Court Services and Offender Supervision Agency for the District of Columbia

FY 2012 Agency Financial Report

November 15, 2012

Introduction

The Reports Consolidation Act of 2000 (P.L. 106-531) authorizes Federal agencies to combine required financial, performance and management assurance reports into one submission to improve the efficiency of agency reporting and to provide information to stakeholders in a more meaningful, useful format. The Court Services and Offender Supervision Agency's (CSOSA's) FY 2012 Agency Financial Report (AFR) provides fiscal and selected high-level performance results that enable the President, Congress and the American people to assess our accountability and accomplishments for the reporting period of October 1, 2011 through September 30, 2012. There are three major sections to this AFR:

Section I: Management's Discussion and Analysis (MD&A)

Contains information on CSOSA's mission, organizational structure, strategic goals and locations. Provides an overview of financial results, a high-level discussion of selected key program performance measures, and management assurances related to the Federal Managers' Financial Integrity Act (FMFIA) of 1982 and Federal Financial Management Improvement Act (FFMIA) of 1996.

Section II: Financial Section

Provides CSOSA's FY 2012 audited financial statements and notes and the independent auditor's reports.

Section III: Other Accompanying Information

Contains Improper Payments Information Act (IPIA) of 2002 reporting details and the Schedule of Spending.

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Agency Head Message

I am proud to share with you the Court Services and Offender Supervision Agency's (CSOSA's) FY 2012 Agency Financial Report (AFR). CSOSA was established under the National Capital Revitalization Act of 1997 (the Revitalization Act) to increase public safety, prevent crime, reduce recidivism, and support the fair administration of justice in the District of Columbia. With implementation of the Revitalization Act, the Federal government has taken on a unique, front-line role in the day-to-day public safety of everyone who lives, visits or works in the District of Columbia.

CSOSA was certified as an independent Executive Branch agency on August 4, 2000. CSOSA consists of two component programs, the Community Supervision Program (CSP) and the Pretrial Services Agency (PSA), supervising adult offenders on probation, parole and supervised release and adult defendants on pretrial release. Pursuant to the Revitalization Act, PSA became an independent entity within CSOSA. CSP and PSA share two distinct common strategic goals for the Agency's management and operations:

- Establish strict accountability and prevent the population supervised by CSOSA from engaging in criminal activity, and
- Support the fair administration of justice by providing accurate information and meaningful recommendations to criminal justice decision-makers.

As a result of several years of flat budgets and increasing costs, CSOSA has made reductions to offender and defendant support and supervision programs in FY 2012, to include substance-abuse treatment. CSOSA is committed to doing more with less and will continue to make every effort to achieve our strategic goals and enhance public safety with limited resources.

For FY 2012, CSOSA is issuing an AFR and will include our complete FY 2012 Annual Performance Report with our FY 2014 Congressional Budget Justification. The AFR is our principal report to the President, Congress and the American people on our management of the funds to which we have been entrusted; we believe it demonstrates clearly our commitment to the effective stewardship of the public's monies. The financial and performance data reported in the FY 2012 AFR is reliable and complete. As evidence, CSOSA has received unqualified opinions from our independent auditors since agency inception. An unqualified audit opinion affirms that the CSOSA financial statement(s) were presented fairly in all material respects, in conformity with generally accepted accounting principles. In addition, CSOSA's FY 2012 internal evaluation concerning the adequacy of the Agency's management controls and systems and the FY 2012 financial audit did not identify material control weaknesses.

We are committed to managing CSOSA resources in a transparent and accountable fashion as we carry out a mission that improves the lives of all people within the District of Columbia. Thank you for your interest in CSOSA's FY 2012 AFR.

Nancy Ware

Nancy Ware
Director
November 15, 2012

AFR Section I: Management's Discussion and Analysis

A. Background

The Court Services and Offender Supervision Agency for the District of Columbia (CSOSA) was established by the National Capital Revitalization and Self-Government Improvement Act of 1997 (the Revitalization Act[1]). Following a three-year period of trusteeship, CSOSA was certified as an independent Executive Branch agency on August 4, 2000. CSOSA's mission is to increase public safety, prevent crime, reduce recidivism, and support the fair administration of justice in close collaboration with the community.

The Revitalization Act was designed to provide financial assistance to the District of Columbia by transferring full responsibility for several critical, front-line public safety functions to the Federal government. Three separate and disparately functioning entities of the District of Columbia government were reorganized into one federal agency, CSOSA. The new agency assumed its probation function from the DC Superior Court Adult Probation Division and its parole function from the DC Board of Parole. The Pretrial Services Agency for the District of Columbia (PSA), responsible for supervising pretrial defendants, became an independent entity within CSOSA and receives its funding as a separate line item in the CSOSA appropriation. On August 5, 1998, the parole determination function was transferred to the US Parole Commission (USPC), and on August 4, 2000, the USPC assumed responsibility for parole and supervised release revocation and modification with respect to felons. With implementation of the Revitalization Act, the Federal government took on a unique, front-line role in the day-to-day public safety of everyone who lives, visits or works in the District of Columbia.

For FY 2012, CSOSA has chosen to produce an alternative to the consolidated Performance and Accountability Report (PAR) called an Agency Financial Report (AFR). CSOSA will include its FY 2012 Annual Performance Report with its FY 2014 Congressional Budget Justification and will post it on the CSOSA web site, located at WWW.CSOSA.GOV, in 2013.

The CSOSA appropriation is composed of two component programs:

- The Community Supervision Program (CSP), and
- The Pretrial Services Agency for the District of Columbia (PSA).

CSP is responsible for supervision of offenders on probation, parole or supervised release, as well as monitoring Civil Protection Orders and deferred sentencing agreements; PSA is responsible for supervising pretrial defendants.

Community Supervision Program (CSP): CSP provides a range of supervision case management and related support services for adult offenders on probation, parole and supervised release. These diverse services support CSOSA's commitment to public safety and crime reduction through the provision of timely and accurate information to judicial and paroling authorities and through the close supervision of offenders released to the community.

CSP supervises approximately 16,000 offenders on any given day and 25,000 different offenders over the course of a year. Approximately 10,000 offenders enter CSP supervision each year; 2,500 supervised releasees and parolees released from incarceration in a Federal Bureau of Prisons

[1] Public Law 105-33, Title XI

facility, and 7,500 probationers sentenced by the DC Superior Court. Supervised release offenders committed their offense on or after August 5, 2000 and are sentenced to a minimum of 85 percent of their sentence in prison and the balance under CSP supervision in the community. Parolees committed their offense prior to August 4, 2000 and serve a minimum of their sentence in prison before they are eligible for parole at the discretion of the USPC.

Probationers are typically supervised by CSP for an average of two years; supervised releasees, three years; and parolees, seven to eleven years.

In FY 2012, 9,530 offenders entered CSP supervision and we supervised a Total Supervised Population of 24,062 unique offenders. On September 30, 2012, CSP monitored or supervised a total of 15,399 offenders.

CSP's challenge in effectively supervising our offender population is substantial. Many offenders under CSP supervision have substance abuse and/or mental health issues, lack stable housing and family relationships, do not have a high school diploma or GED, and are unemployed.

In our FY 2011–2016 Strategic Plan issued April 2012 CSP established two long-term outcomes related to improving public safety:

1. Decreasing recidivism among the supervised offender population, and
2. Successful completion of supervision.

CSP strives to decrease recidivism by continuing to develop, implement and evaluate effective offender supervision programs and techniques. In FY 2012, 2,370 offenders were revoked to incarceration. Although this seems like a significant increase compared to FYs 2010 and 2011, changes in methodology account for much of this increase. Prior to FY 2012, revocations were counted by CSP based on an offender's latest supervision status during the fiscal year. For example, if an offender was revoked early in a fiscal year, but later returned to and remained on CSP supervision in the same fiscal year, his or her revocation was not counted. Beginning in FY 2012, all revocations were counted, even if the offender returned to CSP supervision later in the same fiscal year.

Percent of Total Supervised Offender Population Incarcerated, FY 2007 – FY 2012*

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012**
Probation	9%	9%	10%	9%	8%	10%
Parole / Supervised Release	12%	9%	9%	6%	8%	9%
Total Supervised Population	10%	9%	9%	7%	8%	10%
Number of Revocations to Incarceration (Recidivism)	2,239	2,102	2,170	1,810	1,941	2,370

*Reported revocation (incarceration) data excludes a small number of cases that are closed and revoked but the offender is not incarcerated.

**Effective FY 2012, CSP updated the methodology used to compute offenders revoked to incarceration. This methodology change accounts for offenders revoked to incarceration who later return to CSP supervision within the same reporting period. This methodology change likely increases the number of reported revocations to incarceration when compared to prior reporting periods.

CSP will continue to work closely with our public safety and community partners and focus our resources on the highest-risk offenders by providing effective offender supervison, increasing the number of offenders who successfully reintegrate into the community and improving public safety in the District of Columbia.

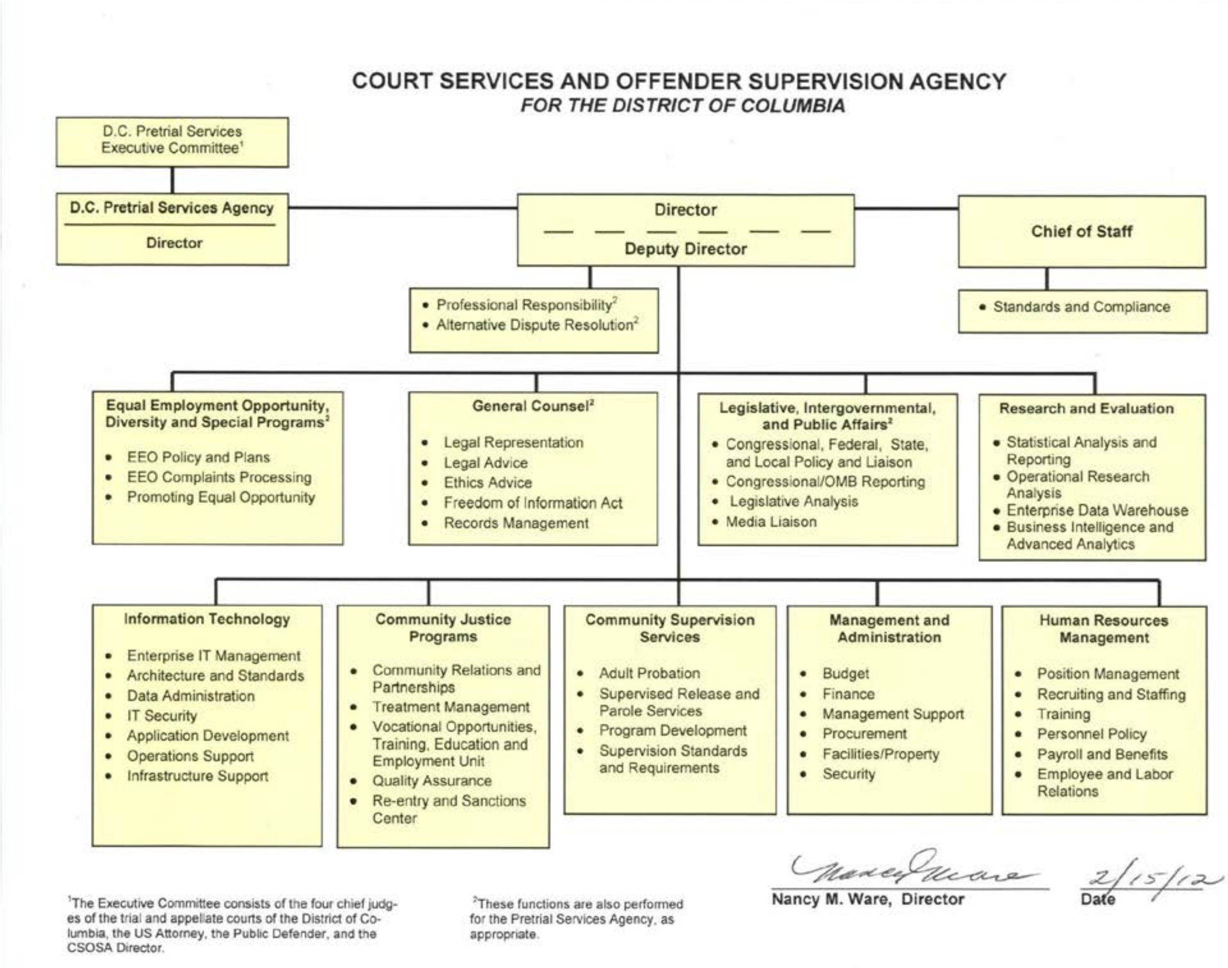
Pretrial Services Agency (PSA): PSA assists judicial officers in both the Superior Court for the District of Columbia and the United States District Court for the District of Columbia by conducting a risk assessment for every arrested person who will be presented in court and formulating release or detention recommendations based upon that risk assessment. This assessment is based upon the arrestee's demographic information, criminal history, as well as substance abuse and/or mental health information. For defendants who are placed on conditional release pending trial, PSA provides supervision and treatment services that reasonably assure that defendants on conditional release return to court and do not engage in criminal activity pending their trial and/or sentencing. The result is that, in the District of Columbia, unnecessary pretrial detention is minimized, jail crowding is reduced, public safety is increased and, most significantly, the pretrial release process is administered fairly.

