

FY 2010
PERFORMANCE BUDGET
Congressional Submission



NATIONAL SECURITY DIVISION

U.S. Department of Justice

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I. Overview for the National Security Division

A. Introduction

For FY 2010, the National Security Division (NSD) requests a total of 346 permanent positions (236 attorneys), 346 FTE, and \$87,938,000 to combat terrorism and protect national security. This request represents a total increase of \$4,149,000 for adjustments-to-base.

The NSD is not requesting any enhancements for information technology (IT), although this request includes \$9,372,000, 6 FTE, and 6 positions for base IT activities.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <http://www.usdoj.gov/jmd/2010justification/>.

B. Background

The mission of the NSD of the Department of Justice (DOJ) is to carry out the Department's highest priority: to combat terrorism and other threats to national security. The NSD, which consolidates the Department's primary national security elements within a single Division, currently consists of the Office of Intelligence (OI); the Counterterrorism Section (CTS); the Counterespionage Section (CES); the Office of Justice for Victims of Overseas Terrorism (OVT); and the Law and Policy Office. This organizational structure ensures greater coordination and unity of purpose between prosecutors and law enforcement agencies, on the one hand, and intelligence attorneys and the Intelligence Community, on the other, thus strengthening the effectiveness of the Department's national security efforts.

The NSD is led by an Assistant Attorney General and supported by three Deputy Assistant Attorneys General, who oversee the NSD's four components. The NSD's major responsibilities include:

Intelligence Operations and Coordination:

- Represent the United States before the Foreign Intelligence Surveillance Court to obtain authorization under the Foreign Intelligence Surveillance Act of 1978 (FISA), as amended, for the United States government to conduct intelligence surveillance activities, such as electronic surveillance, physical searches, and pen registers and trap and trace devices;
- Obtain Attorney General authorization for the United States government to conduct intelligence activities in accordance with the provisions of Executive Order No. 12333, the Executive Order governing the intelligence activities of the United States;
- Coordinate and oversee intelligence-related litigation matters, including evaluating and reviewing requests to use information collected under FISA in criminal and non-criminal proceedings and to disseminate FISA information; and

- Serve, through the Assistant Attorney General for National Security, as the Department's primary liaison to the Director of National Intelligence.

Counterterrorism:

- Promote and oversee a coordinated national counterterrorism enforcement program, including the investigation and prosecution of international and domestic terrorism cases;
- Share information and trouble-shoot issues with prosecutors nationwide on terrorism matters, cases, and threat information, and establish and maintain an essential communication network between the Department of Justice and U.S. Attorneys Offices for the rapid transmission of information on terrorism threats and investigative activity;
- Share information and trouble-shoot issues with international prosecutors, agents, and investigating magistrates to assist in addressing international threat information and litigation initiatives;
- Provide training to prosecutors and investigators on cutting-edge tactics, substantive law, and relevant policies and procedures; and
- Ensure that the investigation and prosecution of terrorist attacks against American citizens overseas remain a high priority within the Department of Justice.

Counterespionage:

- Supervise the investigation and prosecution of cases involving national security, foreign relations, and the export of military and strategic commodities and technology;
- Coordinate cases involving the application of the Classified Information Procedures Act; and
- Enforce the Foreign Agents Registration Act of 1938 (FARA) and related disclosure statutes.

Oversight:

- Oversee foreign intelligence, counterintelligence, and other national security activities to ensure rigorous adherence to the Constitution of the United States and the vigorous protection of individual privacy and civil liberties;
- Monitor the intelligence and counterintelligence activities of the Federal Bureau of Investigation (FBI) to ensure conformity with applicable laws and regulations, FISA Court orders, and Department procedures, including the Attorney General's Guidelines for FBI National Security Investigations and Foreign Intelligence Collection;
- Oversee national security-related activities to determine their consistency with relevant policies and law; and
- Prepare reports on domestic and foreign intelligence and counterintelligence activities that relate to trends or changes in these activities.

Law and Policy:

- Oversee the development, coordination, and implementation, in conjunction with other components of the Department as appropriate, of policies with regard to intelligence, counterintelligence, counterterrorism, and national security matters;
- Provide legal assistance and advice, in coordination with the Office of Legal Counsel as appropriate, to Government agencies on matters of national security law and policy;
- Provide advice regarding classification of national security information;
- Produce monographs and other guidance on the interpretation and application of new terrorism statutes, regulations, and policies;
- Serve as the Department's representative on interdepartmental boards, committees, and other groups dealing with issues related to national security; and
- Advise the Attorney General, Congress, the Office of Management and Budget, and the White House on all areas of national security law.

Foreign Investment:

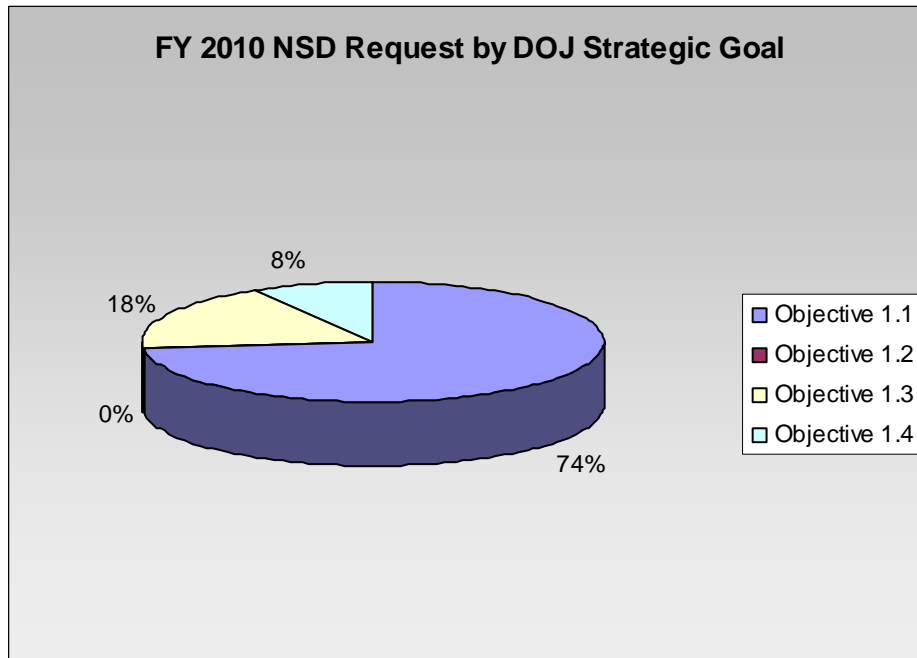
- Perform the Department's staff-level work on the Committee on Foreign Investment in the United States (CFIUS), which reviews foreign acquisitions of domestic entities that might affect national security and makes recommendations to the President on whether such transactions should be allowed to proceed or, if they have already occurred, should be undone;
- Track and monitor certain transactions that have been approved, including those subject to mitigation agreements, and identify unreported transactions that might merit CFIUS review;
- Respond to Federal Communication Commission (FCC) requests for the Department's views relating to the national security implications of certain transactions relating to FCC licenses; and
- Track and monitor certain transactions that have been approved, including those subject to mitigation agreements filed with the FCC.

Victims of Terrorism:

- Maintain the Office of Justice for Victims of Overseas Terrorism as required by Section 126 of the Department of Justice Appropriations Act of 2005 to ensure that the investigation and prosecution of terrorist attacks that result in the deaths and/or injuries of American citizens overseas remains a high priority within the Department; and
- Ensure that the rights of victims and their families are honored and respected, and that victims and their families are supported and informed during the criminal justice process.

Strategic Goals and Accomplishments

The NSD supports the Department's Strategic Goals and Objectives in the areas of intelligence, strengthening partnerships, counterterrorism, and counterespionage.



DOJ Strategic Goal 1: Prevent Terrorism and Promote National Security

Objectives:

- 1.1 Prevent, disrupt, and defeat terrorist operations before they occur
- 1.2 Strengthen partnerships to prevent, deter, and respond to terrorist incidents
- 1.3 Prosecute those who have committed, or intend to commit, terrorist acts in the United States
- 1.4 Combat espionage against the United States

National Security Division Accomplishments:

The NSD's achievements include:

- Improved coordination between prosecutors and law enforcement agencies, on one hand, and intelligence attorneys and the Intelligence Community, on the other, to strengthen the effectiveness of the government's counterterrorism and counterespionage efforts.
- Re-organized the Office of Intelligence Policy and Review into the new Office of Intelligence, with three new sections to handle increased Foreign Intelligence Surveillance Act (FISA) workload, better coordinate FISA litigation and improve national security and intelligence oversight.

