

U.S. Department of Justice

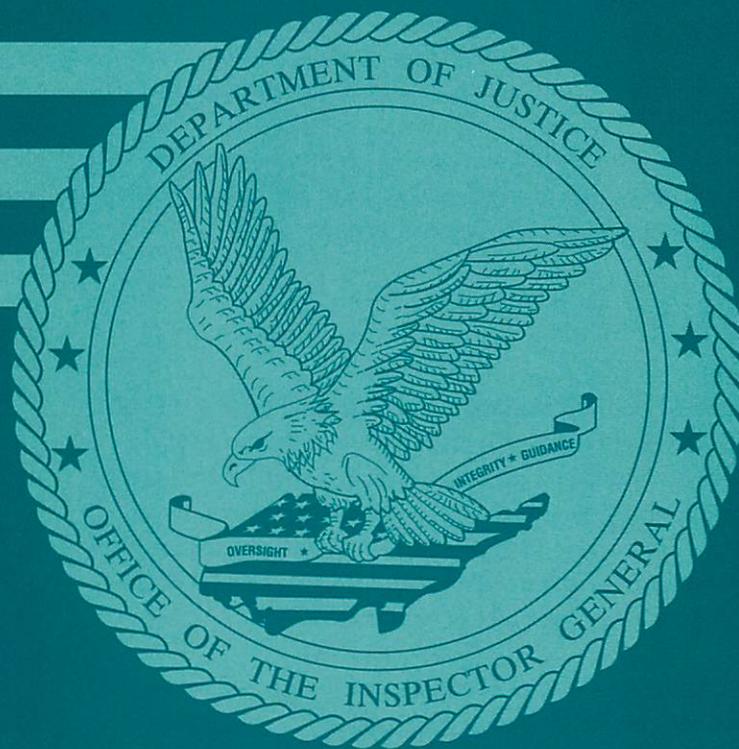
Office of the Inspector General

# Office of the Inspector General

## Semiannual Report to Congress

April 1, 1993 - September 30, 1993

OIG



Established April 14, 1989

## Special Tributes

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The Office of the Inspector General depends upon the assistance of other Department of Justice employees for its successes. We would like to take this opportunity to honor two Departmental employees who have had a special impact on our work.



**Deputy District Director  
Patrick E. Kane**

**Deputy District Director Patrick E. Kane**, Immigration and Naturalization Service, Phoenix District Office, has consistently supported the OIG mission by providing us with information on a timely basis and by directing subordinates to assist in OIG investigations whenever possible.

Mr. Kane, for example, contacted the OIG during evening hours when he learned of a plot to destroy evidence in an OIG investigation. Through his assistance and coordination, the OIG was able to make an arrest. Mr. Kane's continual cooperation has ensured that the OIG is involved in INS investigations within the Phoenix District that may have a nexus to a DOJ employee. In addition to the positive attitude he fosters for the OIG's work in his office, Mr. Kane has initiated numerous integrity training sessions for INS employees and has invited OIG agents to address the participants.

Deputy District Director Kane's outstanding cooperation and leadership are indicative of the high standards he maintains as a manager and as a law enforcement officer in the Department of Justice and the Immigration and Naturalization Service.

**Trial Attorney Bruce E. Reinhart** of the Criminal Division's Public Integrity Section, Department of Justice, has made extraordinary efforts in conducting criminal investigations involving Justice employees and co-conspirators involved in illegal activities. Over a 4-year period, he has demonstrated tenacity and thoroughness in the prosecution of a number of OIG investigations. OIG managers and special agents across the country hold him in high regard.

Mr. Reinhart, knowing the OIG's commitment to high standards, has supported these efforts by reviewing draft OIG investigative policies and procedures and by providing the OIG with invaluable comments. With his assistance, the OIG has complied fully with laws and regulations, especially those dealing with electronic surveillance. He has also assisted in the OIG's Continuing Education Program by lecturing to special agents, at both FLETC and at OIG field offices across the country, on prosecutive concerns in public corruption cases.

Attorney Reinhart is a fine example of a public servant dedicated to serving the nation and the Department of Justice with utmost professionalism and integrity.