PSA brings to bear the strength of 45 years of excellent service to the District of Columbia, a strong sense of mission and purpose, a dedicated and professional staff, and a reputation for collaboration and cooperation with other justice partners. Since its inception as a federal entity, PSA has sharpened its mission and vision and committed itself to being an entity driven by performance and measured by results.

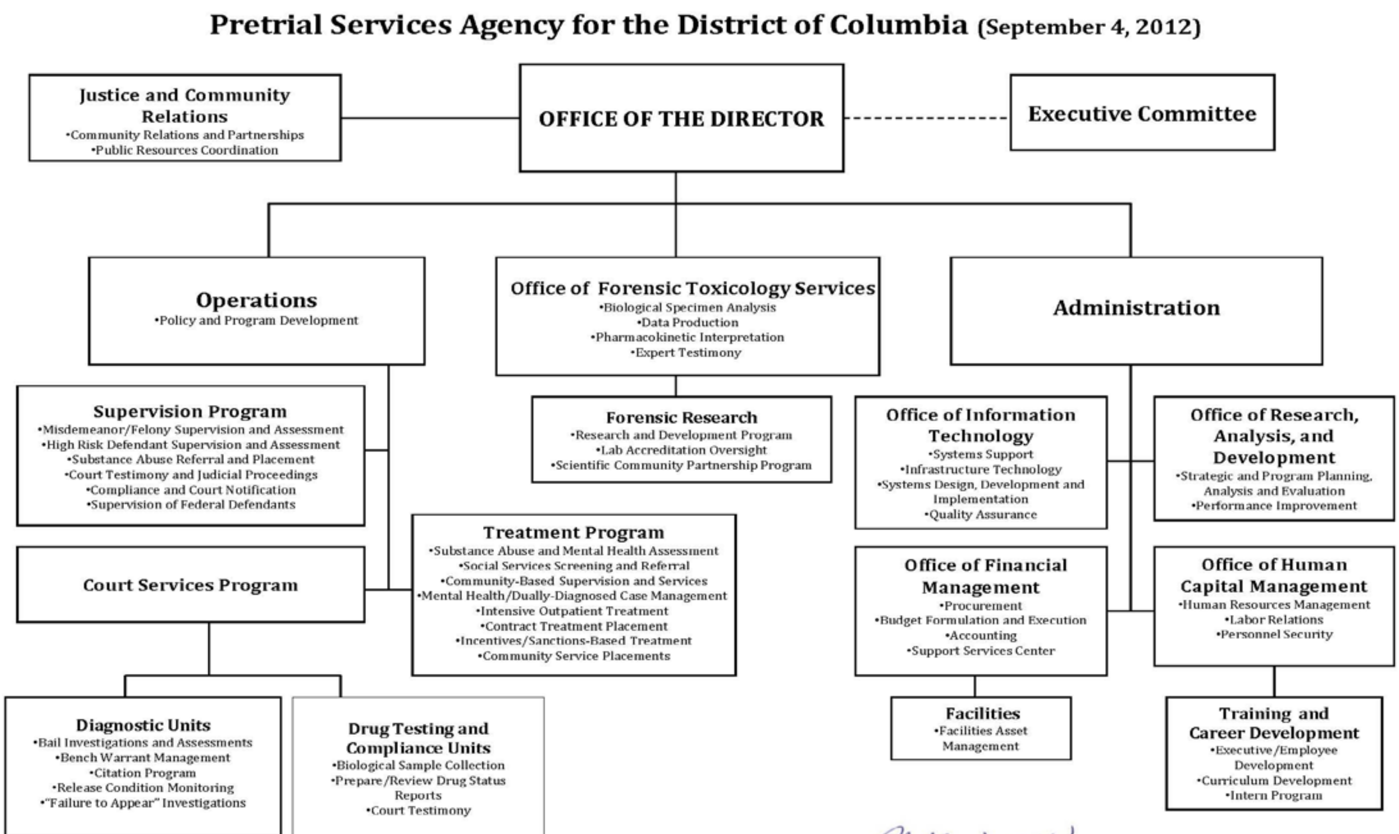
Defendants are placed into PSA supervision programs during the pretrial release period based on the release conditions ordered by the Court. PSA supervised over 16,800 defendants in FY 2012 under a wide range of programs that include General Supervision, High Intensity Supervision Program (HISP), Work Release, Superior Court Drug Intervention Program (SCDIP), New Directions, Sanctions Based Treatment Program, Specialized Supervision Unit, DC Misdemeanor and Traffic Initiative (DCMTI), and US District Court.

B. CSOSA Organizational Structure

The organization structure of CSOSA's Community Supervision Program is shown below:



The Pretrial Service Agency's organizational structure is shown below:



Clifford T. Keenan
Clifford T. Keenan, Director

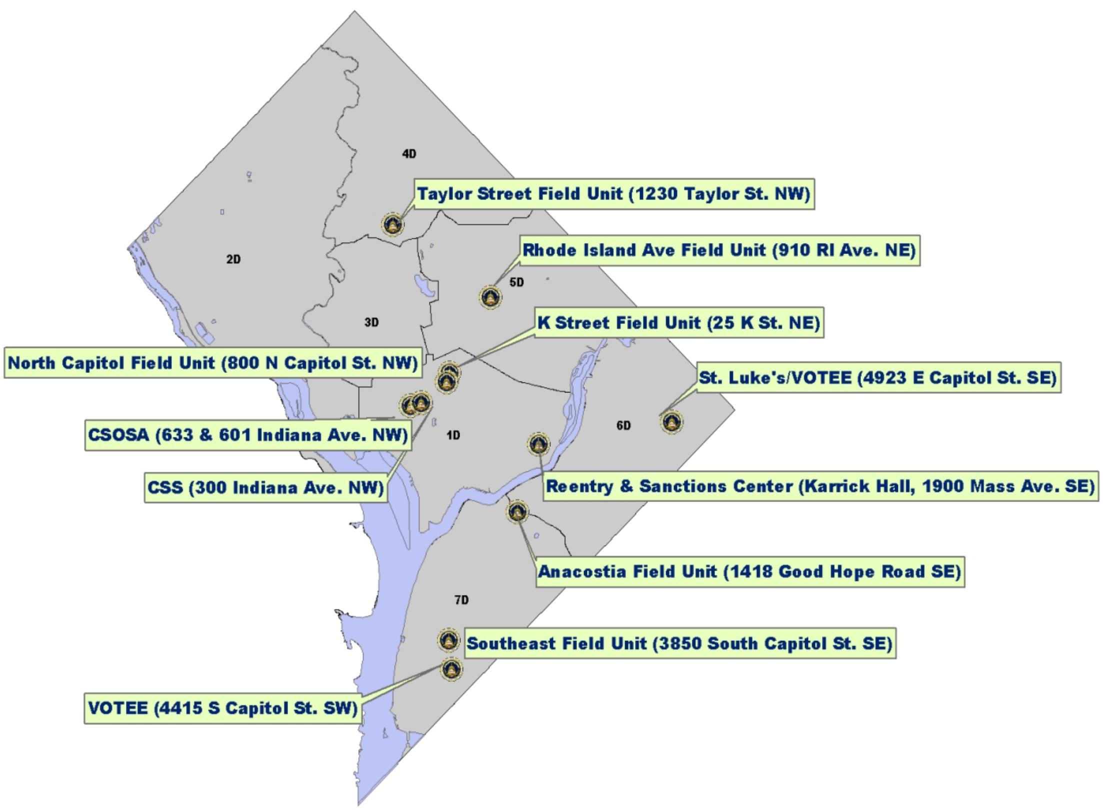
09/04/2012
Date

C. CSOSA Locations

CSOSA's (CSP and PSA) headquarters is located at 633 Indiana Avenue, NW, Washington, DC.

CSP operates at 12 locations throughout the District of Columbia. CSP's primary offender supervision operations are located at six existing field offices (CSOSA headquarters also houses one CSP offender supervision program) and various program locations throughout the District of Columbia. In addition, CSP has specialized offender supervision operations co-located with the DC Metropolitan Police Department at 300 Indiana Avenue, NW, for highest risk offenders (sex offenders and mental health offenders) who cannot be supervised at neighborhood field offices. CSP operates on a year-to-year lease at 300 Indiana Avenue, NW, which is owned and operated by the DC Government. CSP leases at several field locations are scheduled to expire over the next two years presenting a challenge to maintain decentralized offender supervision operations.

CSP's program model emphasizes decentralizing offender supervision in the neighborhoods where offenders live and work. The following map depicts CSP's field operations.



CSOSA Offices and Learning Labs by Police District

PSA operations are located at six offices in the downtown area, including the D.C. Superior Court, the U.S. District Court for the District of Columbia, the Metropolitan Police Department building at 300 Indiana Avenue, N.W., two additional offices at 633 and 601 Indiana Avenue N.W., and an office at 10th and F Streets N.W.

D. Performance Goals, Objectives and Results

CSOSA's mission is to increase public safety, prevent crime, reduce recidivism, and support the fair administration of justice in close collaboration with the community. Given that 70 percent of convicted offenders serve all or part of their sentence in the community and approximately 80 percent of pretrial defendants are released to the community, CSOSA's functions of effective supervision of pretrial defendants and convicted offenders, along with effective service to the Courts and paroling authority, are critical to public safety. Although CSP and PSA have two distinct mandates, they share common strategic goals for the Agency's management and operations:

- Establish strict accountability and prevent the population supervised from engaging in criminal activity.

- Support the fair administration of justice by providing accurate information and meaningful recommendations to criminal justice decision-makers.

To achieve these goals, CSOSA has developed strategies encompassing all components of community-based supervision. The five strategies are:

1. Establish and implement (a) an effective risk and needs assessment and case management process to help officials determine whom it is appropriate to release and at what level of supervision, and (b) an ongoing evaluation process that assesses a defendant's compliance with release conditions and an offender's progress in reforming his/her behavior.

2. Provide close supervision of high-risk defendants and offenders, with intermediate graduated sanctions for violations of release conditions.

3. Provide appropriate treatment and support services, as determined by the needs assessment, to assist defendants in complying with release conditions and offenders in reintegrating into the community.

4. Establish partnerships with other criminal justice agencies and community organizations.

5. Provide timely and accurate information with meaningful recommendations to criminal justice decision-makers so they may determine the appropriate release conditions and/or disposition of cases.

These Strategies are the foundation for CSOSA's structure and operations, as well as the Agency's plans for allocating resources, measuring performance, and achieving outcomes. In terms of both day-to-day operations and long-term performance goals, these principles guide what CSOSA does. They unite CSP's and PSA's strategic plans, operations, and budgets.

E. Key Performance Information

Community Supervision Program

CSOSA's Community Supervision Program (CSP) has defined offender ***Rearrest*** and offender ***Drug Use*** as the two intermediate outcome performance indicators most closely linked to our public safety mission. CSP's FY 2012 Annual Performance Report, reporting all agency performance measures, will be included in the FY 2014 Congressional Budget Justification submitted in February 2013.

Strategies and Resources

CSP employs a number of strategies, consistent with its program model, to achieve its performance outcomes. The strategies can be organized under the five **Strategies** that support the Agency's mission and drive the allocation of resources.

Strategy 1.1: Risk and Needs Assessment. 9,530 offenders entered CSP supervision in FY 2012; a slight increase from the 9,404 offenders who entered supervision in FY 2011. Effective supervision begins with comprehensive knowledge of the offender. An initial risk and needs assessment provides a basis for risk classification and identification of the offender's specific needs. An individual offender's risk to public safety is measurable based on particular attributes that are predictive of future behavior while the offender is under supervision. The risk factors are either static or dynamic in nature. Static factors are fixed conditions (e.g., age, number of prior convictions). While static factors can, to some extent, predict recidivism, they cannot be changed. However, dynamic factors can be influenced by interventions and are, therefore, important in determining the offender's level of risk and needs. These factors include substance abuse, educational status, employability, community and social networks, patterns of thinking about criminality and authority, and the offender's attitudes and associations. If positive changes occur in these areas, the likelihood of recidivism is reduced.

CSP's classification system consists of an automated, comprehensive risk and needs assessment that results in a recommended level of supervision and the development of an individualized **Prescriptive Supervision Plan** that identifies programs and services that will address the offender's identified needs. CSP's proprietary screening instrument, the **AUTO Screener**, combines risk and needs assessment into a single automated process. Offenders are initially assessed using the AUTO Screener upon assignment to a Community Supervision Officer (CSO) and most are reassessed every 180 days and following a re-arrest, significant life event, or before considering a change in the offender's supervision level.

