

FINANCIAL STRUCTURE

The Department's financial reporting structure is comprised of the following principal components (a complete listing is included in Appendix B):

- Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF)
- Working Capital Fund (WCF)
- Offices, Boards, and Divisions (OBDs)
- U.S. Marshals Service (USMS)
- Office of Justice Programs (OJP)
- Drug Enforcement Administration (DEA)
- Federal Bureau of Investigation (FBI)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Bureau of Prisons (BOP)
- Federal Prison Industries, Inc. (FPI)

PERFORMANCE AND RESOURCE INFORMATION

The DOJ performance information is presented on the following pages. The information is organized by strategic goal and is consistent with the Department's Government Performance and Results Act (GPRA) performance plans and reports. In FY 2004, the Attorney General issued a revised Strategic Plan for FY 2003-2008. (The Strategic Plan is available on the Internet at DOJ's website: <http://www.usdoj.gov>.) This new plan reduces the number of Strategic Goals from eight to four, thereby resulting in changes in expenditures across goals from FY 2003 to FY 2004. Costs presented in this document for FY 2003 have been reclassified into the new goal structure for comparison purposes. Table 1 and Table 2, along with associated graphs, provide an overview of the sources of resources and how they were spent.

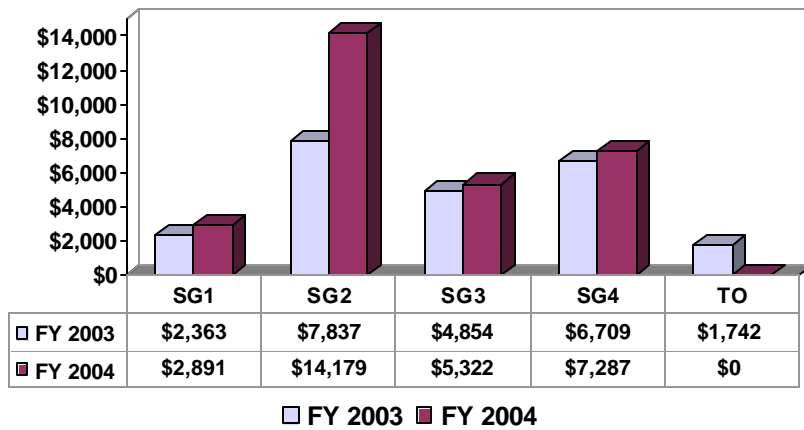
Table 1. Sources of DOJ Resources (Dollars in Thousands)

Source	FY 2004	FY 2003
Exchange Revenue:	\$2,630,324	\$2,793,320
Budgetary Financing Sources:		
Appropriations Received	26,669,845	27,437,374
Appropriations Transferred In/Out	78,727	(4,856,266)
Nonexchange Revenues	846,839	380,831
Donations and Forfeitures of Cash or Cash Equivalents	448,467	414,017
Transfers In/Out Without Reimbursement	277,365	118,484
Other Adjustments and Other Budgetary Financing Sources	(709,250)	(2,283,485)
Other Financing Sources:		
Donations and Forfeitures of Property	95,507	72,947
Transfers In/Out Without Reimbursement	(20,951)	(18,204)
Imputed Financing from Costs Absorbed by Others	662,434	632,683
Total	\$30,979,307	\$24,691,701

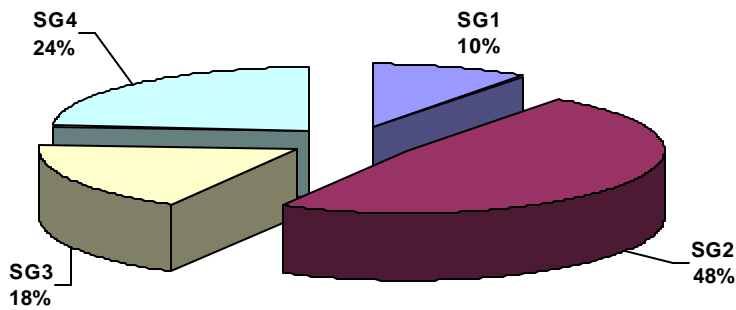
Table 2. How DOJ Resources are Spent, Net of Earned Revenue (Dollars in Thousands)

Strategic Goal (SG)		FY 2004	FY 2003	% Change
SG 1	Prevent Terrorism and Promote the Nation's Security	\$2,890,822	\$2,363,378	22%
SG 2	Enforce Federal Laws and Represent the Rights and Interests of the American People	14,179,183	7,837,088	81%
SG 3	Assist State, Local, and Tribal Efforts to Prevent or Reduce Crime and Violence	5,321,783	4,854,131	10%
SG 4	Ensure the Fair and Efficient Operation of the Federal Justice System	7,287,292	6,708,401	9%
Transferred Operations (TO) Pursuant to the Homeland Security Act of 2002, P.L. 107-296:		0	1,742,061	N/A
Total		\$29,679,080	\$23,505,059	

