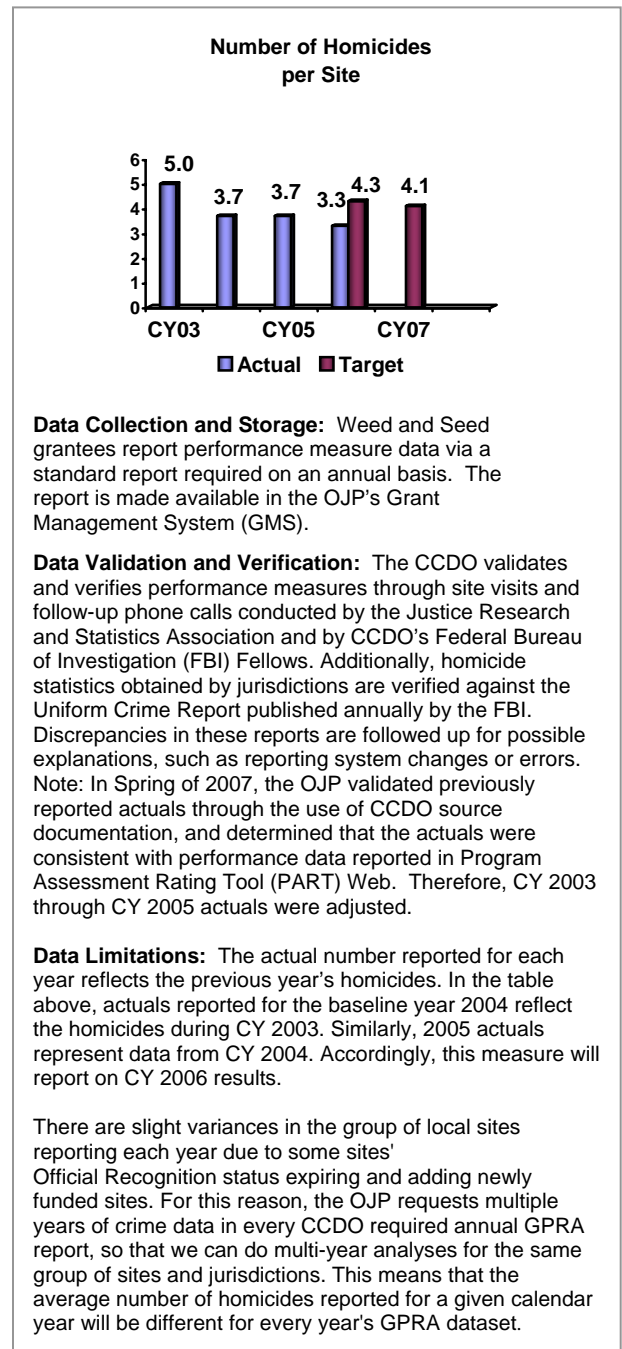
Background/Program Objectives: The Department’s Community Capacity Development Office (CCDO) administers the Weed and Seed program. The Weed and Seed program strategy is to assist communities in establishing strategies that link federal, State, and local law enforcement and criminal justice efforts with private sector and community efforts. It assists communities in “weeding out” violent crime, gang activity, drug use, and drug trafficking in targeted neighborhoods and then “seeding” the targeted areas with programs that lead to social and economic rehabilitation and revitalization. In addition to the weeding and seeding aspects of the strategy, the Weed and Seed sites engage in community policing activities that foster proactive police-community engagement and problem solving.

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

- CY 2003 Revised Actual:** 5.0 (previous actual: 4.6)
- CY 2004 Revised Actual:** 3.7 (previous actual: 4.5)
- CY 2006 Target:** 4.3 homicides per site
- CY 2006 Actual:** 3.3 homicides per site
- CY 2007 Target:** 4.1 homicides per site
- CY 2007 Actual:** Data for this measure is collected on a calendar year basis and will be available in October 2008.

Discussion of Calendar Year (CY) 2006 Results: The Department collects Weed and Seed program measure data from its sites on the measure, “Number of homicides per site (average for sites reporting).” The target for CY 2006 was to reduce the number of homicides per site to 4.3. Actual CY 2006 performance was approximately 3.3 homicides per site. The dataset analyzed is statistically small in terms of both actual data values (the average number of homicides per site is generally in the single or low two digits for most target areas) and the number of sites in the analysis, while substantial, is not large for a national sample of communities. Additionally, the magnitude of annual variations in the average number of homicides can be relatively large for the aggregate values that are being reported. The 2006 actual of 3.3 homicides per site represents 83.2 percent (247 sites divided by a total of 297 sites expected to submit reports) of the sites reporting as of September 2007.