- Created a new Office of Law and Policy to harmonize national security legal and policy functions for the entire Department.
- Enhanced national security oversight to ensure FBI national security investigations comply with the nation's laws, rules and regulations, including privacy interests and civil liberties.
- Launched the National Export Enforcement Initiative to combat the growing threat posed by illegal foreign acquisition of controlled U.S. military and strategic technologies.
- Promoted a national counterterrorism enforcement program through collaboration with Department leadership, the FBI, the Intelligence Community and the U.S. Attorneys' Offices.
- Processed record numbers of FISA applications submitted to the FISA Court, including 2,371 FISA applications in 2007 as compared to 932 FISA applications in 2001.
- Funded and provided staffing for the Office of Justice for Victims of Overseas Terrorism, and designated 15 international terrorism events to allow for U.S. victim reimbursement.
- Established the Foreign Investment Review Staff to handle a dramatically increased workload in connection with the Committee on Foreign Investment in the United States.

Select Recent Counterterrorism Prosecutions:

- **Islamic American Relief Agency** (Western District of Missouri) -- In January 2008, a grand jury returned a superseding indictment charging the Islamic American Relief Agency and several of its former officers with engaging in prohibited financial transactions for the benefit of U.S.-designated terrorist Gulbuddin Hekmatyar. The indictment also charges former U.S. Congressman Mark Deli Siljander with money laundering and obstruction of justice.
- **Mohammed Jabarah:** (Southern District of New York) – In January 2008, Mohammed Jabarah, an admitted al-Qaeda member, was sentenced to life in prison after pleading guilty to terrorism charges stemming from his participation in a plot to bomb U.S. Embassies in Singapore and the Philippines in 2001.
- **Christopher Paul** (Southern District of Ohio) – In June 2008, Christopher Paul pleaded guilty to conspiring with members of a German terrorist cell to use explosive devices against Americans vacationing at foreign tourist resorts and against Americans in the United States, as well as against U.S. embassies, diplomatic premises and military bases in Europe. Paul was sentenced to 20 years in prison.
- **Ahmed Mohamed** (Middle District of Florida) -- In June 2008, Ahmed Abdellatif Sherif Mohamed pleaded guilty to providing material support to terrorists after agents found explosives materials in his vehicle and a video he distributed via the Internet demonstrating how to remotely detonate explosive devices. Mohamed was later sentenced to 15 years in prison.
- **Toledo Cell** (Northern District of Ohio) -- In June 2008, a jury convicted Mohammed Zaki Amawi, Marwan El-Hindi and Wassim Mazloum of conspiracy to kill or maim U.S.

troops in Iraq and conspiracy to provide material support to terrorists. Amawi and El-Hindi were each also convicted of two counts of distributing information regarding explosives, including suicide bomb vests and Improvised Explosive Devices.

- **Derrick Shareef** (Northern District of Illinois) – In September 2008, Derrick Shareef was sentenced to 35 years in prison after pleading guilty to planning to set off grenades at an Illinois shopping mall during the Christmas shopping season.
- **Holy Land Foundation:** (Northern District of Texas) – In November 2008, the Holy Land Foundation for Relief and Development and five of its leaders were convicted of providing material support to the Hamas terror organization in connection with their efforts to raise and funnel approximately \$12.4 million to the Hamas terror organization under the guise of charitable donations.
- **Fort Dix Plot:** (District of New Jersey) -- In December 2008, a jury convicted five individuals, Mohamad Ibrahim Shnewer, brothers Dritan Duka, Shain Duka and Eljvir Duka and Serdar Tatar, on charges that they conspired to kill members of the U.S. military at Fort Dix, New Jersey. The defendants' arrests occurred in May 2007, as Dritan and Shain Duka were meeting a confidential government witness to purchase four automatic M-16 rifles and three semi-automatic AK-47 rifles to be used in a future attack on military personnel. The other defendants were arrested at various locations at about the same time.
- **Ahmed Cousins:** (Northern District of Ohio) -- In January 2009, Chicago residents and cousins, Zubair Ahmed and Khaleel Ahmed, pleaded guilty to conspiracy to provide material support to terrorists in connection with their efforts to travel abroad in order to murder or maim U.S. military forces in Iraq or Afghanistan.
- **Tamil Tiger Prosecution:** (Eastern District of New York) -- In January 2009, four defendants, Thiruthanikan Thanigasalam, Sahilal Sabaratnam, Sathajhan Sarachandran and Yogarasa Nadarasa, pleaded guilty to terrorism violations in connection with their efforts to acquire surface-to-air missiles, missile launchers and hundreds of assault rifles for the Liberation Tigers of Tamil Eelam, a designated terrorist organization.
- **Wesam al-Delaema:** (District of Columbia) -- In February 2009, Wesam al-Delaema pleaded guilty to conspiring with others to murder Americans overseas, including by planting roadside bombs targeting U.S. soldiers in Iraq, and by demonstrating on video how these explosives would be detonated to destroy American vehicles and their occupants. Delaema also pleaded guilty to assaulting a prison guard while in custody in the District of Columbia.
- **Ali al-Marri:** (Central District of Illinois) -- In February 2009, a federal grand jury returned a two-count indictment charging Ali Saleh Kahlah al-Marri with providing material support to al-Qaeda and conspiring with others to provide material support to al-Qaeda.

Select Recent Counterespionage Prosecutions:

- **Tai Shen Kuo and Gregg William Bergersen:** (Eastern District of Virginia) – In March and April 2008 respectively, Gregg Bergersen, a former Defense Department official, and Tai Shen Quo pleaded guilty to espionage violations for their roles in a conspiracy to provide national defense information, including classified information on U.S. military sales to Taiwan, to the People's Republic of China. Kuo was later sentenced to more than 15 years in prison, while Bergersen received a sentence of 57 months in prison.
- **Muthanna al-Hanooti:** (Eastern District of Michigan) -- In March 2008, Muthanna al-Hanooti was arrested pursuant to an indictment charging him with conspiracy to act as an illegal agent of Iraq and other violations. The charges stem from al-Hanooti's alleged efforts to organize, on behalf of the Iraqi Intelligence Service, a U.S. Congressional delegation that traveled to Iraq in October 2002. The government of Iraq allegedly rewarded Al-Hanooti for his efforts with an oil contract.
- **Francisco Duran & Co-defendants:** (Southern District of Florida) -- In November 2008, Francisco Duran was convicted at trial of acting and conspiring to act as an illegal agent of the Venezuelan government. Four others, Moises Maionica, Antonio Jose Canchica Gomez, Rodolfo Wanseele Paciello and Carlos Kauffmann pleaded guilty for their efforts to secure the assistance of an individual in concealing the source and destination of, and the role of the government of Venezuela in, the intended delivery of an \$800,000 cash contribution to the political campaign of a then-Argentine presidential candidate.
- **Saubhe Jassim Al-Dellemy:** (District of Maryland) -- In December 2008, Saubhe Jassim Al-Dellemy pleaded guilty to conspiracy to act as an illegal agent of Iraq. Among other things, Al-Dellemy performed tasks for the Iraqi intelligence service at the Iraqi Embassy and at the Iraqi Interests Section in Washington, D.C., after the U.S. severed diplomatic relations with Iraq for invading Kuwait.
- **Ben-Ami Kadish:** (Southern District of New York) -- In December 2008, Ben-Ami Kadish pleaded guilty to conspiracy to act as an unregistered agent of the Government of Israel. From 1980 through 1985, Kadish, a former U.S. Army employee, provided classified documents relating to the U.S. military – including some relating to U.S. missile defense systems – to an agent of the Government of Israel, Yossi Yagur, who photographed the documents at Kadish's residence.
- **Roy Oakley:** (Eastern District of Tennessee) -- In January 2009, Roy Lynn Oakley pleaded guilty to unlawful disclosure of restricted data under the Atomic Energy Act in connection with his efforts to sell materials used in the production of highly enriched uranium to a foreign government. Oakley had worked as a contract employee at the East Tennessee Technology Park, in Oak Ridge, Tennessee, previously a Department of Energy facility that produced enriched uranium

- **Harold and Nathaniel Nicholson:** (District of Oregon) -- In January 2009, Harold Nicholson, a former CIA employee convicted of espionage conspiracy in 1997, and his son Nathaniel, were indicted for acting as illegal agents for the Russian government and money laundering. Harold Nicholson, working through his son, allegedly received cash proceeds of his past espionage activities from, and passed information to, agents of the Russian Federation between 2006 and 2008.