**Comparison of Net Costs
(\$ millions) - FY 2003 and FY 2004**

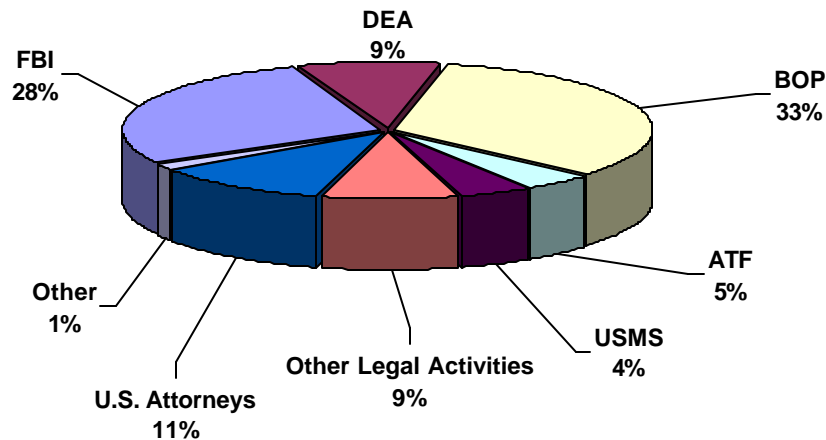


FY 2004 Net Costs by Strategic Goal



FY 2004 DOJ Employees On-Board by Component

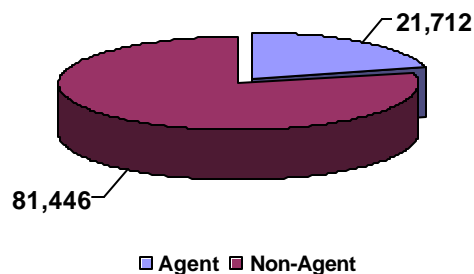
103,158 employees as of 9/18/04



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FY 2004 DOJ Employees On-Board Agents and Non-Agents

as of 9/18/04



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2004 FINANCIAL HIGHLIGHTS

The Department's total assets as of September 30, 2004, were \$27.1 billion, of which approximately 60 percent consists of the fund balance with the Treasury. Total liabilities were approximately \$6.9 billion, of which \$4.5 billion (compared to \$4.7 billion in FY 2003) were covered by budgetary resources. The net cost of operations totaled \$29.7 billion for the year ended September 30, 2004, an increase of approximately 26 percent over FY 2003.

A brief description of some of the major costs included in each Strategic Goal follows, along with an explanation of significant changes in expenditures from FY 2003 to FY 2004 for each goal. As stated previously, costs presented in this document for FY 2003 have been reclassified into the new goal structure for comparison purposes.

- **Strategic Goal 1, Prevent Terrorism and Promote the Nation's Security**, includes resources dedicated to counterterrorism initiatives as well as the costs of the United States Attorneys (USAs) and Criminal Division.
- **Strategic Goal 2, Enforce Federal Laws and Represent the Rights and Interests of the American People**, includes the ATF; DEA; FBI; USAs; the Criminal, Civil, Civil Rights, Tax, Antitrust, and Environmental Divisions; the United States Trustees; and the Assets Forfeiture Fund (AFF). Net costs for this goal increased approximately 81 percent from FY 2003 to FY 2004. This was largely due to an increase in the Victim Compensation Program.
- **Strategic Goal 3, Assist State, Local, and Tribal Efforts to Prevent or Reduce Crime and Violence**, includes OJP, COPS, as well as services to America's crime victims and the AFF.
- **Strategic Goal 4, Ensure the Fair and Efficient Operation of the Federal Justice System**, includes the USMS, the BOP (which includes FPI), the OFDT, the U.S. Parole Commission, EOIR, and Fees and Expenses of Witnesses program.

Management and administrative costs, including the Justice Management Division, the leadership offices, and the Wireless Management Office, among others, are allocated to each goal based on full-time equivalent (FTE) employment¹.