A critical factor in the success of CSP in reducing the crime rate is its ability to introduce an accountability structure into the supervision process and to provide swift responses to non-compliant behavior. Individuals under supervision must enter into an **Accountability Contract,** a written acknowledgement of the responsibilities and consequences of community supervision under probation, parole, or supervised release as granted by the Superior Court for the District of Columbia or the U.S. Parole Commission.

Strategy 1.2: Close Supervision. Close supervision in the community is the basis of effective offender management. Offenders must know that the system is serious about enforcing compliance with the conditions of their release, and that violating those conditions will bring swift and certain consequences.

The most important component of effective Close Supervision is **Caseload Size**. Prior to the Revitalization Act, caseload ratios were over 100 offenders for each officer, far in excess of those recommended by nationally recognized standards and best practices. Caseload ratios of this magnitude made it extremely difficult for CSOs to acquire thorough knowledge of the offender's behavior, associations in the community and to apply supervision interventions and swift sanctions. With resources received in prior fiscal years, CSP has made great progress in reducing CSO caseloads to more manageable levels.

On September 30, 2012 CSP supervised 15,399 total adult offenders, including 9,338 probationers and 6,061 on supervised release or parole. The total number of offenders supervised on September 30, 2012 is a slight decrease from the number offenders supervised on September 30, 2011 (15,775). In FY 2012, CSP created a new Warrant Team to supervise and investigate offenders on warrant status greater than 90 days. A decrease in the number of warrant status cases from September 30, 2011 (2,043) to September 30, 2012 (1,682) contributed to the reduction in the total number of supervised offenders in FY 2012.

The number of parolee offenders continues to decrease, while supervised release offenders increase, as we move further from the effective date (August 4, 2000) when offenders convicted of DC Code offenses transitioned from parole to supervised release status.

CSP Supervised Offenders by Supervision Type on September 30, 2010/2011/2012

	September 30, 2010		September 30, 2011		September 30, 2012***	
Supervision Type	**Number of Supervision Cases**	**Percentage of Total Supervision Cases**	**Number of Supervision Cases**	**Percentage of Total Supervision Cases**	**Number of Supervision Cases**	**Percentage of Total Supervision Cases**
Probation*	9,866	61.0%	9,562	60.6%	9,338	60.6%
Parole	2,562	15.9%	2,257	14.3%	2,027	13.2%
Supervised Release	3,738	23.1%	3,955	25.1%	4,034	26.2%
Total Supervised Offenders**	16,166	100.0%	15,775	100.0%	15,399	100.0%

*Probation includes offenders with Civil Protection Orders and those with Deferred Sentence Agreements.
**Includes offenders on Active, Monitored and Warrant status.
***Data for FY 2012 are preliminary.

On September 30, 2012, the average number of supervision cases per allocated supervision CSO position was 54.4 offenders. CSP has established a number of special supervision teams with lower caseloads to manage high-risk or special needs offenders. In comparison, the overall CSP offender supervision caseload ratio as of September 30, 2011 was 55.4:1. Factoring in vacant allocated CSO positions increases the effective supervision caseload ratios above these reported levels (see Note below). The decrease in the overall caseload ratio is primarily attributable to fewer offenders supervised on September 30, 2012 versus September 30, 2011.

CSP Total Supervision Caseload Ratio on September 30, 2009/2010/2011/2012

Fiscal Year as of September 30th	Total Supervised Offenders	Total Allocated Supervision CSOs*	Overall Allocated CSO Caseload Ratio
FY 2012*	15,399	283	54.4 : 1
FY 2011	15,775	285	55.4 : 1
FY 2010	16,166	285	56.7 : 1
FY 2009	16,101	286	56.3 : 1

* Note: As of September 30, 2012, 283 of CSP's 340 authorized CSO positions were allocated to perform offender supervision functions. The remaining 57 allocated CSO positions performed diagnostic and investigative functions. Of the 283 allocated supervision CSO positions, 11 were vacant on September 30, 2012, increasing the effective offender to CSO caseload ratio to 56.6:1.

In FY 2012, CSP's Total Supervised Population from October 1, 2011 through September 30, 2012 was 24,062 offender cases. Total Supervised Population reflects the total number of unique offenders supervised for at least one day during the reporting period and is used by CSP as the basis for several performance measures. The FY 2012 Total Supervised Population represents a slight decrease from the FY 2011 Total Supervised Population (24,325).

CSP Total Supervised Population by Supervision Type

	FY 2010 (October 1, 2009 – September 30, 2010)		FY 2011 (October 1, 2010 – September 30, 2011)***		FY 2012 (October 1, 2011 – September 30, 2012)***	
Supervision Type	**Number of Supervision Cases**	**Percentage of Total Supervision Cases**	**Number of Supervision Cases**	**Percentage of Total Supervision Cases**	**Number of Supervision Cases**	**Percentage of Total Supervision Cases**
Probation*	15,874	65.4%	16,113	66.2%	16,052	66.7%
Parole	3,559	14.7%	3,017	12.4%	2,681	11.1%
Supervised Release	4,821	19.9%	5,195	21.4%	5,329	22.2%
Total Supervised Population**	24,254	100.0%	24,325	100.0%	24,062	100.0%

* Probation includes offenders with Civil Protection Orders and those with Deferred Sentence Agreements.
** **Total Supervised Population** includes all Probation, Parole, Supervised Release, Civil Protection Orders, and Deferred Sentence Agreement cases supervised for at least one day and who were assigned to a Community Supervision Officer over the 12-month reporting period.
***Data for FY 2012 are preliminary.

CSP's Kiosk Reporting program transitioned from a pilot program effective April 2011. As of September 30, 2012, 176 offenders (Minimum assessed supervision level cases) performed regular supervision reporting using Kiosks located at our 25 K Street, 1230 Taylor Street, 300 Indiana Avenue and 3850 South Capital Street field unit locations. CSP plans to increase the number of low-risk offenders performing supervision reporting via a Kiosk in FY 2013. This will allow supervision CSOs to place increased focus on our higher-risk offenders and better manage caseloads.

A second focus of efforts falling under Close Supervision is CSP's continued commitment to implementing a **community-based approach to supervision**, that relies on proven evidence-based practices and making them a reality in the District of Columbia. In addition, CSP located CSOs in six field sites located throughout the community and assigned offender cases according to geographic location, Police Service Areas (PSAs), allowing CSOs to supervise groups of offenders in the same area and obtain a close view of the community. CSP leases at several field locations are scheduled to expire over the next two years presenting a challenge to maintaining decentralized offender supervision operations.

The third focus of Close Supervision is the implementation of **Graduated Sanctions** to respond to violations of conditions of release. Graduated sanctions are a critical element of CSP's offender supervision model. From its inception, the agency has worked closely with the releasing authorities (DC Superior Court and the US Parole Commission) to develop a range of sanctioning options that CSOs can implement immediately, in response to non-compliant behavior, without returning offenders to the releasing authority. A swift response to non-compliant behavior can restore compliance before the offender's behavior escalates to include new crimes. Offender sanctions are defined in the Accountability Contract established with each offender at the start of supervision.

Sanctions take into account both the severity of the non-compliance and the offender's supervision level. Sanction options include:

- Increasing the frequency of drug testing or supervision contacts,
- Assignment to Community Service or the CSP Day Reporting Center,
- Placement in a residential sanctions program (including the Re-entry and Sanctions Center and the Halfway Back program),
- Placement on Global Positioning System (GPS) monitoring, and
- Placement into the new Secure Residential Treatment Program.

If sanctions do not restore compliance, or the non-compliant behavior escalates, the CSO will inform the releasing authority by submitting an Alleged Violation Report (AVR) with the releasing authority. An AVR is automatically submitted in response to any new arrest.

CSP operates a Day Reporting Center (DRC) at the 1230 Taylor Street field unit and implemented a pilot DRC at our 25 K Street field unit for female offenders in June 2011. The DRC is an on-site program based on cognitive behavioral therapy principles designed to change offender's adverse thinking patterns, provide education and job training to enable long-term employment, and hold unemployed offenders accountable during the day. Offenders participate for 90 days or until they obtain employment or enroll in a vocational training program or apprenticeship.

In September 2009, CSP launched the new Secure Residential Treatment Program (SRTP) at the Correctional Treatment Facility, a local contract facility of the DC Government that houses inmates detained in the DC Jail. The SRTP serves as an alternative placement for eligible DC Code offenders on parole or supervised release who face revocation for technical violations (including substance abuse) and, in some cases, new criminal violations. CSP is partnering in this endeavor with the BOP, USPC, DC Department of Corrections and the DC Public Defender Service.

Routine **drug testing** is an essential element of supervision and sanctions. Given that two-thirds of the supervised offender population has a history of substance abuse, an aggressive drug testing program is necessary to detect illegal drug use and interrupt the cycle of criminal activity related to use. All offenders are placed on a drug testing schedule, with frequency of testing dependent upon prior substance abuse history, supervision risk level, and length of time under CSP supervision. In addition, all offenders are subject to random spot testing at any time.

One of CSOSA's most important accomplishments was the implementation of the Re-entry and Sanctions Center (RSC) at Karrick Hall in February 2006. The RSC provides intensive assessment and reintegration programming for high risk offenders/defendants who violate conditions of their release. The RSC has the capacity to serve 102 offenders/defendants in six units, or 1,200 offenders/defendants annually. Two of the six units are dedicated to meeting the needs of dually-diagnosed (mental health and substance abuse) male offenders while one unit is reserved for for dually-diagnosed female offenders.

Strategy 1.3: Treatment and Support Services. The connection between substance abuse and crime has been well established. Long-term success in reducing recidivism among drug-abusing offenders, who constitute the majority of individuals under supervision, depends upon two key factors:

1. Identifying and treating drug use and other social problems among the defendant and offender population; and

2. Establishing swift and certain consequences for violations of release conditions.

CSP is committed to providing a range of treatment options to offenders under supervision. Addressing each individual's substance abuse problem through drug testing and appropriate sanction-based treatment will provide him or her with the support necessary to establish a productive, crime-free life. CSP also provides in-house adult literacy, vocational and employment counseling, anger management, and life skills training to help offenders develop the skills necessary to sustain themselves in the community.

CSP contracts with service providers for a range of residential, outpatient, transitional housing, and sex offender treatment services using appropriated and grant resources. Contractual treatment also encompasses drug testing and ancillary services, such as mental health screening and assessments, to address the multiple needs of the population. Housing continues to be an ongoing need for offenders, particular among the older offender population. CSP provides short-term housing, through contract providers, to a limited number of offenders who are homeless or living in acutely unstable housing situations.

CSP also is committed to helping offenders build skills and support systems to improve their chances for success in the community. CSP aims to increase employment and improve educational achievement through both in-house service delivery and partnerships. The Vocational Opportunities for Training, Education, and Employment (VOTEE) unit assesses and responds to the individual educational and vocational needs of offenders. The unit provides adult basic education and GED preparation at our four learning labs staffed by CSOSA Learning Lab Specialists. VOTEE also includes transitional employment programs that prepare offenders for training and/or employment, and provides job development and tracking. Additionally, CSP maintains partnerships with the Community College of the District of Columbia, the DC Office of the State Superintendent of Education, and the DC Department of Employment Services to provide literacy, workforce development services, employment training, and job placement services.

Strategy 1.4: Partnerships. Establishing effective partnerships with other criminal justice agencies and community organizations facilitates close supervision of offenders in the community and enhances the delivery of treatment and support services. CSP's Community Relations Specialists are mobilizing the community, identifying needs and resources, building support for our programs, and establishing relationships with local law enforcement and human service agencies, as well as the faith-based community, businesses, and non-profit organizations. These efforts, formalized in Community Justice Partnerships, Community Justice Advisory Networks, and the CSP/Faith Community Partnership, enhance offender supervision, increase community awareness and acceptance of CSP's work, and increase the number of jobs and services available to offenders.

CSP CSOs and DC Metropolitan Police Department Officers partner to conduct scheduled or unscheduled (unannounced) Accountability Tours to the homes of high-risk offenders. Accountability Tours are a visible means to heighten the awareness of law enforcement presence to the offenders and to the citizens in the community.

CSP partners with the BOP and DC entities to perform video conferencing with offenders prior to their release from a BOP institution. The video conferencing provides the offender with orientation and release preparation prior to release to CSP supervision.

Starting in FY 2004, CSP assumed fiscal agent responsibilities for two Department of Justice grant programs (Weed & Seed and Project Safe Neighborhood) with the purposes of increasing public safety and accountability within the District.

Strategy 2.1: Timely and Accurate Information to Decision Makers. One of CSP's key responsibilities is to produce accurate and timely information and to provide meaningful recommendations, consistent with the offender's risk and needs profile, to criminal justice decision-makers. The quality and timeliness of this information has a direct impact on public safety in the District of Columbia.

If sanctions do not restore offender compliance, or the non-compliant behavior escalates, CSP supervision CSOs inform the releasing authority (D.C. Superior Court or the U.S. Parole Commission) by filing an Alleged Violation Report (AVR). AVRs are submitted to inform the releasing authority of a violation of release conditions and to carryout follow-up conditions as imposed. An AVR is the first step toward offender re-incarceration and is always issued by CSP for a re-arrest.