Select Recent Counterproliferation Prosecutions:

- **Dongfan Chung:** (Central District of California) -- In February, 2008, Dongfan Chung, a former Boeing engineer, was arrested after being indicted on charges of economic espionage and acting as an unregistered foreign agent of the People's Republic of China, for whom he allegedly stole Boeing trade secrets related to several aerospace and military programs, including the Space Shuttle, the Delta IV rocket program and the Air Force's C-17 aircraft.
- **Viktor Bout:** (Southern District of New York) -- In March 2008, a criminal complaint was unsealed charging Viktor Bout, an international arms dealer, and his associate Andrew Smulian with conspiring to provide millions of dollars of weapons, including surface-to-air missiles and armor piercing rocket launchers, to the Fuerzas Armadas Revolucionarias de Colombia (FARC), a designated foreign terrorist organization based in Colombia. Bout remains in custody in Thailand, pending extradition to the Southern District of New York.
- **Jilani Humayan:** (Southern District of New York) – In June 2008, Jilani Humayun pleaded guilty to conspiracy to illegally export arms and to commit money laundering. Humayun illegally exported parts for F-5 and F-14 military fighter jets and Chinook helicopters, all of which are widely sought by Iran, to Malaysia.
- **Desmond Dinesh Frank:** (District of Massachusetts) -- In August 2008, Desmond Dinesh Frank, was sentenced to 23 months in prison after pleading guilty in May 2008 to several felonies in connection with a plot to illegally export military items, including C-130 military aircraft training equipment, to China and Iran.
- **J. Reece Roth & Co-defendants:** (Eastern District of Tennessee) – In September 2008, J. Reece Roth, a former Professor Emeritus at the University of Tennessee, was convicted of illegally exporting to foreign nationals and to China military technical information relating to Unmanned Aerial Vehicles or “drones.” In August 2008, Atmospheric Glow Technologies, Inc, (AGT), a privately-held plasma technology company in Tennessee, also pleaded guilty to charges of illegally exporting U.S. military data about drones to a citizen of China. In April 2008, Daniel Max Sherman, a physicist who formerly worked at AGT, pleaded guilty to conspiracy to violate the Arms Export Control Act in connection with the investigation.

- **Mayrow General Trading & Co-defendants:** (Southern District of Florida) – In September 2008, Mayrow General Trading and 15 other defendants were charged with illegally exporting U.S.-origin electronics used in Improvised Explosive Devices (IEDs) to Iran via the United Arab Emirates and Malaysia. The defendants allegedly illegally exported to Iran U.S.-origin microcontrollers that have been found in IEDs in Iraq. Among other things, the indictment alleges the defendants illegally exported to Iran 345 Global Positioning Systems and 12,000 Microchip brand microcontrollers.
- **Qing Li:** (Southern District of California) -- In September 2008, Qing Li was sentenced to 12 months in prison for conspiracy to smuggle military-grade accelerometers from the United States to the People's Republic of China. According to her June 2008 guilty plea, Li conspired to locate and procure for an individual in China as many as 30 military accelerometers, which have applications in smart bombs, missiles, and calibrating g-forces of nuclear explosions.
- **Shu Quan-Sheng:** (Eastern District of Virginia) – In November, 2008, Shu Quan-Sheng pleaded guilty to a three-count criminal information charging him with illegally exporting space launch technical data and defense services to the People's Republic of China and offering bribes to Chinese government officials. Shu provided China with assistance in the design and development of a cryogenic fueling system for space launch vehicles to be used at the heavy payload launch facility located in the southern island province of Hainan, China.
- **Monzer al Kassar & Luis Moreno Godoy:** (Southern District of New York) -- In November 2008, Monzer Al Kassar and co-defendant Luis Felipe Moreno Godoy were convicted of several charges, including: conspiracy to provide material support to terrorists; conspiracy to kill U.S. nationals; conspiracy to kill U.S. officers or employees; and conspiracy to acquire and use an anti-aircraft missile. Both agreed to sell millions of dollars worth of surface-to-air missiles, rocket-propelled grenade launchers, ammunition, and machine guns to the Fuerzas Armadas Revolucionarias de Colombia, (FARC), a designated terrorist organization in Colombia. Al Kassar was later sentenced to 30 years imprisonment and Moreno was sentenced to 25 years imprisonment.
- **Shahrazad Mir Gholikhan:** (Southern District of Florida) – In December 2008, Shahrazad Mir Gholikhan was convicted on charges of brokering defense articles to Iran and other export violations in connection with an effort by her and her husband, Mahmoud Seif, to illegally procure 3,500 sets of Generation III military night vision goggles from the United States for Iran's military and police forces.
- **Hassan Saied Keshari:** (Southern District of Florida) – In January 2009, Hassan Saied Keshari and his Novato, California company, Kesh Air International, pleaded guilty to charges of conspiring to illegally export military and commercial aircraft components, including parts for the CH-53 military helicopter, the F-14 Tomcat fighter jet, and the AH-1 attack helicopter, to Iran. Keshari procured U.S.-made military aircraft parts for buyers

in Iran and illegally shipped the parts to a company in Dubai, UAE, for shipment to buyers in Iran.

C. Full Program Costs

The NSD has a single decision unit. Program activities include intelligence, counterterrorism, counterespionage and strengthening partnerships which are related to Strategic Goal 1, Prevent Terrorism and Promote the Nation's Security, and its four Objectives. The costs by program activity include the base funding plus an allocation of the management and administration and the Law and Policy costs and Foreign Investment Review Staff costs. The methodology used to allocate the overhead costs is based on the percentage of the total cost of the four program activities. These percentages are used to allocate the overhead costs.

D. Performance Challenges

The top priority for the Department is to protect the nation from terrorist attacks while ensuring citizens' civil liberties are protected. The NSD has a dedicated Oversight Section to ensure that national security investigations are conducted in a manner consistent with the nation's laws, regulations, and policies, including those designed to protect the privacy interests and civil liberties of U.S. citizens. This means NSD must broaden the scope of its national security oversight well beyond the Department's traditional oversight role, which was primarily focused on the FBI's use of FISA authorities. With NSD's creation, Justice Department attorneys have the clear mandate to examine all aspects of the FBI's national security program for compliance with laws, regulations, and policies, a responsibility for which significant resources are required to fully accomplish.

The increased workload in OI brought by the demonstrated effectiveness of FISA surveillance and searches to prevent terrorist activity and the resulting increased number of requests for collection authority brought challenges to keep up with adequate attorney staffing and support personnel. To be adequately prepared to staff Department initiatives to fight terror, the Department needs to find ways to streamline and speed up the security clearance process so that new hires can be more quickly brought into the Department and to invest resources in clearing additional attorneys already in the Department who can be drawn on in an emergency to assist in investigative or prosecutorial activity related to terrorism.

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES, NATIONAL SECURITY DIVISION

For expenses necessary to carry out the activities of the National Security Division, [\$83,789,000] \$87,938,000; of which not to exceed \$5,000,000 for information technology systems shall remain available until expended: Provided, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for activities of the National Security Division, the Attorney General may transfer such amounts to 'Salaries and Expenses, National Security Division' from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

Analysis of Appropriations Language

No substantive changes proposed.

IV. Decision Unit Justification

National Security Division

NATIONAL SECURITY DIVISION	Perm. Pos.	FTE	Amount
2008 Enacted with Rescissions	346	308	\$73,373
2008 Supplementals	0	0	0
2008 Enacted w/Rescissions and Supplementals	346	308	\$73,373
2009 Enacted	346	346	\$83,789
Adjustments to Base	0	0	4,149
2010 Current Services	346	346	87,938
2010 Program Increases	0	0	0
2010 Request	346	346	87,938
Total Change 2009-2010	0	0	\$4,149

1. Program Description

The National Security Division (NSD) is responsible for assisting the Attorney General and other senior Department and Executive Branch officials in ensuring that the national security-related activities of the United States are consistent with relevant law; overseeing terrorism investigations and prosecutions; and handling counterespionage cases and matters.

In coordination with the FBI, the Intelligence Community, and the U.S. Attorneys Offices, the NSD's primary operational functions are to prevent acts of terrorism and espionage from being perpetrated in the United States by foreign powers and to facilitate the collection of counterintelligence regarding foreign agents and powers. The NSD advises the Attorney General on all matters relating to the national security activities of the United States. The NSD administers the U.S. Government's national security program for conducting electronic surveillance and physical search of foreign powers and agents of foreign powers pursuant to the Foreign Intelligence Surveillance Act of 1978 (FISA), as amended, and conducts oversight of the FBI's foreign intelligence and counterintelligence investigations pursuant to the Attorney General's guidelines for such investigations.

The NSD prepares and files all applications for electronic surveillance and physical search under FISA, represents the government before the Foreign Intelligence Surveillance Court, and when evidence obtained under FISA is proposed to be used in a criminal proceeding, NSD obtains the necessary authorization for the Attorney General to take appropriate actions to safeguard national security. The NSD assists government agencies by providing legal advice on matters of national security law and policy, participates in the development of legal aspects of national security and intelligence policy, and represents the DOJ on a variety of interagency committees such as the Director of National Intelligence's FISA Working Group and the National Counterintelligence Policy Board. The NSD comments on and coordinates other agencies' views regarding proposed legislation affecting intelligence matters. The NSD serves as adviser to the Attorney General and various client agencies, including the Central Intelligence Agency, the

FBI, and the Defense and State Departments concerning questions of law, regulations, and guidelines as well as the legality of domestic and overseas intelligence operations. The NSD also works closely with the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence to ensure they are apprised of Departmental views on national security and intelligence policy and are appropriately informed regarding operational intelligence and counterintelligence activities.