**Trial Attorney  
Bruce E. Reinhart**

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## Foreword

*This report, which summarizes the Office of the Inspector General (OIG) activities for the 6-month period ending September 30, 1993, is our ninth Semiannual Report to Congress.*

*Our accomplishments are indicative of our emphasis on audits, inspections, and investigations that have an impact on Department of Justice programs and operations. We continue our focus on specific DOJ activities that the Department and OMB have identified as "high risk" areas for fraud, waste, and abuse. Finally, we are reporting on projects that have anticipated or that reflect the priority given to reinventing Government.*

**Richard J. Hankinson**  
**Inspector General**

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## Overview

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he Office of the Inspector General provides leadership and assists management to promote economy, efficiency, and effectiveness within the Department of Justice (DOJ). The OIG enforces Federal bribery, fraud, waste, abuse and integrity laws and regulations within the Department and identifies for prosecution those individuals or organizations involved in financial, contractual, or criminal misconduct in DOJ programs and operations.

The OIG carries out this mission through four components. The Audit Division, located in Washington, D.C., has field offices in Atlanta, Chicago, Dallas, Denver, Philadelphia, San Francisco, and Northeast and Washington Regional offices located in Washington, D.C.

The Investigations Division has its headquarters in Washington, D.C. The Division has field offices in Chicago; El Paso; Brunswick and Atlanta, Georgia; Los Angeles; McAllen, Texas; Miami; New York; San Juan; San Diego; San Francisco; Seattle; Tucson; and Washington, D.C.

The Inspections Division and the Management and Planning Division are located in Washington, D.C.

### Executive Direction

#### Staffing and Budget

The OIG's FY 1993 appropriation provided 344 permanent positions, 348 workyears, five other than full-time permanent positions, and \$30,622,000; reimbursable amounts totaled \$8,526,000 and an additional 83 workyears, and included \$1,006,000 for CFO Act audits. The anticipated FY 1994 appropriation provides 335 permanent positions, 334 workyears, five other than full-time permanent positions and \$30,000,000. Reimbursable agreements will continue in 1994, providing an estimated \$8,526,000 and 81 workyears. The FY 1994 request reflects the administration's efforts to meet targeted workyear and resource levels.

The OIG's proposed 1994 personnel ceiling by function is as follows: Immediate Office, 13; Audit, 164; Investigations, 162; Inspections, 49; Management and Planning, 33; total personnel, 421.

#### OIG Initiatives

During the past 6 months, the OIG began several initiatives that warrant special discussion.

**National Performance Review and AG On-Line:** During this reporting period, the OIG designed and implemented the AG On-Line program that allows DOJ employees to submit suggestions and ideas on how to improve the Department. Through this multidimensional initiative, employees can submit ideas via a toll-free number, FAX or electronic mail. These suggestions are provided directly to the Office of the Attorney General. In addition, through its Hotline, the OIG is supporting the Administration's efforts to encourage the public's participation in reporting problems and providing solutions. Via both the Hotline and the AG On-Line, the OIG has received and processed 858 suggestions and 11,674 opinions during this reporting period.

**Overview**

**Initiatives**

*Vice President Gore’s National Performance Review initiative to improve Government generated a phenomenal response, with citizens throughout the country calling in their suggestions and opinions. The Attorney General supported the Vice President’s effort by establishing the AG On-Line—a program in which Department of Justice employees can submit suggestions on how to improve DOJ.*

**Hotline and AG On-Line Statistics**

The OIG designed and implemented the Attorney General’s AG On-Line program, a “laboratory” managed by the Investigations Division.

Suggestions Received <sup>1</sup>		Opinions Received	
IG Hotline	69	IG Hotline <sup>2</sup>	9,617
AG On-Line	789	AG On-Line	2,057
<b>TOTAL</b>	<b>858</b>		<b>11,674</b>
Other Calls <sup>3</sup>		2,786	

*OIG operators handled 15,318 telephone calls in this effort.*

Specially trained OIG Hotline and AG On-Line operators receive and process suggestions and opinions. Suggestions and opinions are forwarded to the Office of the Attorney General for evaluation and disposition.

<sup>1</sup> Statistics are from July 19, 1993, through September 30, 1993, when the AG On-Line became operational.