The Courts and the U.S. Parole Commission also rely on CSP to provide accurate, timely, and objective pre-sentence and post-sentence investigation (PSI) reports that are used in determining the appropriate offender disposition. CSOs in CSP's Investigations, Diagnostics, and Evaluations Branch (Branch I) research and write thousands of PSI reports each year.

CSP Transitional Intervention for Parole Supervision (TIPS) CSOs in Branch I ensure that offenders transitioning directly from prison to the community or through a BOP Residential Reentry Center (RRC) receive assessment, counseling, and appropriate referrals for treatment and/or services. Prior to release, TIPS CSOs work with each offender residing in a BOP RRC to develop a Transition Plan.

CSP Key Performance Indicator 1 - Rearrest:

Rearrest is a commonly used indicator of criminal activity among offenders on probation, parole, and supervised release, though it does not in itself constitute recidivism (or a return to incarceration). Until FY 2008, CSP was only able to capture arrest data for its supervised population in DC; however, beginning in FY 2009, improved data collection techniques allowed CSP to begin tracking arrests in Maryland and Virginia as well. This capability has allowed CSP to more accurately report offender rearrests, as it is not uncommon for DC offenders to migrate into these neighboring jurisdictions.

Rearrest rates for CSP's Total Supervised Population were relatively steady between FY 2009 and FY 2011, with 27 percent of the total supervised population arrested each year. The overall rearrest rate dropped to approximately 24 percent in FY 2012. The number of offenders arrested in DC decreased in FY 2012 versus FY 2011 for most charge categories; DC MPD changed their arrest protocol for certain traffic violation charges to only a citation. Supervised release offenders have historically had the highest rearrest rates, and this trend continued into FY 2012. Almost 33 percent of supervised release offenders were arrested in FY 2012, compared to 21.8 percent and 21.3 percent of probationers and parolees, respectively.

Percentage of Total Supervised Population Rearrested, FY 2008 - FY 2012*

	FY 2008	FY 2009**	FY 2010	FY 2011	FY 2012***
Probation	16%	21% (26%)	20% (26%)	18.3% (24.0%)	16.9% (21.8%) [[12.6%]]
Parole	19%	18% (21%)	20% (23%)	21.6% (25.0%)	18.2% (21.3%) [[14.0%]]
Supervised Release	29%	31% (36%)	30% (35%)	31.5% (36.3%)	28.5% (32.9%) [[21.8%]]
Total Supervised Population	19%	22% (26%)	22% (27%)	21.5% (26.7%)	19.6% (24.2%) [[14.8]]

* Computed as the number of unique offenders arrested in reporting period as a function of total number of unique offenders supervised (active, monitored and warrant supervision status) in the reporting period.
For FY 2004 – FY 2008, CSP reports arrest data obtained from MPD for Washington, DC arrests. Beginning in FY 2009, CSOSA was able to obtain access to daily MD and VA state-wide arrest records. **The percentages in parentheses for FYs 2009 - 2012 represent the expanded set of arrest data to include Maryland and Virginia arrests (DC/MD/VA).
*** FY 2012 data is preliminary. Beginning in FY 2012, percentages in double brackets represent offenders rearrested in D.C. on NEW charges only (i.e., parole/probation violation arrests are excluded).

<u>CSP Performance Indicator 2 - Drug Use</u>:

CSP has a drug testing policy to both monitor the offender's compliance with the releasing authority's requirement to abstain from drug use (and usually alcohol use as well) and to assess the offender's level of need for substance abuse treatment. This policy also defines the schedule under which eligible offenders are drug tested. Offenders can become ineligible for testing (other than initial testing at intake) for a variety of administrative reasons, including change from active to warrant status, case transfer from DC to another jurisdiction, rearrest, and admission to substance abuse treatment (at which point testing is conducted by the treatment provider). The policy also includes spot testing for those offenders on minimum supervision, as well as those who do not have histories of drug use and who have established a record of negative tests.

The Pretrial Services Agency (PSA) tests CSP drug samples obtained from offenders at four CSP illegal substance collection units, and each sample may be tested for up to seven drugs (Marijuana, PCP, Opiates, Methadone, Cocaine, Amphetamines and Alcohol). Drug testing results are transmitted electronically from PSA into SMART on a daily basis and drug test results are typically available in SMART for CSO action within 48 hours after the sample is taken.

CSP drug tested, on average, 30,084 samples from 8,904 unique offenders each month in FY 2012. FY 2012 drug testing decreased slightly from FY 2011, when CSP drug tested, on average, 31,113 samples from 9,044 unique offenders per month.

The table below shows that 57.7 percent of the tested population tested positive for illicit drugs at least one time (excluding alcohol) during FY 2012. This is a significant increase from FY 2009 – 2011 levels due to a change in methodology. For FYs 2009 – 2011, CSP measured drug testing based on an "active continuing" population who drug tested at least once in the reporting year (i.e., offenders had to be on supervision in the previous fiscal year and have continued supervision throughout the reporting fiscal year to be included, regardless of supervision level, so this group likely included offenders assessed and supervised at the minimum level). In other words, we looked at results based on a more "stable" subset of our supervised population.

Effective FY 2012, CSP measures medium, maximum and intensive offenders in an active supervision status throughout the reporting month. If an offender began supervision on the first day of the month, their drug tests for that month (i.e., their first drug tests with CSP) are included for reporting that month. This methodology provides a clear and more accurate representation of drug use for CSP's higher-risk population in line with our current FY 2011–2016 Strategic Plan.

Percentage of Active Tested Population Reporting at Least One Positive Drug Test, FY 2008 – FY 2012

	FY 2008*	FY 2009**	FY 2010	FY 2011	FY 2012***
Tests including alcohol	52%	59% (49%)	(48%)	(45.2%)	[[62.5%]]
Tests excluding alcohol	47%	53% (43%)	(42%)	(39.8%)	[[57.7%]]

* FY 2008: Computed as the number of unique offenders on active supervision status at some point during the year (even if they were not necessarily on active supervision for the entire year) testing positive at least once in the reporting period as a function of total number of unique offenders on active supervision status at some point in the reporting period.
Beginning in FY 2009, the methodology for this measure was changed to include only offenders who were on active status throughout the entire year. This change in methodology enhances measure reliability by reducing data noise associated with non-testing due to supervision status. For example, persons unavailable for testing are not at risk of testing positive. With the introduction of new offender supervision statuses on a seemingly regular basis, this approach provides the type of stability in the denominator that is needed. **The FY 2009 - 2011 data in parentheses represent the percentages derived using the new methodology. CSP will continue to report data using the new FY 2009 methodology in future years.
*** FY 2012 data is preliminary. For FY 2012 a new methodology is used based on the number of unique offenders in active supervision status throughout the reporting month, supervised at medium, maximum or intensive supervision level, testing positive at least once in the reporting month as a function of the total number of unique offenders meeting these supervision criteria and eligible for monthly testing.

Data indicate that PCP, opiate, cocaine and amphetamine use increased slightly among the supervised population from FY 2011 to FY 2012, while methadone use declined slightly and marijuana use remained steady during that time.

CSP addresses high-risk offenders that consistently test positive for drugs by initiating actions to remove them from the community through placement in residential treatment or through sanctions. CSP will continue to monitor drug use trends and their implications for drug testing procedures to ensure that tests are conducted in a manner that most effectively detects and deters use for persons under community supervision.

Percentage of Active Tested Population Reporting at Least One Positive Drug Test (Excluding Alcohol), by Drug, by Fiscal Year

Drug	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Marijuana	16%	17%	16%	16%	16%
PCP	4%	3%	4%	3%	4%
Opiates	19%	19%	18%	18%	19%
Methadone	4%	4%	5%	5%	4%
Cocaine	18%	16%	15%	13%	14%
Amphetamines	6%	3%	3%	3%	4%

* CSP tests each offender drug sample for up to seven drugs, including alcohol. An offender/sample may not necessarily be tested for all seven drugs.
**The column data are not mutually exclusive. Examples: One offender testing positive for marijuana and PCP during FY 2012 will appear in the data row/percentage for both marijuana and PCP. One offender who tests positive for only marijuana on multiple occasions throughout FY 2012 will count as a value of one in the data row/percentage for marijuana.

Quality and Reliability of CSP Performance Data

Considering the importance of maintaining accurate records of all offenders under the supervision of CSP, the design and deployment of the Supervision Management Automated Record Tracking (SMART) offender case management system has been one of the Agency's top priorities since the Agency was established. SMART was first deployed in January 2002 and numerous enhancements have since been developed and successfully implemented. In FY 2009, CSP transitioned from reporting performance data from a copy of the SMART database, to reporting data from our fully implemented Enterprise Data Warehouse system, which has presented significant improvements for both data accessing and the quality of the performance measures.

Pretrial Services Agency

PSA's *mission* is to promote pretrial justice and community safety by assisting judicial officers in making appropriate release decisions, and by providing supervision and pro-social interventions to defendants released into the community.

PSA performs two critically important tasks that contribute significantly to achieving CSOSA's two strategic goals of: 1) Public Safety - decrease criminal activity among the supervised population by increasing the number of defendants who successfully complete supervision, and 2) Fair Administration of Justice – support the fair administration of justice by providing timely and accurate information and recommendations to criminal justice decision makers.

- PSA investigates and presents demographic and criminal history information about newly arrested defendants and recommends release options for the use by judicial officers and law enforcement agencies in deciding what, if any, release conditions are to be set; and

- PSA supervises defendants released from custody during the pretrial period by monitoring their compliance with conditions of release, bringing them into compliance through an array of supervision and treatment options, or alternatively, recommending revocation of release; and by notifying defendants about scheduled court hearings.

Strategies and Resources

PSA has adopted four Organizational Strategies that define the key activities through which these goals will be achieved:

Organizational Strategy 1 – *Assessments and Release Recommendations*: PSA promotes informed and effective non-financial release determinations by formulating and recommending, based upon the statutory requirement, the least restrictive release conditions to reasonably assure that the defendant will appear for scheduled court dates and not pose a threat to any person or to the community while on release.

PSA provides timely and accurate information to D.C. Superior Court and U.S. District Court judicial officers to use when determining conditions of pretrial release or detention. PSA's Court Services staff conducts pre-release investigations that include the results from local and national criminal history checks, information on the defendant's current status with the criminal justice system, and information obtained during defendant interviews. Staff from PSA's Drug Testing and Compliance Unit drug test defendants before initial court appearance. Judicial officers receive this information—along with the Agency's recommendation for release or detention—in a written Pretrial Services Report submitted at initial appearance. PSA operates as an independent component of the criminal justice system. The Agency conveys factual information to the Court and, in deference to the fact that the defendant is presumed innocent, bail recommendations reflect the statutory preference for the least restrictive release that reasonably assures appearance in court and minimizes potential danger to the community.

Throughout the pre-release investigation and release recommendation process, Pretrial Services Officers (PSOs) rely on automated information sources, which both PSA and other partner criminal justice agencies use to gather and compile information. PSA has long been a leader in the innovative use of information technology. Continuing to improve this technology to better support these processes is a major focus for PSA.

Drug Testing - By conducting testing for illicit drug use by defendants, offenders and other populations, the Office of Forensic Toxicology Services (OFTS) performs a line function that is critical to all four Organizational Strategies for PSA and supports CSOSA as well. Monitoring drug use facilitates risk assessment; enables close supervision and the prediction of future criminality; measures success of drug treatment; is key to effective supervision of those on probation and parole; provides data for law enforcement partners; and provides additional service to D.C. Superior Court's Family Court in testing of juveniles and some adults charged with abuse and neglect.

In FY 2012, the OFTS conducted 3,071,228 drug tests on 478,005 urine samples of persons on pretrial release, probation, parole, and supervised release, as well as for juveniles and adults with matters pending in the D.C. Family Court. Approximately 38 percent of the pretrial defendants tested in FY 2012 (7,378 of 19,489) had at least one positive test.

Organizational Strategy 2 – *Monitoring and Supervision of Released Defendants*: PSA effectively monitors or supervises pretrial defendants—consistent with the court-ordered release conditions—to promote court appearance and public safety.

PSA focuses its supervision resources on defendants most at risk of violating their release conditions and employs graduated levels of supervision consistent with the defendant's identified risk level. Very low risk defendants (those released without conditions) receive only notification of court dates. Fairly low risk defendants are placed in monitoring programs that require limited contact with PSA. Medium risk defendants are placed under PSA's extensive supervision and maintain regular contact through drug testing and/or reporting to a PSO. High risk defendants may be subject to frequent contact with an assigned PSO and drug testing, curfew, electronic monitoring, substance abuse treatment or other conditions.

Swift response to non-compliance with release conditions is at the heart of effective case management. Failure to appear for a supervisory contact, a resumption of drug use, absconding from substance abuse treatment or mental health services, and other condition violations can be precursors to serious criminal activity. Responding quickly to non-compliance is directly related to meeting the goals of reducing failures to appear and protecting the public.