Discussion of CY 2007 Results: Data for this measure is collected on a calendar year basis and will be available in October 2008.



FY 2012 Outcome Goal: Realize a 31% reduction in the Casework DNA backlog by FY 2012.
FY 2007 Progress: The Department is on target to achieve this long-term goal.

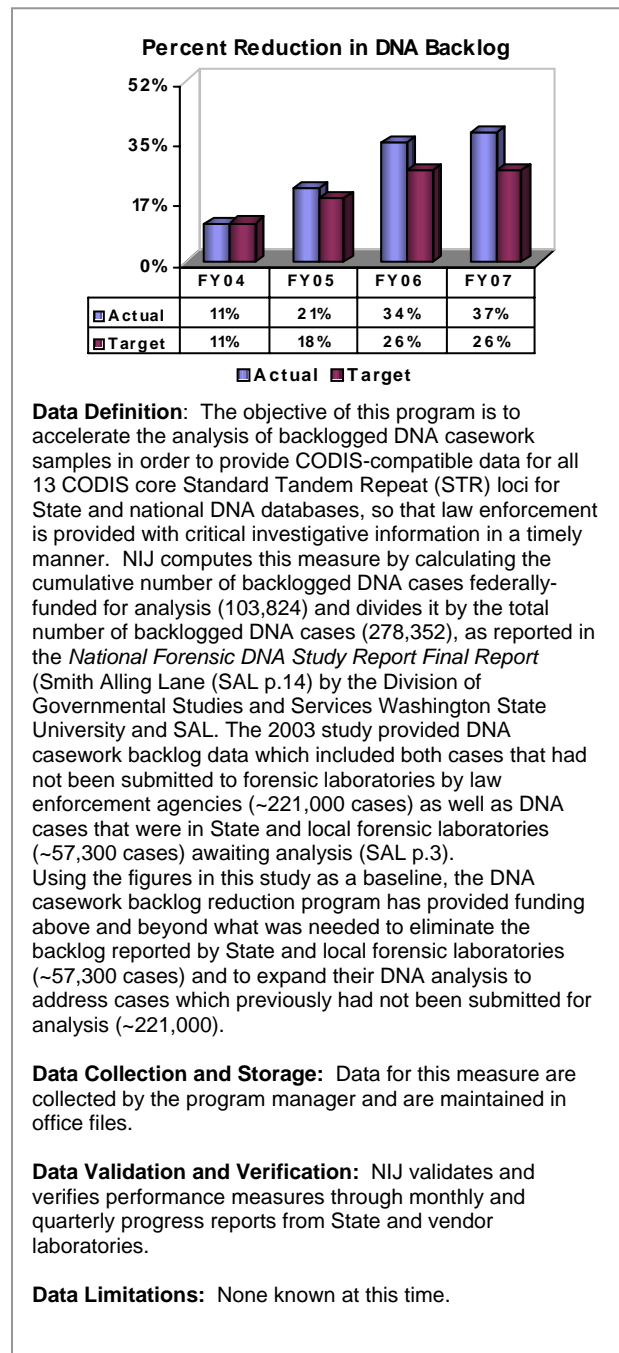
Background/Program Objectives: The Department’s National Institute of Justice (NIJ) administers the DNA Backlog Reduction Program. The DNA Backlog Reduction program exists to reduce the convicted offender DNA backlog of samples (i.e., physical evidence taken from a convicted offender, such as blood or saliva samples) awaiting analysis and entry into the Combined DNA Index System (CODIS). Reducing the backlog of DNA samples is crucial in supporting a successful CODIS system, which can solve old crimes and prevent new ones from occurring through more timely identification of offenders. Funds are targeted toward the forensic analysis of all samples identified as urgent priority samples (e.g., samples for homicide and rape/sexual assault cases) in the current backlog of convicted offender DNA samples. Due to ongoing legislative changes in qualifying offenses enacted at the State level (i.e., the addition of classes of offenses from which samples can be collected), the total population of samples collected is constantly growing.

Performance Measure: Percent Reduction in DNA Backlog

FY 2007 Target: Casework: 26%

FY 2007 Actual: Casework: 37%

Discussion of FY 2007 Results: OJP exceeded its target of a 26 percent reduction in DNA backlog for casework with an actual result of 37 percent, due to increased funding of \$10 million for this program. The additional funding allowed additional samples to be analyzed and reported. Outyear targets are difficult to estimate due to the direct relationship of funding to casework sample analysis. Additionally, the level of funding is not known at the time the targets are established.