COUNTERTERRORISM RESOURCES

Strategic Goal 1 applies a strict definition to the resources that are considered "counterterrorism" in nature: it includes only those activities for which the primary mission is counterterrorism. For the Department, this includes activities of the FBI, OJP, USAs' offices and the Criminal Division. However, many of the Department's other activities support the counterterrorism mission in a variety of ways. Using a broader definition of counterterrorism activities, to include providing homeland security, the Department incurred net costs of \$ 3.3 billion² on the counterterrorism/homeland security effort in FY 2004. This represents approximately 11 percent of the Department's net costs in FY 2004, and includes the various activities. For DEA, this includes special operations and physical/information security; for the FBI, this includes the components of the Office of Intelligence, Legal Attaches, the Dedicated Technical Program, and Cyber programs that support counterterrorism; for ATF, this includes joint terrorism task force initiatives and investigations of explosive and arson incidents that may be related to terrorist activities; for the USMS, this includes enhanced security for courthouses, protection of judges, prisoner custody related to terrorist trials and proceedings, and terrorist fugitives investigations; for OJP, this includes Domestic Terrorism Technology Development and Terrorism Prevention and Response Training; for the BOP, this includes increased care and maintenance cost of additional inmates as well as increased security; and for the OBDs this includes U.S. Attorneys and the legal activities of the Criminal Division.

DATA RELIABILITY AND VALIDITY

The Department views data reliability and validity as critically important in the planning and assessment of its performance. As such, this document includes a discussion of data validation, verification, and any identified data limitations for each performance measure presented. Each reporting component ensures that data reported meets the following criteria:

¹ FTE employment means the total number of regular straight-time hours (i.e., not including overtime or holiday hours) worked by employees divided by the number of compensable hours applicable to each fiscal year. Annual leave, sick leave, compensatory time off and other approved leave categories are considered "hours worked" for purposes of defining FTE employment.

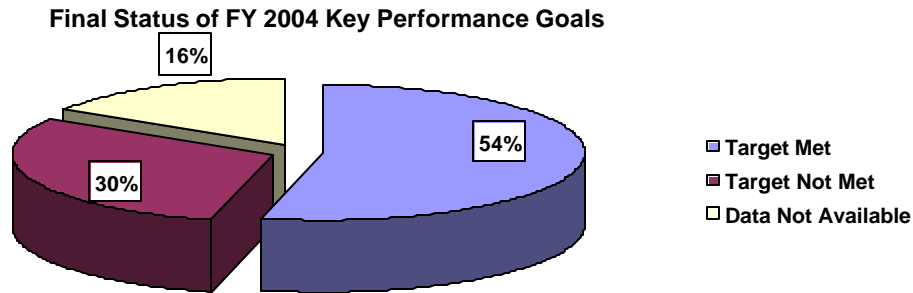
² Net costs of operations are the gross costs incurred by the reporting entity less any exchange revenue earned from its activities. The gross costs of a program consists of the full costs of the outputs produced by that program plus any non-production costs that can be assigned to the program. Due to no year funding, timing of obligations, and other factors, these net costs will not directly reconcile with the annual amounts requested and appropriated in the same fiscal year.

At a minimum, performance data are considered reliable if transactions and other data that support reported performance measures are properly recorded, processed, and summarized to permit the preparation of performance information in accordance with criteria stated by management. Performance data need not be perfect to be reliable, particularly if the cost and effort to secure the best performance data possible will exceed the value of any data so obtained.

Additionally, when applicable, components identify data limitations regarding their performance reporting information and steps taken to reduce those limitations as appropriate. At this time, the Department's components have identified no significant limitations related to their performance data.

FY 2004 KEY PERFORMANCE MEASURES BY STRATEGIC GOAL

The Department's Strategic Plan for FY 2003-2008 includes, for the first time, specific long-term outcome goals. These outcome goals resulted from a significant effort by the Department to identify those key activities that are considered its highest priorities. Annual measures addressing accomplishment toward these long-term outcome goals were developed and identified in the Department's FY 2005 Budget and Performance Summary. The Department's full Performance Report for these measures is in Part II of this document. Each of the long-term outcome goals identified in the strategic plan is indicated in the performance report as an FY 2008 Outcome Goal. The performance report represents the Department's effort toward meeting the corresponding annual goals. The summary chart below provides an overview of the Department's FY 2004 performance.



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[] Designates the reporting entity	FY 2004 Target	FY 2004 Actual	Target Achieved/ Significant Progress
Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security			
Terrorist acts committed by foreign nationals against U.S. interests within U.S. borders [FBI]	Zero	Zero	Yes
Strategic Goal 2: Enforce Federal Laws and Represent the Rights and Interests of the American People			
Number of transnational criminal enterprises dismantled (Formerly: Number of organized criminal enterprises dismantled) [FBI]	19	28	Yes
Number of child pornography webs ites or web hosts shut down [FBI]	150	2,638	Yes
Percent of high-crime cities (with an ATF presence) demonstrating a reduction in violent firearms crime [ATF]	50%	N/A*	N/A*
DOJ's reduction in the supply of illegal drugs available for consumption in the U.S. (2002 Baseline) [OCDETF]	N/A**	N/A**	N/A**
Consolidated Priority Organizations Target-linked drug trafficking organizations Disrupted (DEA, FBI [Consolidated data - ADAG/Drugs])	24	159	Yes
Dismantled (DEA, FBI [Consolidated data - ADAG/Drugs])	22	36	Yes
Value of stolen intellectual property [FBI]	\$34 billion	Data not available until after 12/31/04	Data not available due to calendar year reporting
Number of top-ten Internet fraud targets neutralized [FBI]	6	7	Yes
Number of criminal enterprises engaging in white collar crime dismantled [FBI]	15	116	Yes