<sup>2</sup> These statistics are from April 1, 1993, through September 30, 1993.

<sup>3</sup> These calls include wrong numbers, information requested, those referred to other Departments, etc.

### Initiatives

**Civil Rights:** In response to civil rights concerns in the southwest United States involving allegations against the Border Patrol, the OIG San Diego Field Office started a 90-day “saturation” initiative similar to the one conducted by the OIG El Paso Field Office during the previous reporting period. The El Paso initiative provided for a more immediate response to allegations of civil rights abuse by the Border Patrol, an increase in integrity awareness training for more than 600 INS Border Patrol Agents and employees (DOJ’s Community Relations Service coordinated the training), and an expedited complaint process.

**Integrity Awareness Training:** To maintain the public trust and to educate DOJ employees on ethics and the consequences of misconduct, OIG agents across the country gave 22 Integrity Awareness briefings to Department employees and others. A total of 621 individuals attended these sessions this reporting period.

**Special Inquiry Section (SIS):** The OIG formed a new Special Inquiry Section to address the increasing number of complaints concerning noncriminal matters, such as mismanagement and wasteful spending. SIS also responds to certain congressional inquiries as well as to requests from DOJ managers. In its first 6 months of operation, the SIS received 88 referrals and opened 27 special inquiries.

**Reinventing Government:** The OIG is supporting the administration’s goal to reinvent how Government operates. In keeping with this initiative, the Investigations Division will continue its efforts to increase “customer” satisfaction and to improve the efficiency of its operations. The Division proposes to lessen the paperwork and shorten the time required to refer certain allegations of wrongdoing to Justice components for appropriate action. (Responsibility to monitor these investigations will remain with the OIG.) This initiative is designed to assist agencies manage and improve their integrity programs and is in consonance with the NPR Report, which focuses on helping managers improve systems to prevent fraud.

**Continuing Education:** The Investigations Division conducted two in-service continuing education programs that 43 special agents attended. Special agents also received training in courses that met a special agent skills profile, such as investigating crimes involving financial records, and interviewing and interrogation techniques. Three agents attended basic firearms instructor training, two agents attended advanced semiautomatic firearms training, and 13 agents attended an advanced practical course in the use of technical investigative equipment. A team of three senior OIG special agents traveled to all OIG field offices and conducted a 2-day seminar on Agent Safety and Awareness.

The Inspections Division will increase in-house training for its professional work force, which will help us provide critically needed training in times of shrinking budgets.

## Overview

Over the past 2 years, the OIG has developed several progressive initiatives that have proven to be in keeping with the NPR Report.

### *Past initiatives in keeping with the NPR Report*

Over the past 2 years, the OIG has developed several progressive initiatives that have proven to be in keeping with the NPR Report. These include the following:

- Using customer surveys to assess the quality of investigative reports, which are sent to DOJ components for review and, when appropriate, for use as a basis for administrative action. The surveys provide OIG field managers and agents with feedback on the results of their work.
- Developing a performance measurement system.
- Helping managers address conduct problems proactively by offering OIG-conducted integrity awareness sessions. These sessions, which focus on the most common and serious integrity breaches that occur in particular occupations, attempt to prevent integrity problems through enhanced awareness.
- Assisting DOJ components by offering solutions to systemic integrity problems and working with the agencies in a positive way to address those problems.

### **President's Council on Integrity and Efficiency**

The Inspector General participates in the President's Council on Integrity and Efficiency (PCIE). During the past 6 months, the OIG responded to 11 requests for audit-related information, as well as other inquiries related to the National Performance Review.

### **Review of Legislation Regulations**

The Inspector General Act requires that the Inspector General review proposed legislation relating to the programs and operations of the Department of Justice. Although the Department's Office of Legislative Affairs and Office of Policy Development review all proposed or enacted legislation that could affect the Department's activities, the OIG independently reviews proposed legislation regarding fraud, waste and abuse in the Department's programs or operations, or other matters affecting the operations of the OIG. Over the past 6 months, the OIG analyzed 12 legislative proposals and submitted comments on several, including H.R. 2970, the Reauthorization of the Office of Special Counsel and Other Purposes, the Contract Costs Act, and the Government Performance and Results Act of 1993.