The NSD also serves as the Department's representative on the Committee on Foreign Investment in the United States (CFIUS) which reviews foreign acquisitions of domestic entities affecting national security and makes recommendations to the President on whether such transactions should be allowed to proceed or, if they have already occurred, should be undone. In this role, NSD evaluates information relating to the structure of the transaction, any foreign government ownership or control, threat assessments provided by the United States Intelligence Community, vulnerabilities resulting from the transaction, and ultimately the national security risks, if any, of allowing the transaction to proceed as proposed or subject to any conditions that may be necessary. In addition, NSD tracks and monitors certain transactions that have been approved subject to mitigation agreements and seeks to identify unreported transactions that may require CFIUS review. On behalf of the Department, NSD also responds to Federal Communication Commission (FCC) requests for Executive Branch determinations relating to the national security implications of certain transactions that involve FCC licenses. The NSD reviews such license applications to determine if a proposed communication provider's foreign ownership, control or influence poses a risk to national security, infrastructure protection, law enforcement interests, or other public safety concerns sufficient to merit mitigating measures or opposition to the transaction.

The Office of Justice for Victims of Overseas Terrorism (OVT) was established as required by Section 126 of the Department of Justice Appropriations Act of 2005. OVT originally operated out of the Criminal Division before being transferred to the NSD in September 2006 when the NSD was established. American victims of terrorist attacks overseas are entitled to the same rights as victims of crimes in the U.S. This Office ensures that the investigation and prosecution of terrorist attacks against American citizens overseas are a high priority within the Department of Justice. Among other things, OVT is responsible for monitoring the investigation and prosecution of terrorist attacks against Americans abroad; working with other Justice Department components to ensure that the rights of victims of such attacks are honored and respected; establishing a Joint Task Force with the Department of State to be activated in the event of a terrorist incident against American citizens overseas; responding to Congressional and citizen inquires on the Department's response to such attacks; compiling pertinent data and statistics; and filing any necessary reports with Congress.

PERFORMANCE AND RESOURCES TABLE

Decision Unit: National Security Division

DOJ Strategic Goal/Objective: 1.1 Prevent, disrupt, and defeat terrorist operations before they occur; 1.2 Strengthen partnerships to prevent, deter, and respond to terrorist activities; 1.3 Prosecute those who have committed, or intended to commit, terrorist acts in the United States; and 1.4 Combat espionage against the United States.

WORKLOAD/ RESOURCES		Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request	
Workload											
Cases Opened¹		90		108		100		17		117	
Cases Closed¹		105		108		82		13		95	
Matters Opened¹		13,754		16,107		14,376		40		14,416	
Matters Closed¹		12,506		12,632		13,255		37		13,292	
FISA Applications Filed^{1, 2}		CY 2008: 2,399 ²		This information is classified at this time		CY 2009: 2,519 ²		0		2,519 ²	
National Security Reviews of Foreign Acquisitions¹		CY 2008: 210		CY 2008: 294		CY 2009: 230		45		CY 2010: 275	
Total Costs and FTE		FTE \$000		FTE \$000		FTE \$000		FTE \$000		FTE \$000	
(reimbursable FTE are included, but reimbursable costs are		308 73,373		308 73,373		346 83,789		0 4,149		346 87,938	
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request	
Program Activity	Intelligence	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		205	53,748	205	53,748	229	61,205	0	3,006	229	64,211
Output Measure	FISA Minimization Reviews	CY 2008: 29		CY 2008: 31		CY 2009: 35		0		35	
Output Measure	National Security Reviews	CY 2008: 18		CY 2008: 15 ³		CY 2009: 18		2		20	
Efficiency Measure	Percentage of FISA Emergency Applications processed within 7 days	CY 2008: 100%		CY 2008: 100%		CY 2009: 100%		0%		100%	
Efficiency Measure, New	Resolution of Compliance Matters	N/A		62 days		60 days		0 days		60 days	

Note: No program or policy increases are reflected in this table.

¹ Workload measures are not performance targets, rather they are estimates to be used for resource planning. In addition, these measures do not take into consideration potential policy changes.

² FISA Applications data are based on historical averages and do not represent actual data which remains classified for three years.

³ The Office of Intelligence had planned to conduct 18 National Security Reviews in 2008. However, it postponed 3 such reviews at the request of the FBI's Office of General Counsel, which also is involved in the reviews but had additional requirements and commitments. Accordingly, the Office of Intelligence conducted 15 National Security Reviews in 2008.

PERFORMANCE AND RESOURCES TABLE

Decision Unit: National Security Division

DOJ Strategic Goal/Objective: 1.1 Prevent, disrupt, and defeat terrorist operations before they occur; 1.2 Strengthen partnerships to prevent, deter, and respond to terrorist activities; 1.3 Prosecute those who have committed, or intended to commit, terrorist acts in the United States; and 1.4 Combat espionage against the United States.

TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request	
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	Counterespionage	33	6,324	33	6,324	34	7,117	0	349	34	7,466
Output Measure	FARA Inspections	5		13		14		1		15	
Output Measure	Mitigation monitoring actions completed	CY 2008: 15		CY 2008: 23		CY 2009: 100 ⁴		20		CY 2010: 120 ⁴	
Outcome Measure	Percentage of CE cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	99%		100%		99%		0%		99%	
Outcome Measure	Percentage of CE cases favorably resolved	90%		92%		90%		0%		90%	
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	Counterterrorism	70	13,301	70	13,301	83	15,467	-3	592	80	16,059
Output Measure	Percentage of international training needs met	80% (40 of 50)		60% (30 of 50) ⁵		65% (39 of 60)		10%		75% (45 of 60)	
Outcome Measure	Percentage of CT cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	99%		100%		99%		0%		99%	
Outcome Measure	Percentage of CT cases favorably resolved	90%		97%		90%		0%		90%	
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	Strengthen Partnerships	N/A	N/A	N/A	N/A	N/A	N/A	3	202	3	202
Output, New Measure	Percent Increase in Number of US Victims of Terrorism Identified	N/A		Baseline - 50		480% (increase to 290)		83%		83% (increase to 530)	
Efficiency Measure, New	Percentage of victims provided with service and compensation information within 3 business days of identification ⁶	N/A		N/A		80%		0%		80%	

Note: No program or policy increases are reflected in this table.

⁴ Mitigation monitoring actions has a broader definition in 2009 and 2010 than in previous years, and therefore there is a significant increase in the number of targeted mitigation monitoring actions completed.

⁵ The Counterterrorism Section had planned to complete 80% of the international training requests. However, due to high vacancy rates within the division, there was not enough staffing to fulfill the training requests from the international community. Future targets should be met because of anticipated hiring.

⁶ The timeframe for this measure was reduced from 5 business days to 3.

PERFORMANCE MEASURE TABLE

Decision Unit: National Security Division

Performance Report and Performance Plan Targets		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008		FY 2009	FY 2010	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	FISA Minimization Reviews	N/A	N/A	N/A	N/A	N/A	N/A	N/A	CY 2007: 34	CY 2008: 29	CY 2008: 31	CY 2009: 35	CY 2010: 35
Performance Measure	National Security Reviews	N/A	N/A	N/A	N/A	N/A	N/A	N/A	CY 2007: 15	CY 2008: 18	CY 2008: 15 ¹	CY 2009: 18	CY 2010: 20
Efficiency Measure	Percentage of FISA Emergency Applications Processed within 72 hours	N/A	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Efficiency Measure, New	Resolution of Compliance Matters	N/A	N/A	N/A	400 days	247 days	158 days	110 days	N/A	62 days	60 days	60 days	60 days
Performance Measure	Percentage of international training requests met	N/A	N/A	N/A	N/A	N/A	N/A	N/A	79% (27 of 34)	80% (40 of 50)	60% (30 of 50) ²	65% (39 of 60)	75% (45 of 60)
OUTCOME Measure	Percentage of CT cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	99%	100%	99%	99%
OUTCOME Measure	Percentage of CT cases favorably resolved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	98%	90%	97%	90%	90%
Performance Measure	FARA inspections completed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	5	13	14	15
Performance Measure	Mitigation monitoring actions completed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	CY 2007: 13	CY 2008: 15	CY 2008: 23	CY 2009: 100 ³	CY 2010: 120 ³
OUTCOME Measure	Percentage of CE cases where classified information is safeguarded (according to CIPA requirements) without impacting the judicial process	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	99%	100%	99%	99%
OUTCOME Measure	Percentage of CE cases favorably resolved	N/A	N/A	N/A	N/A	N/A	N/A	N/A	96%	90%	92%	90%	90%
Output Measure, New	Percent Increase in the Number of US Victims of Terrorism Identified Abroad	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Baseline - 50	480%	83%
Efficiency Measure	Percentage of victims provided with service and compensation information within 3 business days of identification ⁴	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	80%	80%

Note: No program or policy increases are reflected in this table.