PSA uses graduated sanctions in an attempt to modify a defendant's behavior and focuses on modifying the behaviors most closely associated with a return to criminal activity or with absconding. Conditions of release are imposed by the judicial officer in an effort to reduce the probability of non-appearance in court and to reasonably assure that the community is not endangered. Compliance with release conditions must be supervised strictly and allows PSA to detect and respond to condition violations. Non-compliant defendants are subject to administrative or judicial sanctions. Information on a defendant's performance during the pretrial period also may be useful to the judge for consideration during sentencing.

Organizational Strategy 3 – *Integrating Treatment and Supervision*: PSA provides or makes referrals to effective substance dependence, mental health, and social services that will assist in reasonably assuring that defendants return to court and do not pose a danger to the community.

The connection between substance abuse and crime has been well established. PSA works to reduce drug-involved defendant rearrest and failure to appear for court rates through three core activities: 1) identifying and addressing problematic drug use, alcohol abuse, and other criminogenic needs; 2) utilizing motivational strategies and program incentives to encourage treatment initiation and engagement; and 3) establishing swift and certain consequences for continued drug use. Court supervised incentive and sanction-based treatment is one of the most effective tools for breaking the cycle of substance abuse and crime.

Assuring that defendants appear for scheduled court hearings is central to PSA's mission. To fulfill its mission, PSA therefore must address drug usage issues among those defendants under its supervision. Drug using, mentally ill, or dually diagnosed defendants are at higher risk for rearrest and failure to appear for court. The measures associated with PSA's integration of supervision with treatment are focused on addressing the specialized needs (e.g., drug use, unemployment, and mental health problems) of released defendants and are applied to in-house and contractual sanction-based substance abuse treatment programs and social and mental health services.

Organizational Strategy 4 - *Partnerships*: PSA's partnerships with the judicial system, law enforcement and the community enhance its ability to provide effective community supervision, enforce accountability, increase community awareness of PSA's public safety role, and develop opportunities for defendants under pretrial supervision and pretrial diversion.

Effective partnering with other justice agencies and community organizations is a major strategy through which PSA enhances public safety in the District's neighborhoods and builds the capacity for support services for defendants under pretrial supervision. It is through these partnerships with the courts, the United States Attorney's Office (USAO), the Office of the Attorney General for the District of Columbia, the District's Criminal Justice Coordinating Council (CJCC), various District government agencies, and non-profit community-based organizations that PSA can effectuate close supervision to assure that defendants will return to court and not be a danger to the community while on pretrial release. In addition, treatment and social service options are developed and/or expanded to enhance PSA's ability to address the social problems that contribute to criminal behavior, thereby increasing a defendant's likelihood of success while under pretrial supervision. In order for partnerships to be viable, PSA proactively identifies initiatives, seeks partnering entities, and collaborates with stakeholders to develop goals, objectives, and implementation plans.

Outcome and Performance Measurement

Consistent with its mission—and the legal status of pretrial defendants—PSA's three key strategic outcomes are:

- ✓ *Minimizing rearrests* among defendants released to the community pending trial, particularly new arrests on violent and drug crimes to help assure public safety.

- ✓ *Reducing failures to appear for scheduled court appearances* to help promote more efficient administration of justice.

- ✓ *Maximizing the number of defendants who stay on pretrial supervision with no pending requests for removal or revocation at the conclusion of their pretrial status* to encourage defendant accountability.

These outcomes are related to the defendant population and are the end result of PSA activities.

PSA's outcome and performance data from the last several years are included in the chart below. Note that these data are not static and change throughout the year as information about rearrest rates and other metrics are updated.

Outcome Trends

Rearrest Rates – Rearrest is the outcome most closely related to public safety. PSA identifies each defendant's risk of rearrest and provides a corresponding level of supervision to minimize that risk. Through its automated system, PSA is alerted immediately if a defendant is rearrested in the District of Columbia so that the appropriate response can occur.

Failure to Appear Percentages - When defendants fail to appear (FTA) for scheduled court hearings, court resources are expended even though the case does not advance through the system. To avoid this needless expenditure of resources, PSA assists the Court by notifying defendants in writing and in person of scheduled hearings.

PSA Performance Outcomes

OUTCOMES	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2012-2016 Target
Percentage of Defendants Rearrested for Violent or Drug Crimes During the Period of Pretrial Supervision						
Rearrests for all defendants:						
Any crimes	12%	12%	12%	12%	11%	12%
Violent crimes	2%	3%	3%	1%	1%	2%
Drug crimes	4%	4%	4%	4%	3%	4%
Rearrests for drug-using defendants:						
Any crimes	17%	17%	16%	16%	15%	
Violent crimes	3%	4%	4%	1.5%	1%	
Drug crimes	6%	6%	6%	6%	4%	
Rearrests for defendants not using drugs:						
Any crimes	5%	6%	7%	7%	8%	
Violent crimes	1%	1%	1%	1%	1%	
Drug crimes	1%	1%	1%	1%	1%	
Percentage of Cases in Which a Defendant Failed to Appear for at Least One Court Hearing						
Any defendants	12%	12%	12%	12%	11%	13%
Drug users	16%	15%	14%	14%	14%	
Defendants not using drugs	7%	8%	9%	9%	9%	
Percentage of Defendants Who Remain on Release at the Conclusion of Their Pretrial Status Without a Pending Request for Removal or Revocation Due to Non-compliance						
	N/A	N/A	83%	88%	88%	75%

Data Source: PSA Data Warehouse, July 2012

Assessment of Underlying Factors

Similar to CSP's experience, the factors that determine PSA's success can be under the Agency's control, under only PSA's influence or completely outside of PSA's control.

- *Factors under PSA's control.* These factors include program design, resource allocation, and adherence to Agency policy and operating procedures. Each of these factors can be adjusted to accommodate changes in performance.

- *Factors under PSA's influence.* PSA's programmatic activities can influence, but are not determinative of, some components of our performance outcomes. For example, the extent to which we can provide substance abuse treatment should influence drug use within the population. Similarly, PSA can recommend conditions of release to the court but release conditions can only be set by the judicial officer.

- *Factors outside PSA's control.* Economic and social conditions as well as the level of drug availability drive the crime rate to a much greater extent than factors under PSA's control.

PSA aligns its resources to ensure that adequate attention is paid to those factors that PSA has a reasonable chance of influencing. For example, one of PSA's primary functions in the criminal justice system is to make release recommendations to the Court. Only judges can set release conditions, revoke release, or administer judicial sanctions. PSA's success is dependent upon collaboration and effective communication with the Court. Similarly, PSA depends on the cooperation of the US Attorney's Office, defense attorneys, and numerous community-based treatment programs to achieve appropriate outcomes. Given these mutual dependencies, PSA will continue to devote resources to strengthening partnerships.

F. Analysis of Agency Financial Statements

CSOSA is required by the Accountability of Tax Dollars Act of 2004 (P.L. 107-289), Office of Management and Budget Circular (OMB) Circular A-136 (Financial Reporting Requirements) and the agency's AFR Policy to prepare and submit audited financial statements and interim financial statements.

The CSOSA financial statements report the financial position of the CSP and PSA entities. The financial statements have been prepared to report the financial position and results of operations of CSOSA, pursuant to requirements of 31 U.S.C. 3515(b). The financial statements and notes are included in a separate section of this document.

CSP and PSA are each responsible for their own financial transactions, however, CSP compiles and reports consolidated CSOSA financial statement information for the Agency. Preparation of interim and audited CSOSA financial statements is the joint responsibility of CSP and PSA management.

The FY 2012 CSOSA financial statements report appropriated and reimbursable budget authority.

CSOSA's largest asset is Fund Balance with U.S. Treasury which totaled $52,673,897 and $60,310,108 as of September 30, 2012 and 2011, respectively. This represented 87.5 percent and 87.5 percent of total assets as of September 30, 2012 and 2011, respectively. The Fund Balance with U.S. Treasury represents all appropriated and reimbursable funds (including grant resources) CSOSA has on account with Treasury to make expenditures and pay liabilities.

Accounts Payable with the Public, Accrued Payroll & Benefits, and Accrued Unfunded Annual Leave are CSOSA's largest liabilities, with combined amounts totaling $24,771,029 and $26,144,174, as of September 30, 2012 and 2011, respectively. Collectively they comprised 94 percent and 95 percent of total liabilities, as of September 30, 2012 and 2011, respectively.

CSOSA's FY 2012 Statement of Budgetary Resources (SBR) provides information about how budgetary resources were made available as well as their status at the end of the period. Budgetary resources include, but are not limited to, new FY 2012 budget authority, unobligated balances of the five prior fiscal years (FY 2007 – 2011) as of October 1, 2011, recoveries of prior year obligations, and any adjustments to these resources.

CSP has FY 2012 reimbursable budget authority from the following sources:

1) The Office of National Drug Control Policy's (ONDCP) High Intensity Drug Trafficking Area (HIDTA) grants. CSP uses HIDTA grant funds to support contract offender treatment services.
2) The Department of Justice (DOJ) Weed & Seed and Project Safe Neighborhood grants. CSP acts as the District of Columbia fiscal agent (pass-through agent) for these two DOJ grants.
3) CSP reimbursable agreement with the DC Public Defender Service for shared occupancy costs at 633 Indiana, Avenue, NW.
4) CSP reimbursable agreement with the D.C. Government for a reimbursable employee detail to the D.C. Department of Youth Rehabilitation Services.
5) PSA reimbursable agreements with D.C. Superior Court and D.C. Child and Family Services for drug testing services.

The SBR reports Total Budgetary Resources of $235,562,225 and $236,561,184 as of September 30, 2012 and 2011, respectively. These amounts include FY 2012 Budgetary Authority of $211,983,000 in direct annual funding, $1,000,000 in direct 3-year funding and $180,383 in net reimbursable transactions as of September 30, 2012, and $211,983,000 in FY 2011 direct annual funding and $1,155,918 in net reimbursable transactions as of September 30, 2011.

Total Obligations Incurred was $213,004,405 and $215,157,359 as of September 30, 2012 and 2011, respectively. These amounts include direct obligations of $212,220,520 and reimbursable obligations of $783,885 as of September 2012, and direct obligations of $213,665,964 and reimbursable obligations of $1,491,395 as of September 30, 2011.

CSOSA's FY 2012 Statement of Budgetary Resources shows $214,108,880 in net outlays, an increase of $8,544,987 from the previous year's total net outlays of $205,563,893.

Statement of Budgetary Resources Summary

	FY2012			FY2011		
	CSP	**PSA**	**CSOSA**	**CSP**	**PSA**	**CSOSA**
Budgetary Resources:						
Direct	$ 169,391,396	$ 65,990,446	$ 235,381,842	$ 171,454,035	$ 63,951,231	$ 235,405,266
Reimbursable	131,446	48,937	180,383	1,155,918	-	1,155,918
Total	$ 169,522,842	$ 66,039,383	$ 235,562,225	$ 172,609,953	$ 63,951,231	$ 236,561,184
Obligations Incurred:						
Direct	$ 153,903,414	$ 58,317,106	$ 212,220,520	$ 154,297,348	$ 59,368,616	$ 213,665,964
Reimbursable	753,885	30,000	783,885	1,491,395	-	1,491,395
Total	$ 154,657,299	$ 58,347,106	$ 213,004,405	$ 155,788,743	$ 59,368,616	$ 215,157,359
Net Outlays:						
Gross Direct	$156,107,947	$ 58,170,267	$ 214,278,214	$ 146,463,645	$ 58,962,813	$ 205,426,458
Gross Reimbursable	929,377	30,000	959,377	1,669,336	-	1,669,336
Less: Offsetting Collections	1,108,784	19,927	1,128,711	1,531,901	-	1,531,901
Total	$ 155,928,540	$ 58,180,340	$ 214,108,880	$ 146,601,080	$ 58,962,813	$ 205,563,893

The Net Cost of Operations in FY 2012 was $224,040,556 on CSOSA's Statement of Net Cost, an increase of $1,311,228 over the previous year's Net Cost of Operations of $222,729,328.

G. Analysis of Systems, Controls, and Legal Compliance

Federal Managers' Financial Integrity Act

The Federal Managers' Financial Integrity Act (FMFIA, P.L. 97-255) and Office of Management and Budget Circular (OMB) A-123, Management Accountability and Control, require federal agencies to conduct ongoing evaluations of the adequacy of the systems of internal accounting and administrative control, and report yearly to the President all material weaknesses found through these evaluations. The FMFIA also requires the heads of agencies to provide the President with yearly assurance that obligations and costs are in compliance with applicable law; resources are efficiently and effectively allocated for duly authorized purposes; funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and managers and employees demonstrate personal integrity, ethics, competence and effective communication. To provide this report and assurance to the President, the CSOSA Director depends on information from component heads regarding their management controls.