**High Risk Areas**

The Department and OMB identified specific DOJ activities that have a “high risk” for fraud, waste, and abuse. The Department has 9 areas on the High Risk Area list published by OMB. Audits and inspections in these areas provide Department managers with assistance to correct specific high risk activities, thus ensuring improved operations within the Department. During this reporting period, the OIG issued audit reports that involved the following high risk areas: asset seizure and forfeiture, INS fee accounts, INS cash collections, INS computer risk analyses, monitoring of private trustees, ADP security, and legal process debt.

High Risk Area	Type of Audit
INS	Fee Accounts Cash Collections Computer Risk Analyses
Asset Seizure	Asset Forfeiture Program Use of Equitable Shares by Cherokee County, Georgia, Sheriff's Dept. Use of Equitable Shared Cash and Property by Milwaukee Police Dept.
USMS	Asset Forfeiture Program
U.S. Trustees	Chapters 7s/12s
ADP Security	INS Computer Risk Analyses
Legal Process Debt	Criminal Debt Collection in DOJ

## The Inspections Division

*The Inspections process allows for timely feedback to senior managers and early warning to the administration and Congress about Department of Justice problems.*

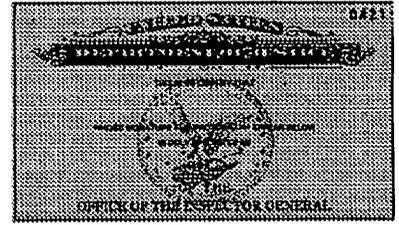
**Significant Inspections**

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**Inspections Statistics**

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# Inspections Division



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he Inspections Division conducts reviews of Departmental programs and activities; in addition, the Division provides the OIG with a diversified staff that can quickly review and analyze specific problems that can potentially interfere with effective and efficient management. The inspections process allows for timely feedback to senior managers and early warning to the administration and the Congress about Department of Justice (DOJ) problems. Inspections are conducted in accordance with the standards issued by the President's Council on Integrity and Efficiency and with internal policies and guidelines issued by the OIG.

As a further means of improving the OIG's responsiveness and effectiveness, the Inspector General established a Special Inquiry Section (SIS) within the Inspections Division. The SIS conducts expedited reviews of serious complaints concerning noncriminal matters, such as mismanagement and wasteful spending. The SIS also responds to certain congressional inquiries as well as to requests from DOJ managers.

The SIS works closely with the Investigations Division to identify complaints appropriate for SIS review. In most instances, the complaints are received through the OIG Hotline and then referred to the SIS. The SIS has several options to ensure that these complaints receive appropriate attention and coverage. For example, the SIS can initiate its own inquiry, submit the complaint for consideration in the next fiscal year's Audit and Inspections planning process, have a detailed audit or inspection initiated, address the complaint in an ongoing audit or inspection, or recommend referral to a DOJ component.

**Significant  
Inspections**

## Management of Delivery Bonds in INS

Our inspection disclosed that weaknesses exist at every level and stage of tracking, breaching, billing, and collecting for breached bonds from surety companies. Management of Delivery Bonds by INS personnel has been classified as a material weakness.

By not completing required actions on time, INS could no longer declare many surety bonds as breached and could not collect significant amounts of revenue. At five INS district offices visited, INS could not collect an estimated \$750,000 because actions were not taken within 6 months of the final orders of the aliens' deportation. At two district offices visited, administratively closed cases were placed in suspense even though the districts could have declared the bonds breached and initiated collection action on approximately \$540,000.

**INS could not collect an estimated \$750,000 because actions were not taken within 6 months of the final orders of the aliens' deportation.**

INS' accounting records showed that outstanding accounts receivable for breached surety bonds

## Inspections Division

### Significant Inspections

totaled \$17.6 million. We found that collection of revenue from breached bonds was delayed an average of 10 months because INS district staff did not process paperwork promptly.