¹ The Office of Intelligence had planned to conduct 18 National Security Reviews in 2008. However, it postponed 3 such reviews at the request of the FBI's Office of General Counsel, which also is involved in the reviews but had additional requirements and commitments. Accordingly, the Office of Intelligence conducted 15 National Security Reviews in 2008.

² The Counterterrorism Section had planned to complete 80% of the international training requests. However, there were not enough staffing resources to fulfill the training requests from the international community. Future targets should be met because of anticipated additional staffing resources that will become available.

³ Mitigation monitoring actions has a broader definition in 2009 and 2010 than in previous years, and therefore there is a significant increase in the number of targeted mitigation monitoring actions completed.

⁴ The timeframe for this measure was reduced from 5 business days to 3.

3. Performance, Resources, and Strategies

For performance reporting purposes, resources for NSD are included under DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security. Within this Goal, the NSD resources address all four Objectives: 1.1 Prevent, disrupt, and defeat terrorist operations before they occur; 1.2 Strengthen partnerships to prevent, deter, and respond to terrorist incidents; 1.3 Prosecute those who have committed, or intend to commit, terrorist acts in the United States; and 1.4 Combat espionage against the United States. Based on these four objectives, performance resources are allocated to four program activities: Intelligence, Counterterrorism, Counterespionage, and Strengthen Partnerships.

a. Performance Plan and Report for Outcomes

Intelligence Performance Report

Measure: FISA Minimizations Reviews*

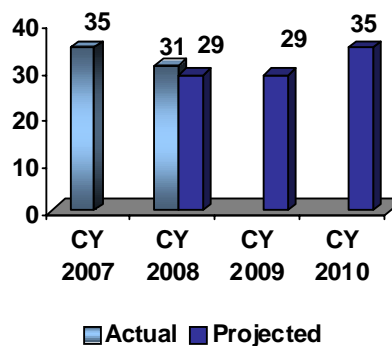
CY 2008 Target: 29

CY 2008 Actual: 31

Discussion: FISA Minimization Reviews totaled 31 in FY 2008.

*New minimization procedures were implemented on October 1, 2007 that require the minimization reviews to be more resource intensive and therefore more labor hours will be spent on each review. As a result, fewer reviews were expected to be completed in FY 2008 and FY 2009 than in FY 2007.

**Output Measure:
FISA Minimization Reviews**



Data Definition: FISA Minimization/Accuracy Reviews: An oversight process by which NSD attorneys analyze FBI cases to assess whether results of Foreign Intelligence Surveillance Court (FISC)-authorized electronic surveillance and physical search have been minimized in accordance with the minimization procedures set forth in FISC orders. In addition, NSD attorneys conduct a line-by-line review of certain applications presented to the FISC to ensure that the FBI possesses supporting documentation for each case-specific fact asserted therein; thereby maintaining the integrity of the applications presented to the FISC and the FISC's confidence in the information presented to it by the Government.

Data Collection and Storage: The information collected during each review is compiled into a minimization trip report, which is then provided to FBI, OGC, and the FBI field office reviewed.

Data Validation and Verification: Minimization reports are reviewed by NSD management before being released.

Data Limitations: None identified at this time.

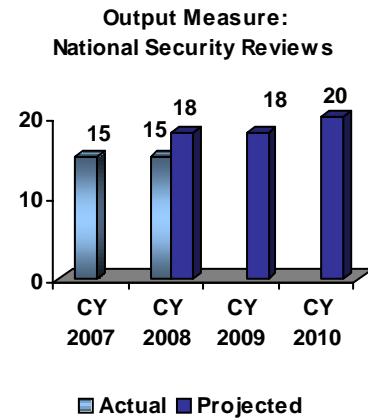
Measure: National Security Reviews

CY 2008 Target: 18

CY 2008 Actual: 15*

Discussion: 15 National Security Reviews were conducted in FY 2008.

* The Office of Intelligence had planned to conduct 18 National Security Reviews in 2008. However, it postponed 3 such reviews at the request of the FBI's Office of General Counsel, which also is involved in the reviews but had additional requirements and commitments. Accordingly, the Office of Intelligence conducted 15 National Security Reviews in 2008.



Data Definition: National Security Review (NSR): An oversight process designed to ensure that FBI national security investigations are conducted in accordance with the Constitution, statutes, the AG Guidelines and internal FBI policy directives. The NSRs enable the DOJ to identify recurring issues and recommend and effect changes where necessary.

Data Collection and Storage: The information collected during each review is compiled into a report, which is then presented to the FBI.

Data Validation and Verification: NSR reports are reviewed by NSD management before being released.

Data Limitations: None identified at this time.

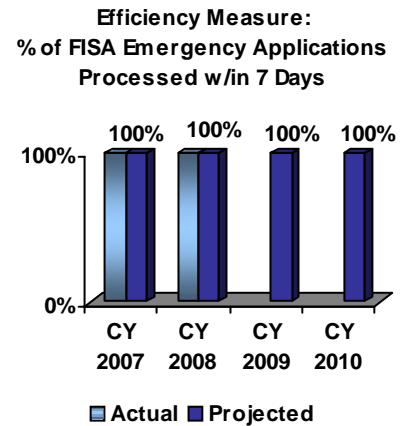
Measure: Percentage of FISA Emergency Applications Processed Within 7 Days*

CY 2008 Target: 100%

CY 2008 Actual: 100%

Discussion: NSD was able to achieve the target.

*Policy dictates that FISA Emergency Applications must be processed within 7 days. This timeframe was previously 72 hours.



Data Definition: Percentage of applications prepared and filed within 7 days of an emergency authorization by the Attorney General pursuant to the statutory requirements of the Foreign Intelligence Surveillance Act.

Data Collection and Storage: Data for FISA Emergency Applications Processed within 72 hours is provided by OI attorneys and maintained in the case tracking system, Case Tracking, ITKS.

Data Validation and Verification: Critical Incident Management Unit Staff reviews the data on a daily basis.

Data Limitations: None identified at this time.

New Measure: Resolution of Compliance Matters

CY 2008 Target: N/A

CY 2008 Actual: 62 days

Discussion: NSD was able to achieve the target.

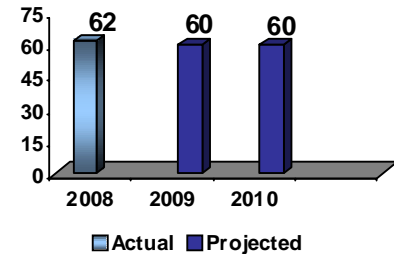
Data Definition: The number of days it takes from the opening of a compliance matter to the resolution of the compliance matter with a final notice. Compliance matters occur when an agency fails to comply with an order of the Foreign Intelligence Surveillance Court (FISC). A matter is opened when the Office Intelligence (OI) is notified by the agency regarding the possible non-compliance. OI reviews the matter and determines if FISC notification is necessary. If so, a preliminary notice is filed with the FISC. Resolution of the matter is complete when a final notice is filed with the FISC (possibly with materials for sequestration) after conducting appropriate investigation, or OI determines that a compliance incident did not occur.

Data Collection and Storage: Data collection and storage via Case Tracking.

Data Validation and Verification: Periodic verification by case managers and attorneys.

Data Limitations: None identified at this time.

Efficiency Measure:
Resolution of Compliance Matters



Counterespionage (CE) Performance Report

Measure: Targeted FARA Inspections Completed

FY 2008 Target: 5

FY 2008 Actual: 13

Discussion: 13 FARA inspections were completed in FY 2008.

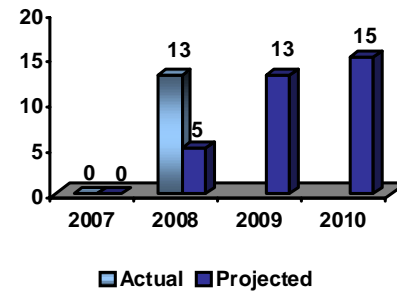
Data Definition: Targeted FARA Inspections are conducted routinely. There can also be additional inspections completed based on potential non-compliance issues. Inspections are just one tool used by the Unit to bring registrants into compliance with FARA.

Data Collection and Storage: Inspections reports are prepared by FARA Unit personnel and stored in manual files.