CSOSA conducted an internal review with component heads of the adequacy of internal controls in August – September 2012. As a result of responses to this review, the CSOSA Director provides assurance that the Agency's management controls and financial systems meet the objectives of Sections 2 (Programmatic Controls) and 4 (Financial Controls) of the FMFIA for FY 2012.

Federal Financial Management Improvement Act

The Federal Financial Management Improvement Act (FFMIA, P.L. 104-208) and Office of Management and Budget Circular (OMB) A-127, Financial Management Systems, require federal agencies to assess compliance with Federal financial management systems requirements, standards promulgated by Federal Accounting Standards Advisory Board (FASAB), and the U.S. Standard General Ledger (USSGL) at the transaction level.

In July 2007, CSOSA migrated to Oracle Federal Financials (Oracle), operated by the Department of the Interior's National Business Center (NBC). CSOSA uses Oracle to perform, control and report general ledger, funds management and payment management processes. CSOSA migrated from Oracle version 11i.10 to Release 12 in February 2012.

H. Limitations of the Financial Statements

The principal financial statements have been prepared to report CSOSA's financial position and results of operations, pursuant to the requirements of 31 U.S.C. 3515 (b). While the statements have been prepared from the books and records of the entity in accordance with GAAP for Federal entities and the formats prescribed by OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records.

The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity.

AFR Section II: Financial Section

A. Message from the Chief Financial Officer

I am pleased to announce that for the thirteenth consecutive year, CSOSA has earned an unqualified audit opinion on its consolidated financial statements from our independent public accountants, KPMG LLP. This opinion assures the financial statements are reported fairly in accordance with U.S. generally accepted accounting principles and are free of material misstatements. FY 2012 represents the second consecutive year that the auditor's report on internal controls over financial reporting did not identify any material weaknesses or significant internal control deficiencies. In addition, the FY 2012 auditor's report on compliance identified no instances of non-compliance with laws, regulations, contracts and grant agreements applicable to CSOSA.

CSOSA recognizes the Government-wide funding constraints under which we currently operate. We continue to review and implement methods to operate more efficiently in order to ensure taxpayer funds are used wisely in support of our law enforcement functions in the District of Columbia. CSOSA is committed to sound financial management controls and effective use of resources and we look forward to continuing these practices in FY 2013.

Paul Girardo
Chief Financial Officer
November 15, 2012

B. FY 2012 Auditor's Reports

KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report

To the Director
of the Court Services and Offender Supervision Agency:

We have audited the accompanying balance sheets of the Court Services and Offender Supervision Agency (CSOSA) as of September 30, 2012 and 2011, and the related statements of net cost, and changes in net position, and combined statements of budgetary resources (hereinafter referred to as "financial statements" or "basic financial statements") for the years then ended. These financial statements are the responsibility of CSOSA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CSOSA's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CSOSA as of September 30, 2012 and 2011, and its net costs, changes in net position, and budgetary resources for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the financial statements, CSOSA changed its presentation for reporting the combined statement of budgetary resources in fiscal year 2012, based on new reporting requirements under OMB Circular No. A-136, *Financial Reporting Requirements*. As a result, CSOSA's combined statement of budgetary resources for fiscal year 2011 has been adjusted to conform to the current year presentation.

U.S. generally accepted accounting principles require that the information in the Management's Discussion and Analysis, and Required Supplementary Information sections be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The information in the Other Information section is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 13, 2012, on our consideration of CSOSA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audits.

KPMG LLP

November 13, 2012

KPMG

KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report on Internal Control Over Financial Reporting

To the Director
of the Court Services and Offender Supervision Agency:

We have audited the balance sheets of the Court Services and Offender Supervision Agency (CSOSA) as of September 30, 2012 and 2011 and the related statements of net cost, and changes in net position, and combined statements of budgetary resources (hereinafter referred to as "financial statements") for the years then ended, and have issued our report thereon dated November 13, 2012. As discussed in Note 1 to the financial statements, CSOSA changed its presentation for reporting the combined statement of budgetary resources in fiscal year 2012, based on new reporting requirements under OMB Circular No. A-136, *Financial Reporting Requirements*.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of CSOSA is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our fiscal year 2012 audit, we considered CSOSA's internal control over financial reporting by obtaining an understanding of CSOSA's internal control, determining whether internal controls had been placed in operation, assessing control risk, and performing tests of controls as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CSOSA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of CSOSA's internal control over financial reporting. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the third paragraph of this report and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. In our fiscal year 2012 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of CSOSA's management, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 13, 2012

KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report on Compliance and Other Matters

To the Director
of the Court Services and Offender Supervision Agency:

We have audited the balance sheets of the Court Services and Offender Supervision Agency (CSOSA) as of September 30, 2012 and 2011, and the related statements of net cost, and changes in net position, and combined statements of budgetary resources (hereinafter referred to as "financial statements") for the years then ended, and have issued our report thereon dated November 13, 2012. As discussed in Note 1 to the financial statements, CSOSA changed its presentation for reporting the combined statement of budgetary resources in fiscal year 2012, based on new reporting requirements under OMB Circular No. A-136, *Financial Reporting Requirements*.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of CSOSA is responsible for complying with laws, regulations, contracts, and grant agreements applicable to CSOSA. As part of obtaining reasonable assurance about whether CSOSA's financial statements are free of material misstatement, we performed tests of CSOSA's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 07-04. We limited our tests of compliance to the provisions described in the preceding sentence, and we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to CSOSA. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests of compliance discussed in the preceding paragraph of this report disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 07-04.

This report is intended solely for the information and use of CSOSA's management, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 13, 2012

C. FY 2012 Financial Statements

Court Services and Offender Supervision Agency
Balance Sheets
As of September 30, 2012 and 2011
(in dollars)

	2012	2011
Assets		
Intragovernmental		
Fund Balance with Treasury - **Note 2**	$ 52,673,897	$ 60,310,108
Accounts Receivable - Federal - **Note 3**	262,281	539,227
With The Public		
Accounts Receivable - **Note 3**	10,073	21,206
General Property, Plant and Equipment, net - **Note 4**	7,259,985	8,053,123
Total Assets	**$ 60,206,236**	**$ 68,923,664**
Liabilities		
Intragovernmental Liabilities		
Accounts Payable	$ 1,152,488	$ 938,466
With The Public		
Accounts Payable	9,054,074	9,845,718
Accrued Payroll & Benefits	8,479,604	9,154,932
Actuarial FECA Liability	316,803	418,248
Accrued Unfunded Liabilities	7,237,351	7,143,524
Total Liabilities - Note 5	**$ 26,240,320**	**$ 27,500,888**
Net Position		
Unexpended Appropriation	$ 34,349,967	$ 40,961,214
Cumulative Results of Operations	(384,051)	461,562
Total Net Position	**$ 33,965,916**	**$ 41,422,776**
Total Liabilities and Net Position	**$ 60,206,236**	**$ 68,923,664**

The accompanying notes are an integral part of these statements

Court Services and Offender Supervision Agency

Statements of Net Cost

For the Fiscal Years Ended September 30, 2012 and 2011

(in dollars)

	2012	2011
Risk and Needs Assessment – Strategy 1		
Program Costs		
Intragovernmental Costs	$ 3,229,739	$ 5,795,163
Less Intragovernmental Revenue - **Note 6**	-	(94,506)
Intragovernmental Net Costs	$ 3,229,739	$ 5,700,657
Public Costs	$ 25,358,628	$ 37,729,739
Less Earned Revenue from Public - **Note 6**	(5,860)	-
Net Public Costs	$ 25,352,768	$ 37,729,739
Total Net Cost Strategy 1	**$ 28,582,507**	**$ 43,430,396**
Close Supervision - Strategy 2		
Program Costs		
Intragovernmental Costs	$ 10,460,913	$ 15,931,509
Less Intragovernmental Revenue - **Note 6**	-	(208,550)
Intragovernmental Net Costs	$ 10,460,913	$ 15,722,959
Public Costs	$ 82,144,194	$ 98,730,048
Less Earned Revenue from Public - **Note 6**	(15,251)	-
Net Public Costs	$ 82,128,943	$ 98,730,048
Total Net Cost Strategy 2	**$ 92,589,856**	**$ 114,453,007**
Treatment and Support Services - Strategy 3		
Program Costs		
Intragovernmental Costs	$ 7,436,555	$ 6,152,368
Less Intragovernmental Revenue - **Note 6**	(412,322)	(826,562)
Intragovernmental Net Costs	$ 7,024,233	$ 5,325,806
Public Costs	$ 58,401,145	$ 41,675,583
Less Earned Revenue from Public - **Note 6**	(8,554)	-
Net Public Costs	$ 58,392,591	$ 41,675,583
Total Net Cost Strategy 3	**$ 65,416,824**	**$ 47,001,389**
Partnerships - Strategy 4		
Program Costs		
Intragovernmental Costs	$ 1,836,368	$ 1,603,246
Less Intragovernmental Revenue - **Note 6**	(369,270)	(289,993)
Intragovernmental Net Costs	$ 1,467,098	$ 1,313,253
Public Costs	$ 14,425,876	$ 16,531,283
Less Earned Revenue from Public - **Note 6**	(334)	-
Net Public Costs	$ 14,425,542	$ 16,531,283
Total Net Cost Strategy 4	**$ 15,892,640**	**$ 17,844,536**
Provide Timely and Accurate Information - Strategy 5		
Program Costs		
Intragovernmental Costs	$ 2,434,334	$ -
Less Intragovernmental Revenue - **Note 6**	-	-
Intragovernmental Net Costs	$ 2,434,334	$ -
Public Costs	$ 19,124,395	$ -
Less Earned Revenue from Public - **Note 6**	-	-
Net Public Costs	$ 19,124,395	$ -
Total Net Cost Strategy 5	**$ 21,558,729**	**$ -**
Net Cost of Operations	**$ 224,040,556**	**$ 222,729,328**

The accompanying notes are an integral part of these statements

Court Services and Offender Supervision Agency
Statements of Changes in Net Position
For the Fiscal Years Ended September 30, 2012 and 2011
(in dollars)

	2012	2011
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balance	$ 461,562	$ 2,279,706
Beginning Balance, As Adjusted	$ 461,562	$ 2,279,706
Budgetary Financing Sources		
Appropriations Used	212,984,329	209,388,600
Imputed Financing - **Note 8**	10,210,614	11,522,584
Total Financing Sources	$ 223,194,493	$ 220,911,184
Net Cost of Operations	224,040,556	222,729,328
Ending Cumulative Results of Operations	**$ (384,051)**	**$ 461,562**
UNEXPENDED APPROPRIATIONS		
Beginning Balance	$ 40,961,214	$ 45,954,658
Budgetary Financing Sources		
Appropriations Received	212,983,000	212,408,000
Other Adjustments:		
Rescission	-	(424,816)
Canceled Funds	(6,609,918)	(7,588,028)
Appropriations Used	(212,984,329)	(209,388,600)
Total Financing Sources	$ (6,611,247)	$ (4,993,444)
Ending Unexpended Appropriations	**$ 34,349,967**	**$ 40,961,214**
ENDING TOTAL NET POSITION	**$ 33,965,916**	**$ 41,422,776**

The accompanying notes are an integral part of these statements

Court Services and Offender Supervision Agency

Statements of Budgetary Resources

For the Fiscal Years Ended September 30, 2012 and 2011

(in dollars)

	2012	2011
Budgetary Resources		
Unobligated Balance Brought forward, October 1	$ 21,242,264	$ 25,539,898
Recoveries of Prior Year Unpaid Obligations	7,648,539	5,490,877
Other Changes in Unobligated Balances	(6,491,961)	(7,608,693)
Appropriation	212,983,000	211,983,184
Spending Authority from Offsetting Collections	180,383	1,155,918
Total Budgetary Resources	**$ 235,562,225**	**$ 236,561,184**
Status of Budgetary Resources		
Obligation Incurred	$ 213,004,405	$ 215,157,359
Unobligated Balance, end of year		
Apportioned	1,919,655	496,053
Exempt from Apportionment	-	76,012
Unapportioned	20,638,165	20,831,760
Total Status of Budgetary Resources	**$ 235,562,225**	**$ 236,561,184**
Change in Obligated Balances		
Unpaid obligations, brought forward, October 1	$ 40,372,438	$ 37,801,751
Uncollected customer payments from Federal sources	(1,304,594)	(1,680,577)
Obligated Balance, start of year	$39,067,844	$36,121,174
Obligations incurred	213,004,405	215,157,358
Less: Gross outlays	215,237,591	207,095,794
Change in uncollected customer payments from Federal sources	958,401	375,983
Recoveries of prior year unpaid obligations	7,648,539	5,490,877
Total Obligated Balance	**$ 30,144,520**	**$ 39,067,844**
Unpaid obligations, end of year	$ 30,490,713	$ 40,372,438
Uncollected customer payments from Federal sources, end of year	(346,193)	(1,304,594)
Total Obligated Balance, end of period	**$ 30,144,520**	**$ 39,067,844**
Budget Authority and Outlays, Net		
Budget Authority, Gross	$213,163,383	$213,139,101
Actual offsetting collections	(1,128,711)	(1,531,901)
Change in uncollected customer payments from Federal sources	958,401	375,983
Budget Authority, Net	**$ 212,993,073**	**$ 211,983,183**
Net Outlays		
Outlays, Gross	$ 215,237,591	$207,095,794
Actual Offsetting Collections	1,128,711	1,531,901
Outlays, Net	**$ 214,108,880**	**$ 205,563,893**

The accompanying notes are an integral part of these statements

D. Notes to the FY 2012 Financial Statements

Note 1: Summary of Significant Accounting Policies:

Description of Entity

The Court Services and Offender Supervision Agency (CSOSA) for the District of Columbia was established in 2000 as an independent Federal agency, by the National Capital Revitalization and Self-Government Improvement Act (the Act). Pursuant to the Act, CSOSA assumed the District of Columbia (D.C.) pretrial services, adult probation, and parole supervision functions. CSOSA's mission is to increase public safety, prevent crime, reduce recidivism and support the fair administration of justice in close collaboration with the community.