	FY 2004 Target	FY 2004 Actual	Target Achieved/ Significant Progress
[] Designates the reporting entity			
Case resolution for all DOJ litigating divisions: (ENRD, ATR, CRM, USA, TAX, CIV, CRT, [Consolidated data - JMD/BS])			
Percent of Criminal Cases favorably resolved	90%	91%	Yes
Percent of Civil Cases favorably resolved	80%	85%	Yes
Percent of Assets/Funds returned to creditors: [USTP]			
Chapter 7	54%	Data not available until after 1/31/05***	
Chapter 13	80%	Data not available until 1/31/05***	Data lags one year
Strategic Goal 3: Assist State, Local, and Tribal Efforts to Prevent or Reduce Crime and Violence			
Percent reduction in recidivism for the population served by the Re-entry initiative [OJP]	Establish Baseline	Baseline Established at 2%	Yes
Reduction of homicides per site (funded under the Weed and Seed Program) [OJP]	5%	Data not available until after 12/31/04	No. As of 9/30/04 only 2/3 of sites reported
Percent increase in Regional Information Sharing Systems (RISS) inquiries [OJP]	5% (above 2003 baseline)	17% (above 2003 baseline)	Yes
Percent reduction in DNA Backlog [OJP]	10.7% casework 24.1% offender	10.6% casework 59.8% offender	No. Procurement delays on the state level Yes
Number of participants in the Residential Substance Abuse Treatment (RSAT) Program [OJP]	20,000	33,239	Yes
Percent increase in the graduation rate of program participants in the Drug Courts Program [OJP]	Establish Baseline	Baseline not Established	No. Funding not finalized or awarded until September 2004
Strategic Goal 4: Ensure the Fair and Efficient Operation of the Federal Justice System			
Number of interrupted judicial proceedings due to inadequate security [USMS]	Zero	Zero	Yes
Percent and number of total fugitives apprehended or cleared [USMS]	49% 86,652	47% 79,740	No Additional workload generated; less fugitives cleared
Per day jail cost [OFDT]	\$61.82 (\$62.00 rounded)	\$62.00	Yes
Number of escapes during confinement (federal detention) [OFDT]	Zero	Zero	Yes
Rate of assaults (federal detention) [OFDT]	Establish Data Collection	Data collection established	Yes
System-wide crowding in Federal prisons [BOP]	37%	41%	No. Activation delays caused additional crowding
Number of escapes from secure BOP facilities [BOP]	Zero	2	No. Security reviews have occurred; changes have been implemented
Comparative recidivism for Federal Prison Industries (FPI) inmates versus non-FPI inmates [FPI / BOP]	Establish Baseline	N/A	N/A. Baseline data is expected for this measure in FY 2005

[] Designates the reporting entity	FY 2004 Target	FY 2004 Actual	Target Achieved/ Significant Progress
Rate of assaults in Federal prisons [BOP]	130/5000 assaults/inmates	121/5000 assaults/inmates	Yes
Inspection Results—Percent of Federal Facilities with ACA Accreditations [BOP]	99%	94%	No. Progress was made in accrediting facilities; however final accreditation status was not given prior to end of FY 2004.
Percent of Executive Office for Immigration Review priority cases completed within established timeframes [EOIR]	90% (all categories)	89% Asylum; 88% IHP; 88% Detained; 100% Single Appeals; 100% Panel Appeals	No on Asylum, IHP, Detained. Yes on appeals.

* ATF data lags two years due to time lag in publication of Uniform Crime Report.

** Measuring reduction in the drug supply is a complex process reflecting of a number of factors outside the control of drug enforcement. Moreover, the impact of enforcement efforts on drug supply and the estimated availability are currently not measurable in a single year. Accordingly, DOJ is unable to set interim goals; however, we remain focused on achieving a long-term reduction of 10%, when compared to the baseline supply of drugs available for consumption in FY 2002.

*** Data lags one year due to the requirement to audit data submitted by Trustees prior to reporting. (FY 2003 Report due to data lag, FY 2003 Actuals: Chapter 7: 57%; Chapter 13: 85%)