Data Validation and Verification: Inspections reports are reviewed by the FARA Unit Chief.

Data Limitations: None identified at this time

Output Measure:
FARA Inspections Completed



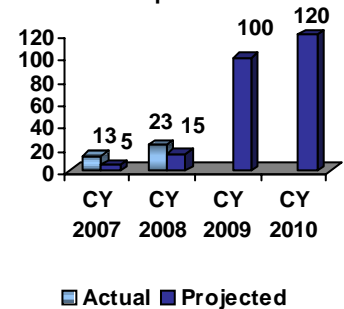
Measure: Mitigation Monitoring Actions Completed

CY 2008 Target: 15

CY 2008 Actual: 23

Discussion: 23 Mitigating Monitoring Actions were completed in FY 2008.

**Output Measure:
Mitigation Monitoring Actions Completed**



Data Definition: A Mitigation Monitoring Action includes full site visits, review of documents and reports submitted pursuant to mitigation agreements, and other methods of monitoring to ensure compliance with mitigation agreements to which DOJ and/or FBI is a party. Mitigation monitoring traditionally covers FIRS as well as mitigation requirements generated via DOJ application reviews of foreign acquisitions impacting FCC licensing matters.*

Data Collection and Storage: Data is collected manually and stored in generic files; however, the program manager is reviewing the possibility of utilizing a modified automated tracking system.

Data Validation and Verification: Data is validated and verified by the program manager.

Data Limitations: While data accuracy is not a concern, given the expanding nature of the program area – a more centralized data system is desired.

*Mitigation monitoring actions has a broader definition in 2009 and 2010 than in previous years, and therefore there is a significant increase in the number of targeted mitigation monitoring actions completed.

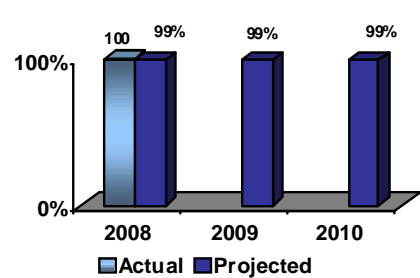
Measure: Percentage of CE Cases Where Classified Information is Safeguarded (according to CIPA requirements) Without Impacting the Judicial Process

FY 2008 Target: 99%

FY 2008 Actual: 100%

Discussion: Classified information was safeguarded in 100 % of CE Cases without impacting the judicial process.

**Outcome Measure:
% of CE Cases Where Classified Info is Safeguarded w/o Impacting the Judicial Process**



Data Definition: Classified information - information that has been determined by the United State Government pursuant to an Executive Order or statute to require protection against unauthorized disclosure for reasons of national defense or foreign relations, or any restricted data as defined by the Atomic Energy Act of 1954. Safeguarded - that the confidentiality of the classified information is maintained because the Government has proposed redactions, substitutions or summarizations pursuant to CIPA which the Court has accepted. Impact on the judicial process - that the Court does not exclude certain evidence, dismiss particular counts of the indictment, or dismiss the indictment as a remedy for the Government’s insistence that certain classified information not be disclosed at trial.

Data Collection and Storage: CES attorneys provide data concerning CIPA matters handled in their cases as well as the status or outcome of the matters, which we then enter into the ACTS database

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

Data Limitations: Reporting lags.

Measure: Percentage of CE Cases Favorably Resolved

FY 2008 Target: 90%

FY 2008 Actual: 92%

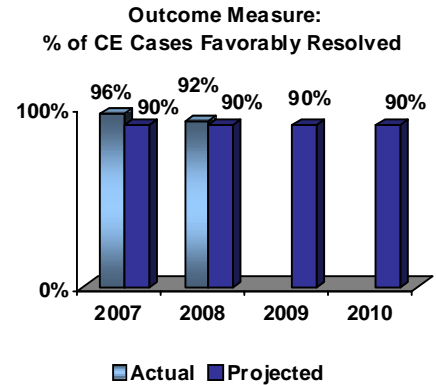
Discussion: Of the 37 cases closed, 34 were favorably resolved.

Data Definition: Cases Favorably Resolved includes all litigation cases closed during the FY.

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

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

Data Limitations: Reporting lags.



Counterterrorism (CT) Performance Report

Measure: Percentage of International Training Needs Met

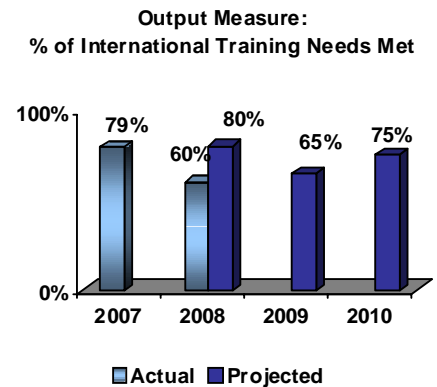
Met

FY 2008 Target: 80%

FY 2008 Actual: 63%*

Discussion: In FY 2008 there were a total of 50 requests for international training – 30 were conducted and 20 declined.

*The Counterterrorism Section had planned to complete 80% of the international training requests. However, due to high vacancy rates within the Division, there was not enough staffing to fulfill the training requests from the international community. Future targets should be met because of anticipated hiring.



Data Definition: International Training Requests: requests for training or participation in bilateral or multilateral efforts to improve other nations' counterterrorism efforts, particularly in regard to investigations, prosecutions, legislative drafting, relationship building and related matters.

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

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

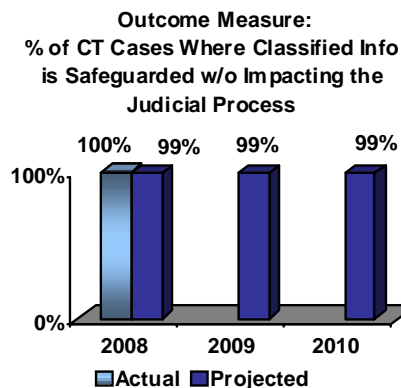
Data Limitations: None identified at this time.

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

FY 2008 Target: 99%

FY 2008 Actual: 100%

Discussion: Classified information was safeguarded in 100 % of CT Cases without impacting on the judicial process.



Data Definition: Classified information - information that has been determined by the United State Government pursuant to an Executive Order or statute to require protection against unauthorized disclosure for reasons of national defense or foreign relations, or any restricted data as defined by the Atomic Energy Act of 1954. Safeguarded - that the confidentiality of the classified information is maintained because the Government has proposed redactions, substitutions or summarizations pursuant to CIPA which the Court has accepted. Impact on the judicial process - that the Court does not exclude certain evidence, dismiss particular counts of the indictment, or dismiss the indictment as a remedy for the Government’s insistence that certain classified information not be disclosed at trial.

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

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

Data Limitations: None identified at this time.

Measure: Percentage of CT Cases Favorably Resolved

FY 2008 Target: 90%

FY 2008 Actual: 97%

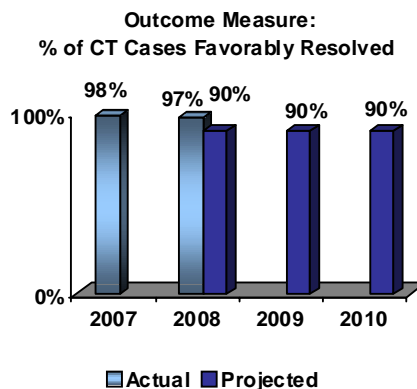
Discussion: Of 71 cases closed, 69 were favorably resolved.

Data Definition: Cases Favorably Resolved includes all litigation cases closed during the FY.

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

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

Data Limitations: None identified at this time.



Strengthen Partnerships Performance Report

NEW Measure: Percent Increase in the Number of U.S. Victims of Terrorism Identified

FY 2008 Target: N/A

FY 2008 Actual: Baseline - 50

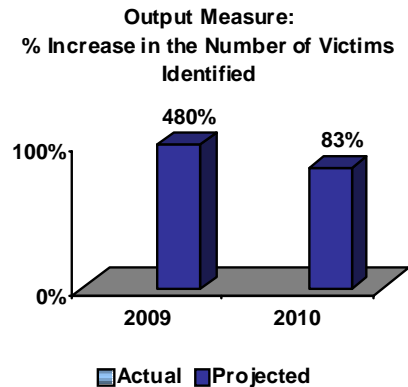
Discussion: N/A - New Measure

Data Definition: Victims: American citizens who are the victims of terrorism outside the borders of the U.S.

Data Collection and Storage: Data collection and storage is currently manual on a case by case basis. A database is under development.

Data Validation and Verification: Validation procedures will be established during database system design.

Data Limitations: Victim identification is a program challenge. The victim count is therefore significantly below anticipated levels.