The majority of the Agency's funding comes from appropriations. Additional funding is provided through grants from the Office of National Drug Control Policy (ONDCP) through the State of Maryland. This additional funding consists of reimbursement work performed by CSOSA on behalf of the requesting entity.

The CSOSA reporting entity is comprised of the following components:

- The Community Supervision Program (CSP), which provides supervision of adult offenders on probation, parole, or supervised release.
- The Pretrial Services Agency (PSA), which assists the trial and appellate levels of both the Federal and local courts in determining eligibility for pretrial release by providing background information on all arrestees.

The CSOSA appropriation supports both the CSP and PSA.

In FY 2012, the Agency was appropriated $212,983,000 from Congress, of which the following allocation was made:

	CSP	PSA	TOTAL FY 2012	TOTAL FY 2011
Appropriation	$153,548,000	$59,435,000	$212,983,000	$212,408,000
Less Rescission	-0-	-0-	-0-	424,816
Net Appropriation	$153,548,000	$59,435,000	$212,983,000	$211,983,184

Basis of Presentation

These financial statements have been prepared from the accounting records of CSOSA in conformance with U.S. generally accepted accounting principles (GAAP) and the form and content for entity financial statements specified by the Office of Management and Budget (OMB) in Revised Circular No. A-136, *Financial Reporting Requirements*. GAAP for federal entities are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which is the official body for setting the accounting standards of the U.S. government.

Basis of Accounting

Transactions are recorded on an accrual and a budgetary basis of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded when incurred, regardless of when cash is exchanged. Under the federal budgetary basis of accounting, funds availability is recorded based upon legal considerations and constraints. Budget authority is the authority provided by federal law to incur financial obligations that will result in outlays or expenditures.

Note 1: Summary of Significant Accounting Policies (con't)

Revenues and Other Financing Sources

CSOSA receives the majority of funding needed to support its programs through Congressional appropriations. CSOSA receives an annual appropriation that may be used, within statutory limits, for operating and capital expenditures. Additional funding is provided through grants from the ONDCP. Revenues are recognized at the time related program or administrative expenses are incurred. CSOSA reviews and classifies inter-agency agreements as either exchange or transfers-in based on the nature of the agreement.

Fund Balance with Treasury

Funds with the Treasury represent primarily appropriated funds available to pay current liabilities and finance future authorized purchases. The Treasury, as directed by authorized certifying officers, processes receipts and disbursements on behalf of CSOSA. CSOSA does not maintain cash in commercial bank accounts nor does CSOSA maintain an imprest fund.

Accounts Receivable

Accounts receivable consists of receivables and reimbursements due from Federal agencies and others. Generally, intragovernmental accounts receivable are considered fully collectible.

Property, Plant and Equipment

Property and equipment is recorded at cost and is depreciated using the straight-line method over the useful life of the asset, when the estimated useful life of an asset is two or more years. Leasehold improvements are capitalized when the improvements are made and amortized over the remaining term of the lease agreement. CSOSA has established capitalization thresholds of $100,000 for leasehold improvements and $25,000 for equipment. Other property items, normal repairs, and maintenance are expensed as incurred. Internal use software is capitalized when developmental phase costs or enhancement costs are $500,000 or more and the asset has an estimated useful life of two or more years.

Advances and Prepayments

Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of prepayment and are recognized as expenditures/expenses when the related goods and services are received.

Liabilities

Liabilities represent the monies or other resources that are likely to be paid by CSOSA as the result of a transaction or event that has already occurred. However, no liability can be paid absent the proper budget authority. Liabilities that are not funded by the current year appropriation are classified as liabilities not covered by budgetary resources.

Contingencies and Commitments

CSOSA is a party to various administrative proceedings, legal actions and claims. A liability is recognized as an unfunded liability for any legal actions where unfavorable decisions are considered "probable" and an estimate for the liability can be made. Contingent liabilities that are considered "reasonably possible" are disclosed in the notes to the financial statements. Liabilities that are considered "remote" are not recognized in the financial statements or disclosed in the notes to the financial statements.

Note 1: Summary of Significant Accounting Policies (con't)

Annual, Sick and Other Leave

Annual and compensatory leave is accrued, as an unfunded liability, as it is earned. Each year the accrued unfunded annual leave liability account is adjusted to reflect the current unfunded leave earned and the current pay rates. To the extent current or prior year appropriations are not available to fund annual and compensatory leave earned, funding will be obtained from future financing sources. Sick leave and other types of non-vested leave are expensed as taken.

Interest on Late Payments

Pursuant to the Prompt Payment Act, 31 U.S.C. 3901-3907, CSOSA pays interest on payments for goods or services made to business concerns after the due date. The due date is generally 30 days after receipt of a proper invoice or acceptance of the goods or services, whichever is later.

Retirement Plans

CSOSA participates in the retirement plans offered by the Office of Personnel Management (OPM) and does not maintain any private retirement plans. CSOSA employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). For employees covered by the CSRS, CSOSA contributes 7.0 percent of the employees' gross pay for normal retirement and 7.5 percent for law enforcement retirement. For employees covered by the FERS, CSOSA contributes 11.9 percent of employees' gross pay for normal retirement and 26.3 percent for law enforcement retirement. All employees are eligible to contribute to the Federal Thrift Savings Plan (TSP). For employees covered by the FERS, a TSP account is automatically established and CSOSA is required to contribute 1 percent of gross pay to this plan and match employee contributions up to 4 percent. No matching contributions are made to the TSPs established by CSRS employees. CSOSA does not report CSRS or FERS assets, accumulated plan benefits or unfunded liabilities, if any, which may be applicable to its employees, such reporting is the responsibility of OPM. The Statement of Federal Financial Accounting Standards (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, requires employing agencies to recognize the cost of pensions and other retirement benefits during their employees' active years of service, see Note 8 *Imputed Financing Sources* for additional details.

Federal Employees Compensation Benefits

The Federal Employees Compensation Act (FECA) provides income and medical cost protection to cover Federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. The total FECA liability consists of an actuarial and an accrued portion as discussed below.

> **Actuarial Liability:** The U.S. Department of Labor (DOL) calculates the liability of the Federal Government for future compensation benefits, which includes the expected liability for death, disability, medical and other approved costs. The liability is determined using the paid-losses extrapolation method calculated over the next 37-year period. This method utilizes historical benefit payment patterns related to a specific incurred period to predict the ultimate payments related to that period. The projected annual benefit payments are discounted to present value. The resulting Federal Government liability is then distributed by agency. The portion of this liability (if any) would include the estimated future cost of death benefits, workers' compensation, medical and miscellaneous cost for approved compensation cases for CSOSA employees. Due to the size of CSOSA, DOL does not report CSOSA separately.

Note 1: Summary of Significant Accounting Policies (con't)

The FECA actuarial liability (if any) is recorded for reporting purposes only. This liability constitutes an extended future estimate of cost, which will not be obligated against budgetary resources until the fiscal year in which the cost is actually billed.

Accrued Liability: The accrued FECA liability (if any) is the amount owed to DOL for the benefits paid from the FECA Special Benefits Fund which CSOSA has not yet reimbursed.

Earmarked Funds

Earmarked funds are financed by specifically identified revenues that remain available over time and are required by statute to be used for designated activities, benefits or purposes. FASAB SFFAS No. 27, *Identifying and Reporting Earmarked Funds*, requires the separate identification of earmarked funds on the Agency's accompanying financial statements. CSOSA management has determined that none of its funds are considered to be earmarked.

Tax Exempt Status

As a bureau of the Federal Government, CSOSA is exempt from all taxes imposed by any governing body, whether it is a federal, state, commonwealth, local, or foreign government.

Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

In FY2012, changes to the presentation of the Statements of Budgetary Resources were made, in accordance with guidance provided in OMB Circular A-136 and as such, activity and balances reported on the FY2011 Statement of Budgetary Resources have been reclassified to conform to the presentation in the current year. Certain other prior year amounts have also been reclassified to conform with the current year presentation.

Note 2: Fund Balance with Treasury

The Fund Balance with Treasury amount represents the unexpended cash balance of CSOSA's Treasury Symbols and consists of the following as of September 30, 2012 and 2011:

Fund Balance	CSP	PSA	Total FY 2012	Total FY 2011
Appropriated Funds	$36,384,160	$16,289,737	$52,673,897	$60,310,108

Status of the Fund Balance with Treasury consists of the following as of September 30, 2012 and 2011:

Status of Fund Balance	CSP	PSA	Total FY 2012	Total FY 2011
Unobligated Balance				
Available	$535,165	$1,384,490	$1,919,655	$572,065
Unavailable	14,330,377	6,307,788	20,638,165	20,831,760
Obligated Balance not yet Disbursed	21,536,987	8,607,532	30,144,519	39,067,844
Less: Accounts Receivable	18,369	10,073	28,442	-0-
Total	$36,384,160	$16,289,737	$52,673,897	$60,471,669

Note 2: Fund Balance with Treasury (con't)

The Status of Fund Balance differs from the Fund Balance due to reimbursable obligations that are in an Undelivered Order and/or Accounts Receivable status.

Note 3: Accounts Receivable

CSOSA's Accounts Receivable consists of services provided in conjunction with reimbursable grants from the ONDCP and the DC Superior Court and Child and Family Services. The Receivables consists of the following:

Receivables	CSP	**PSA**	**Total FY 2012**	**Total FY 2011**
Federal Receivable	$262,281	$ -0-	$262,281	$539,227
Public Receivable	-0-	10,073	10,073	21,206
Total Receivables	$262,281	$10,073	$272,354	$560,433

Note 4: General Property, Plant and Equipment, Net

Equipment consists of laboratory equipment used for the purpose of drug testing related to CSOSA's mission to supervise offenders. Equipment also includes general office equipment used to support CSOSA administratively. Leasehold improvements represent modification made to leased assets to meet CSOSA's specific needs. The Supervision Management Automated Record Tracking system (SMART) is CSOSA CSP's Internal Use Software. SMART was developed in-house and is consistently being updated and enhanced. These enhancements enable CSOSA to better track the individuals under CSOSA's jurisdiction. The Pretrial Real Time Information System Manager (PRISM) is PSA's Internal-Use Software. PRISM provides electronic information on bench warrants that have been issued for defendants who failed to appear for Court. Through the Data Warehouse, PSA is able to extract aggregate performance information from PRISM on rearrest and failure to appear (FTA). PRISM is consistently being reviewed and updated.