FY 2012 Outcome Goal: Continue to ensure a 75% or greater recovery rate in the number of children recovered within 72 hours of the issuance of an Amber Alert through FY 2012
FY 2007 Progress: The Department is on target to achieve this long-term goal.

Background/Program Objectives: In October 2002, at the first White House Conference on Missing, Exploited, and Runaway Children, President George W. Bush directed the Attorney General to designate a DOJ official to lead the effort in expanding the AMBER Alert system nationwide. Since that time, the Assistant Attorney General for the Office of Justice Programs has served as the National AMBER Alert Coordinator.

Research shows that an abductor who intends to murder a child victim will likely do so within three to four hours following the abduction. To prevent this and other harm to the child, it is critical to post and resolve AMBER Alerts as soon as possible. Therefore, the AMBER Alert program supports training and technical assistance to State and regional AMBER Alert teams to encourage them to use the best practices available so that children can be located and reunited with their families as quickly as possible.

The substantial increase in the number of recovered children since the strategy was put in place is evidence that the program is working well. Since AMBER Alerts began in 1996, 360 children have been recovered. Over 90 percent of the total number of successful recoveries to date have occurred since October 2002, when AMBER Alerts became a coordinated national effort.

This progress is attributable to better coordination and training at all levels, increased public awareness, technological advances, and cooperation among law enforcement, transportation officials, and broadcasters. At the end of 2001, there were only four statewide plans, and now all 50 states have plans in place.

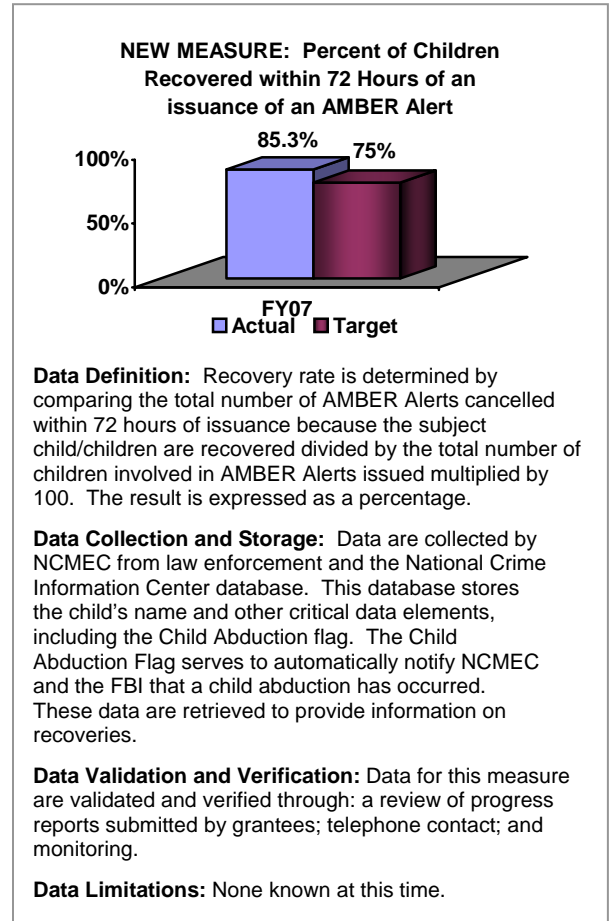
Performance Measure: NEW MEASURE: Percent of Children Recovered within 72 Hours of an issuance of an Amber Alert

FY 2007 Target: 75%

FY 2007 Actual: 85.3%

Discussion of FY 2007 Results: The target of 75 percent was exceeded by 10.3 percent. Contributing to achieving a result of 85.3 percent was the enhancement of the Secondary Distribution Provider system. This enhancement has added extra efficiencies for making the public more aware of existing and new alerts. Prior to the Secondary Distribution Provider system, the public was alerted through television or perhaps a highway road sign. Enhancing the Secondary Distribution Provider system has assisted in alerts being broadcast via email, internet, and cell phones. The utilization of these new methods of broadcast has increased public awareness and assisted with an increase in recoveries.

Additionally, in FY 2007, the AMBER Alert Program completed a number of activities: The following are actual results for various accomplishments that are tracked, based on the National Center for Missing & Exploited Children (NCMEC) monitored activity: Number of Participants Provided NCMEC-led AMBER Alert Training:



1,345; Number of Requestors Provided NCMEC-technical assistance: 5,245; AMBER Alert Secondary Distribution (Number of Secondary Notifications Issued): 180; and Number of Secondary Distribution Providers: 10 partners added for a total of 54.