NEW Measure: Percent of U.S. Victims of Terrorism Provided with Service and Compensation Information w/in 3 Business Days of Identification*

FY 2008 Target: N/A

FY 2008 Actual: N/A

Discussion: N/A – New Measure

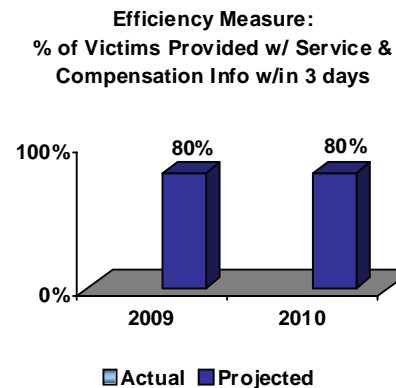
* The timeframe for this measure was reduced from 5 business days to 3.

Data Definition: Victims: American citizens who are the victims of terrorism outside the borders of the U.S.

Data Collection and Storage: Data collection and storage is currently manual on a case by case basis. A database is under development.

Data Validation and Verification: Validation procedures will be established during database system design.

Data Limitations: None.



V. Exhibits

A: Organizational Chart

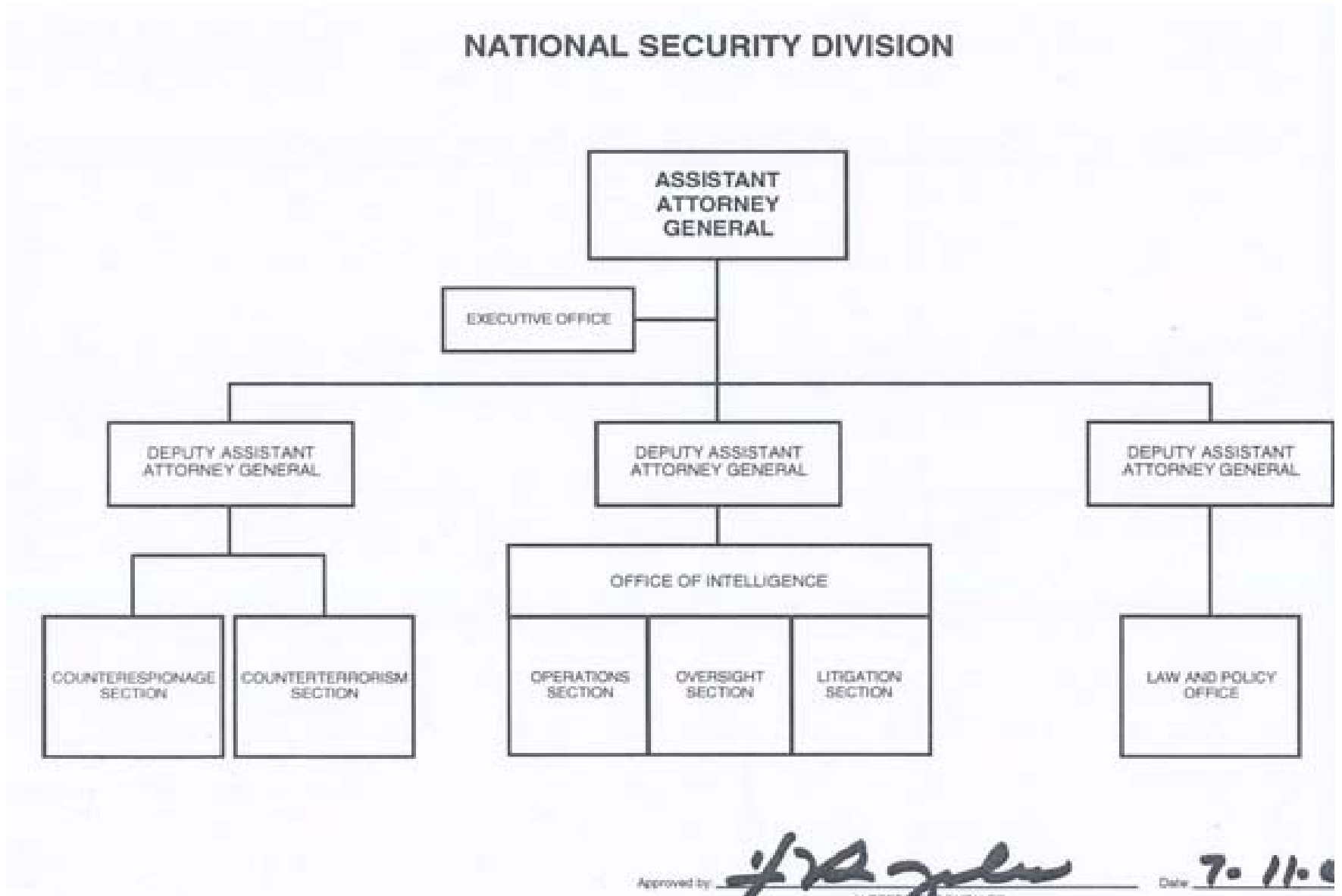


Exhibit A - Organizational Chart

B: Summary of Requirements

**Summary of Requirements
National Security Division
Salaries and Expenses
(Dollars in Thousands)**

	2010 Request		
	Perm. Pos.	FTE	Amount
2008 Enacted (with Rescissions, direct only)	346	308	73,373
2009 Enacted (with Rescissions, direct only)	346	346	83,789
Adjustments to Base			
Increases:			
2010 pay raise (2.0%)			738
2009 pay raise annualization (3.9%)			383
Annualization of 2008 positions (dollars)			1,136
Retirement			26
Health Insurance			36
GSA Rent			224
Moves (Lease Expirations)			1,559
DHS Security			11
Government Printing Office			1
WCF Rate Increase			35
Total Adjustments to Base	0	0	4,149
2010 Current Services	346	346	87,938
2010 Total Request	346	346	\$87,938
2009 - 2010 Total Change	0	0	4,149

Estimates by budget activity	2008 Appropriation Enacted w/Rescissions and Supplementals			2009 Enacted			2010 Adjustments to Base and Technical Adjustments			2010 Current Services			2010 Increases			2010 Offsets			2010 Request		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
National Security Division	346	308	73,373	346	346	83,789	0	0	4,149	346	346	87,938	0	0	0	0	0	0	346	346	87,938
Total	346	308	\$73,373	346	346	\$83,789	0	0	\$4,149	346	346	\$87,938	0	0	\$0	0	0	\$0	346	346	\$87,938
Reimbursable FTE		0			0						0									0	
Total FTE		308			346			0			346			0			0			346	

D: Resources by DOJ Strategic Goal and Strategic Objective

**Resources by Department of Justice Strategic Goal/Objective
National Security Division**

(Dollars in Thousands)

Strategic Goal and Strategic Objective	2008 Appropriation Enacted w/Rescissions and Supplementals		2009 Enacted		2010 Current Services		2010				2010 Request	
	Direct, Reimb. Other FTE	Direct Amount \$000s	Direct, Reimb. Other FTE	Direct Amount \$000s	Direct, Reimb. Other FTE	Direct Amount \$000s	Increases		Offsets		Direct, Reimb. Other FTE	Direct Amount \$000s
							Other FTE	\$000s	Other FTE	\$000s		
Goal 1: Prevent Terrorism and Promote the Nation's Security												
1.1 Prevent, disrupt, and defeat terrorist operations before they occur	205	53,748	229	61,205	229	64,211	0	0	0	0	229	64,211
1.2 Strengthen partnerships to prevent, deter, and respond to terrorist incidents	0	0	0	0	3	202	0	0	0	0	3	202
1.3 Prosecute those who have committed, or intend to commit, terrorist acts in the United States	70	13,301	83	15,467	80	16,059	0	0	0	0	80	16,059
1.4 Combat espionage against the United States	33	6,324	34	7,117	34	7,466	0	0	0	0	34	7,466
Subtotal, Goal 1	308	73,373	346	83,789	346	87,938	0	0	0	0	346	87,938
GRAND TOTAL	308	\$73,373	346	\$83,789	346	\$87,938	0	\$0	0	\$0	346	\$87,938

E. Justification for Base Adjustments

Justification for Base Adjustments National Security Division

Increases

2010 pay raise. This request provides for a proposed 2.0 percent pay raise to be effective in January of 2010. This increase includes locality pay adjustments as well as the general pay raise. The amount requested, \$ 738,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$ 605,000 for pay and \$ 133,000 for benefits).

Annualization of 2009 pay raise. This pay annualization represents first quarter amounts (October through December) of the 2009 pay increase of 3.9 percent included in the 2009 President's Budget. The amount requested \$ 383,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$ 316,000 for pay and \$ 67,000 for benefits).

Annualization of costs in 2008. This \$ 1,136,000 provides for the annualization of travel costs in FY 2008.

Retirement. Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 3 percent per year. The requested increase of \$ 26,000 is necessary to meet our increased retirement obligations as a result of this conversion.