Property, Plant and Equipment balances as of September 30, 2012 and 2011 are as follows:

CSP	**Estimated Useful Life**	**Purchase Cost**	**Accumulated Depreciation**	**Net Book Value FY 2012**	**Net Book Value FY 2011**
Equipment	5yrs	$ 2,437,460	$ 2,208,819	$ 228,641	$ 276,833
Leasehold Improvements	Based on life of lease	2,152,617	868,948	1,283,669	854,977
Internal Use Software	2yrs	17,558,771	15,445,457	2,113,314	2,922,005
Total CSP		$22,148,848	$18,523,224	$3,625,624	$4,053,815

PSA	**Estimated Useful Life**	**Purchase Cost**	**Accumulated Depreciation**	**Net Book Value FY 2012**	**Net Book Value FY 2011**
Equipment	5yrs	$849,102	$701,232	$ 147,870	$206,313
Leasehold Improvements	Based on life of lease	172,305	68,922	103,383	120,613
Internal Use Software	2yrs	7,272,689	3,889,581	3,383,108	3,672,382
Total PSA		$8,294,096	$4,659,735	$3,634,361	$3,999,308
Total CSOSA		$30,442,944	$23,182,959	$7,259,985	$8,053,123

Note 5: Liabilities Not Covered by Budgetary Resources

Liabilities not covered by budgetary resources are liabilities for which Congressional action is needed before budgetary resources can be provided. Liabilities not covered by budgetary resources include Accrued Unfunded Annual Leave earned but not used as of September 30. The accrued unfunded annual leave liability is adjusted as leave is earned and used throughout the year. The expenditure for these accruals will be funded from future Congressional actions as the expenses are incurred. The annual net change of the Accrued Unfunded Annual Leave is reflected in Note 12: *Reconciliation of Net Cost of Operations (proprietary) to Budget*. Liabilities not covered by Budgetary Resources consists of the following as of September 30, 2012 and 2011:

	CSP	**PSA**	**Total FY 2012**	**Total FY 2011**
Accrued Unfunded Liability	$5,137,987	$2,099,364	$7,237,351	$7,143,524
Actuarial FECA Liability	150,210	166,593	316,803	418,248
Total Liabilities Not Covered by Budgetary Resources	$5,288,197	$2,265,957	$7,554,154	$7,561,772
Total Liabilities Covered by Budgetary Resources	13,238,287	5,447,879	18,686,166	19,939,116
Total Liabilities	$18,526,484	$7,713,836	$26,240,320	$27,500,888

Note 6: Exchange/Earned Revenue

CSOSA earns exchange revenue through inter-agency agreements with other Federal and state entities for which CSOSA provides grant administration services. Revenues are recognized at the time related program or administrative expenses are incurred. CSOSA reviews and classifies their inter-agency agreements as either exchange or transfers in. Revenues consist of the following as of September 30, 2012 and 2011:

Exchange/Earned Revenue	**Intragovernmental Revenue**	**Earned Revenue from Public**	**Total FY2012**	**Total FY 2011**
CSP	$781,592	$-0-	$781,592	$1,419,611
PSA	-0-	29,999	29,999	-0-
Total CSOSA	$781,592	$29,999	$811,591	$1,419,611

Note 7: Leases

CSOSA has various operating leases that have been established for multiple years, generally lasting from 1 to 10 years. Many of the operating leases that expire over an extended period of time include an option to renew the lease for additional periods. Under operating leases, the cost of the lease is expensed as incurred. The majority of space that CSOSA leases is based on the GSA square footage requirements and the rental charges are intended to approximate commercial rates. It is anticipated that, in most cases, CSOSA will continue to lease space. The below chart reflects CSOSA's operating leases that are covered, on an annual basis, by budgetary resources:

Future Operating Lease Payments Due	
Fiscal Year 2013	5,718,737
Fiscal Year 2014	4,945,162
Fiscal Year 2015	4,787,624
Fiscal Year 2016	4,124,234
Fiscal Year 2017	3,926,518
Fiscal Year 2018	4,095,230
Fiscal Year 2019 and beyond	9,776,057
Total Future Operating Lease Payments Due	$37,373,562

Note 8: Imputed Financing Sources

Imputed financing recognizes actual cost of future benefits to employees, the Federal Employees Health Benefits Program (FEHB), the Federal Employees Group Life Insurance Program (FEGLI), and the Retirement Plans that are paid by other Federal entities. SFFAS No. 5, *Accounting for Liabilities of the Federal Government*, requires that employing agencies recognize the cost of pensions and other retirement benefits during their employees' active years of service. SFFAS No. 5 requires OPM to provide cost factors necessary to calculate these costs. OPM actuaries calculate the value of pension benefits expected to be paid in the future, and then determine the total funds to be contributed by and for covered employees. For "regular" and "law enforcement" employees of FERS and CSRS, OPM calculated that 13.7 percent and 29.7 percent for FERS and 29.8 percent and 45.2 percent for CSRS, respectively, of each employee's salary would be sufficient to fund these projected pension benefit costs. The cost to be paid by other agencies is the total calculated future costs, less employee and employer contributions. In addition, other retirement benefits, which include health and life insurance that are paid by other Federal entities, must also be disclosed.

Imputed financing sources consists of the following as of September 30, 2012 and 2011:

	CSP	**PSA**	**Total FY 2012**	**Total FY 2011**
FEHB	$4,381,407	$1,917,810	$6,299,217	$6,542,607
FEGLI	12,688	4,249	16,937	18,164
Pensions	2,727,455	1,167,005	3,894,460	4,961,813
Total	$7,121,550	$3,089,064	$10,210,614	$11,522,584

Note 9: Contingencies and Commitments

CSOSA is a party to various administrative proceedings, legal actions and claims. As of September 30, the estimated amount of losses relating to the cases classified as probable range from $1 to $7,252 and the estimated amount of losses relating to the cases classified as reasonably possible range from $1 to $375,000. There are a total of 15 cases classified as either probable or reasonably possible. Included in these 15 cases are cases that have not been accrued or disclosed because the amounts of the potential loss cannot be estimated or the likelihood of an unfavorable outcome is less than reasonably possible.

Note 10: Apportionment Categories of Obligations Incurred

An apportionment is a distribution made by OMB of budgetary resources. A Category A apportionment distributes budgetary resources by time period (generally fiscal quarter). CSOSA's direct and reimbursable obligations incurred against amounts apportioned under Category A apportionments during fiscal year 2012 are:

Fiscal Year September 30, 2012 Obligations Apportioned Under:	**Direct Obligations**	**Reimbursable Obligations**	**Total FY 2012**	**Total FY 2011**
CSP				
Category A	$153,903,414	$753,885	$154,657,299	$155,782,898
PSA				
Category A	58,317,106	30,000	58,347,106	59,374,461
Total	$212,220,520	$783,885	$213,004,405	$215,157,359

Note 11: Explanation of Differences Between the Statement of Budgetary Resources and the 2011 Budget of the United States Government

CSOSA reports information about budgetary resources in the accompanying Combined Statements of Budgetary Resources (SBR) and for presentation in the Budget of the U.S. Government (President's Budget).

Note 11: Explanation of Differences Between the Statement of Budgetary Resources and the 2011 Budget of the United States Government (con't)

The President's Budget for fiscal year 2013, which contain actual budget results for fiscal year 2011, was released in February 2012. There were no material differences between the amounts for fiscal year 2011 published in the President's FY 2013 Budget and that reported in the accompanying SBR for the fiscal year ending on September 30, 2011 for obligations incurred or net outlays. For budgetary resources, the difference can be attributed to the fact that unobligated balances brought forward for expired funds are reported in the SBR, but not in the President's Budget. The following is the reconciliation of the 2011 SBR to the 2012 President's budget.

Fiscal Year 2011	**Budget Resources**	**Obligations Incurred**	**Net Outlays**
Combined Statement of Budgetary Resources:	$237	$215	$206
Differences:			
Prior Year Unobligated brought forward	(25)		
Prior Year Collections from offsetting collections	2		
Other		(2)	
Budget of the United States	$214	$213	$206

Note 12: Reconciliation of Net Cost of Operations (proprietary) to Budget

The following is provided as a reconciliation of budgetary obligations and non-budgetary resources, as of September 30, 2012 and 2011.

Resources used to Finance Activities: Budgetary Resources Obligated	**2012**	**2011**
Obligations Incurred – Direct	$212,220,520	$213,665,964
Obligations Incurred – Reimbursable	783,885	1,491,395
Total Obligations Incurred	$213,004,405	$215,157,359
Less: Spending Authority from Off-setting collections and recoveries		
Earned Reimbursements		
Collected	1,128,710	1,924,459
Receivable from Federal Sources	(285,242)	(496,339)
Change in Unfilled Customers Orders w/Advance	-0-	(392,558)
Change in Unfilled Customers Orders without Advance	(663,085)	120,356
Recoveries of Prior Year Obligations	7,648,539	5,490,877
Total Spending Authority from Off-setting collections and recoveries	$7,828,922	$6,646,795
Obligations Net of Offsetting Collections and Recoveries	$205,175,483	208,510,564
Net Obligations	$205,175,483	$208,510,564
Other Resources		
Imputed Financing from Costs Absorbed by Others	10,210,614	11,522,584
Net Other Resources	$10,210,614	11,522,584
Total Resources Used to Finance Activities	$215,386,097	$220,033,148
Resources Used to Finance Items not part of the Net Cost of Operations		
Change in Budgetary Resources Obligated for Goods, Services, and Benefits Ordered but not yet Provided	$7,965,690	$875,987
Resources that Finance the Acquisition of Assets	(1,780,719)	(1,311,251)
Total Resources Used to Finance Items Not Part of the Net Cost of Operations	$6,184,971	($435,264)
Total Resources used to Finance the Net Cost of Operations	$221,571,068	$219,597,884
Components of Net Cost of Operations that will not require or generate resources in the current period		
Components Requiring or Generating Resources in Future Periods		
Change in Annual Leave Liability	90,251	429,175
Increase in Exchange Revenue Receivable from the Public	30,000	-0-
Change in Other	(97,869)	47,784
Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods	$22,382	$476,959
Components not Requiring or Generating Resources		
Depreciation and Amortization	2,573,857	2,709,490
Other	(126,751)	(55,005)
Total Components of Net Cost of Operations that will not Require or Generate Resources	$2,447,106	$2,654,485
Total Components of Net Cost of Operations that will not Require or Generate Resources in the Current Period	$2,469,488	$3,131,444
Net Cost of Operations	$224,040,556	$222,729,328

Note 13: Undelivered Orders at the end of the Period

CSOSA had Undelivered Orders totaling $11,804,677 as of September 30, 2012.

AFR Section III: Other Accompanying Information

Summary of Financial Statement Audit and Management Assurances

The tables below summarize material weaknesses identified by the financial statement audit and/or by the Agency through Federal Managers' Financial Integrity Act (FMFIA) and Federal Financial Management Improvement Act (FFMIA) management assurances. There were no material weaknesses identified by the auditors or management for FY 2012.

Summary of Financial Statement Audit:

FY 2012 Audit Opinion:	Unqualified				
Restatement:	No				
Material Weakness	Beginning Balance	New	Resolved	Consolidated	Ending Balance
NA	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**

Summary of Management Assurances:

Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)					
FY 2012 Statement of Assurance:	Unqualified				
Material Weakness	Beginning Balance	New	Resolved	Consolidated	Ending Balance
NA	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**

Effectiveness of Internal Control over Operations (FMFIA § 2)					
FY 2012 Statement of Assurance:	Unqualified				
Material Weakness	Beginning Balance	New	Resolved	Consolidated	Ending Balance
NA	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**

Conformance with Financial Management System Requirements (FMFIA § 4)					
FY 2012 Statement of Assurance:	Systems conform to financial management system requirements				
Material Weakness	Beginning Balance	New	Resolved	Consolidated	Ending Balance
NA	0	0	0	0	0
Total Material Weaknesses	**0**	**0**	**0**	**0**	**0**

Compliance with Federal Financial Management Improvement Act (FFMIA)		
	Agency	**Auditor**
Overall Substantial Compliance	Yes	Yes
1. System Requirements	Yes	
2. Accounting Standards	Yes	
3. USSGL at the Transaction Level	Yes	

Improper Payments

The Improper Payment Information Act (IPIA) of 2002 (P.L. 107-300), as amended by the Improper Payments Elimination and Recovery Act (IPERA) of 2010 (P.L. 111-204), extends erroneous payment reporting requirements to all Federal programs and activities. IPERA requires that agencies examine the risk of erroneous payments in all programs and activities they administer. CSOSA consists of two programs: CSP and PSA.

Agencies are required to review annually all programs and activities they administer and identify those that may be susceptible to significant erroneous payments. Given the inherent risks of the CSP and PSA programs, internal controls, the results of prior financial audits, and CSP internal testing of its FY 2012 payment transactions, CSOSA has determined that neither program poses the risk of improper payments exceeding both 2.5% and $10 million.

Schedule of Spending

The Schedule of Spending (SOS) presents an overview of how and where agencies are spending money. The SOS presents total budgetary resources, gross outlays, and fiscal year-to-date total obligations for the reporting entity. For FY 2012 comparative schedules are not required, the following is CSOSA's first SOS:

Court Services and Offender Supervision Agency

Schedule of Spending

For the Year Ended September 30, 2012

	2012
What Money is Available to be Spent	
Total Resources	$ 235,562,225
Less Amount Available but Not Agreed to be Spent	1,919,655
Less Amount Not Available to be Spent	20,638,165
Total Amounts Agreed to be Spent	$ 213,004,405
How was the Money Spent	
Category A	
Object Class 11	$ 102,814,136
Object Class 12	39,179,650
Object Class 21	1,598,644
Object Class 22	337,742
Object Class 23	19,156,833
Object Class 24	199,640
Object Class 25	45,714,044
Object Class 26	2,853,083
Object Class 31	2,553,474
Object Class 32	830,345
Total Spending	$ 215,237,591
Amounts Remaining to be Spent	(2,233,186)
Total Amounts Agreed to be Spent	$ 213,004,405
Who did the Money go to	
Federal	$ 8,834,562
Non-Federal	204,169,843
Total Amounts Agreed to be Spent	$ 213,004,405
How was the Money Issued	
Non-Financial Assistance Direct Payments	$ 141,993,786
Contracts	69,859,986
Other Financial Assistance	1,150,634
Total Amounts Agreed to be Spent	$ 213,004,405