Health Insurance: Effective January 2008, this component's contribution to Federal employees' health insurance premiums increased by 2.2 percent. Applied against the 2009 estimate of \$ 1,669,000, the additional amount required is \$ 36,000.

General Services Administration (GSA) Rent. GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$ 224,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective in FY 2010 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provided data on the rate increases.

DHS Security Charges. The Department of Homeland Security (DHS) will continue to charge Basic Security and Building Specific Security. The requested increase of \$ 11,000 is required to meet our commitment to DHS, and cost estimates were developed by DHS.

Moves (Lease Expirations). GSA requires all agencies to pay relocation costs associated with lease expirations. This request provides for the costs associated with new office relocations caused by the expiration of leases in FY 2010. Funding of \$ 1,559,000 is required for this account.

Government Printing Office (GPO): GOP provides an estimated rate increase of 4%. This percentage was applied to the FY 2009 estimate of \$ 24,000 to arrive at an increase of \$ 1,000.

WCF Rate Increases. Components in the DC metropolitan area use and rely on the Department's Working Capital Fund (WCF) for support services including telecommunications services, computer services, finance services, as well as internet services. The WCF continues to invest in the infrastructure supporting the telecommunications services, computer services, internet services. Concurrently, several security initiatives are being implemented and additional resources are being directed to financial management in an effort to maintain a clean audit status. Funding of \$ 35,000 is required for this account.

F: Crosswalk of 2008 Availability

Crosswalk of 2008 Availability

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Decision Unit	2008 Enacted Without Rescissions			Rescissions			Supplementals			Reprogrammings / Transfers			Carryover/ Recoveries			2008 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
National Security Division	346	308	73,373	0	0	0	0	0	0	0	0	0	0	0	1,580	346	308	74,953
Asset Forfeiture Fund															[6,120]	0	0	[6,120]
TOTAL	346	308	\$73,373	0	0	\$0	0	0	\$0	0	0	\$0	0	0	\$1,580	346	308	\$74,953
Reimbursable FTE		0																0
Total FTE		308			0			0			0			0				308

Carryover: Funds were carried over for Global War on Terrorism (\$1,580) and Assets Forfeiture Fund Super Surplus (6,120).

G: Crosswalk of 2009 Availability

Crosswalk of 2009 Availability
 National Security Division
 Salaries and Expenses
 (Dollars in Thousands)

Decision Unit	2009 Enacted			Rescissions			Supplementals			Reprogrammings / Transfers			Carryover/ Recoveries			2009 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
National Security Division	346	346	83,789	0	0	0	0	0	0	0	0	0	0	0	5,360	346	346	89,149
TOTAL	346	346	83,789	0	0	0	0	0	0	0	0	0	0	0	5,360	346	346	\$89,149
Reimbursable FTE		0																0
Total FTE		346			0			0			0			0				346

Carryover: FY 2008 funds totaling \$5,360,096 were carried over for IT related projects (\$5,000,000) and Foreign Agents Registration Act fees (\$360,096).

I: Detail of Permanent Positions by Category

Detail of Permanent Positions by Category

National Security Division

Salaries and Expenses

Category	2008 Enacted w/Rescissions and Supplementals		2009 Enacted		Total Pr. Changes	Total Authorized	Total Reimbursable
	Total Authorized	Total Reimbursable	Total Authorized	Total Reimbursable			
Intelligence Series (132)	9		9		0	9	
Personnel Management (200-299)					0	0	
Clerical and Office Services (300-399)	64		64		0	64	
Accounting and Budget (500-599)	7		7		0	7	
Attorneys (905)	236		236		0	236	
Paralegals / Other Law (900-998)	18		18		0	18	
Information & Arts (1000-1099)					0	0	
Business & Industry (1100-1199)	1		1		0	1	
Library (1400-1499)					0	0	
Equipment/Facilities Services (1600-1699)					0	0	
Miscellaneous Inspectors Series (1802)					0	0	
Criminal Investigative Series (1811)					0	0	
Supply Services (2000-2099)					0	0	
Motor Vehicle Operations (5703)					0	0	
Information Technology Mgmt (2210)	7		7		0	7	
Security Specialists (080)	4		4		0	4	
Miscellaneous Operations (010-099)					0	0	
Total	346	0	346	0	0	346	0
Headquarters (Washington, D.C.)	345		345		0	345	
U.S. Field	1		1		0	1	
Foreign Field	0		0		0	0	
Total	346	0	346	0	0	346	0

K: Summary of Requirements by Grade

Summary of Requirements by Grade

National Security Division

Salaries and Expenses

Grades and Salary Ranges	2008 Enacted w/Rescissions and		2009 Enacted		2010 Request		Increase/Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
SES, \$111,676 - \$168,000	17		17		17		0	
GS-15, \$110,363 - 143,471	230		230		230		0	
GS-14, \$93,822 - 121,967	24		24		24		0	
GS-13, \$79,397 - 103,220	23		23		23		0	
GS-12, \$66,767 - 86,801	9		9		9		0	
GS-11, \$55,706 - 72,421	23		23		23		0	
GS-10, 50,703 - 65,912	0		0		0		0	
GS-9, \$46,041 - 59,852	9		9		9		0	
GS-8, 41,686 - 54,194	8		8		8		0	
GS-7, \$37,640 - 48,933	3		3		3		0	
GS-6, \$33,872 - 44,032	0		0		0		0	
GS-5, \$30,386 - 39,501	0		0		0		0	
GS-4, \$27,159 - 35,303	0		0		0		0	
GS-3, \$24,194 - 31,451	0		0		0		0	
GS-2, \$22,174 - 27,901	0		0		0		0	
GS-1, \$19,722 - 24,664	0		0		0		0	
Total, appropriated positions	346		346		346		0	
Average SES Salary		\$168,796		\$174,029		\$177,857		
Average GS Salary		\$123,877		\$129,798		\$132,394		
Average GS Grade		14.02		14.02		14.02		

L: Summary of Requirements by Object Class

Summary of Requirements by Object Class

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Object Classes	2008 Actuals		2009 Enacted		2010 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Direct FTE & personnel compensation	232	27,778	346	35,939	346	36,812	0	873
11.3 Other than full-time permanent		416		452	0	470	0	18
11.5 Total, Other personnel compensation		1,214		1,575	0	1,605	0	30
<i>Overtime</i>							0	0
<i>Other Compensation</i>							0	0
11.8 Special personal services payments							0	0
Total	232	29,408	346	37,966	346	38,887	0	921
Other Object Classes:								
12.0 Personnel benefits		7,697		9,475		9,737		262
21.0 Travel and transportation of persons		1,903		3,757		4,893		1,136
22.0 Transportation of things		100		250		250		0
23.1 GSA rent		7,645		7,858		8,082		224
23.2 Moving/Lease Expirations/Contract Parking		133		160		1,719		1,559
23.3 Comm., util., & other misc. charges		2,141		2,675		2,710		35
24.0 Printing and reproduction		31		60		61		1
25.1 Advisory and assistance services		1,191		2,125		2,125		0
25.2 Other services		3,622		10,935		5,575		(5,360)
25.3 Purchases of goods & services from Government accounts (Antennas, DHS Sec. Etc..)		5,179		7,725		7,736		11
25.4 Operation and maintenance of facilities		47		80		80		0
25.5 Research and development contracts		0		0		0		0
25.7 Operation and maintenance of equipment		91		163		163		0
26.0 Supplies and materials		475		495		495		0
31.0 Equipment		3,859		5,425		5,425		0
Total obligations		\$63,522		\$89,149		\$87,938		(\$1,211)
Unobligated balance, start of year		1,580		(5,360)		0		
Unobligated balance, end of year		5,360						
Recoveries of prior year obligations								
Total DIRECT requirements		67,302		83,789		87,938		
Reimbursable FTE:								
Full-time permanent	0	0	0	0	0	0	0	0
23.1 GSA rent (Reimbursable)		0		0		0		0
25.3 DHS Security (Reimbursable)		0		0		0		0

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

National Security Division

Salaries and Expenses

(Dollars in Thousands)

Status of Congressionally Requested Studies, Reports, and Evaluations

1. The FY 2009 Omnibus Appropriations Act, directs NSD to submit a report on the trend in Foreign Intelligence Surveillance Act (FISA) backlog numbers over the past five fiscal years and NSD's plan for addressing backlog, beginning in fiscal year 2009. This report is to be submitted to the House and Senate Committees on Appropriations no later than 60 days after the enactment of this Act.
2. The FY 2009 Omnibus Appropriations Act, H.R. 1105 directs NSD to submit a report on the Division's foreign investment review workload and the Division's ability to address this workload in the absence of additional requested resources. The report shall be submitted to the House and Senate Committees on Appropriations no later than 60 days after the enactment of this Act.