INS could reduce revenue losses to the Government by using all debt collection tools available and by the timely reporting of delinquent surety companies to either United States Attorneys or the Department's Civil Division. We estimate that, since 1987, settlements with surety companies for bonds valued at \$55 million resulted in promised payments by the surety companies of \$22 million, and the remaining \$33 million was waived. The inspection report made recommendations and suggestions that could improve controls over bonds and enhance the billing process through automation.

#### Radiation Exposure Compensation Program

An inspection of the Radiation Exposure Compensation Program disclosed the Program was well managed. We found reasonable assurance that Government funds were properly expended for the purposes intended by the Radiation Exposure Compensation Act of 1990 (Act) and implementing regulations (28 CFR Part 79).

**An inspection of the Radiation Exposure Compensation Program disclosed the Program was well managed.**

Between April 1992 and March 1993, 2,634 compensation claims were received, 585 approved (22 percent), 262 denied (10 percent), and 1,787 (68 percent) claims remained outstanding.

Payment claims generally were adjudicated within the 12-month period required by the Act. Any delays in the claims adjudication process generally occurred because claimants failed to furnish required eligibility documentation promptly. Claimants who were denied benefits were given sufficient opportunities to demonstrate eligibility before the final decision was issued.

#### Land Border Inspection Fee Program in INS

The inspection of INS' Land Border Inspection Fee Pilot Program at the Peace Arch Crossing Entry in Blaine, Washington, showed that it reduced commuter time, curtailed traffic backups, and eliminated citizen complaints.

The cooperation and excellent working relationships among Canadian government officials, United States Customs Service (USCS) officials, and INS officials at Blaine, Washington, contributed to the pilot program's success. A Canadian Dedicated Commuter Lane (DCL) pilot program was established about the same time as the Blaine pilot program. This Canadian DCL program, along with the Blaine Pilot Program, has curtailed traffic backups on both sides of the border.

In FY 1992, INS issued over 17,000 DCL decals and collected more than \$400,000 in land border user fees. INS' expenditures for personal services and benefits for the same period of time were

about \$183,000. Revenues generated from the DCL have more than offset INS costs, but since the USCS is not compensated for its expenses, the net financial impact is not known.

Procedures for the collection and deposit of land border user fee funds were acceptable; however, we suggested two additional procedures for improved management control.

INS plans to expand the DCL concept to four other ports-of-entry in FY 1994. However, some basic issues with USCS relative to revenue sharing need to be resolved before USCS will agree to participate in other DCL pilot programs.

#### USMS Procurement Activities

An inspection showed that the United States Marshals Service (USMS), Procurement Division, had made significant improvements in correcting procurement-related deficiencies previously noted in Department of Justice reviews.

We found that the Procurement Division in the USMS Headquarters had established procurement-related operating policies and procedures; implemented an automated tracking system for requisitions; improved oversight of the district and field offices' procurement activities through onsite visits; developed and presented small purchase order training classes to USMS personnel; standardized the delegated procurement authority for field and district office personnel; and established closeout procedures for completed contracts and small purchases.

We suggested three areas where USMS could make additional improvements to further enhance the effectiveness of its procurement activities.

#### Injury and Disability Compensation Program Within DOJ

An inspection of the implementation of the Federal Employees Compensation Act (FECA) disclosed that DOJ management has not given adequate attention to the FECA program to ensure FECA payments were limited to DOJ claimants. DOJ expenditures for FECA, for the billing year ending June 30, 1991, were \$40.4 million for 9,496 claims.

We found that DOJ components did not verify FECA billings. Based on our sample of cases reviewed, we projected erroneously billed claims could amount to \$375,000 for the 1-year period reviewed. The potential for error is further compounded by the fact that once the Department of Labor erroneously charges a claim to DOJ, the claim continues to be charged to DOJ until it is identified and corrected. In the worse case we found, a non-DOJ employee had been charged to the Department for 16 years, at a cost of more than \$300,000.

**Based on our sample of cases reviewed, we projected erroneously billed claims could amount to \$375,000 for the 1-year period reviewed.**

## Inspections Division

### Significant Inspections

The inspection stated that, to effectively manage and monitor FECA claims, JMD must develop comprehensive FECA policy and procedures, with department-wide implementation, that will ensure the following: billings are verified by DOJ components; employee injuries are documented and investigated; reemployment of injured employees occurs as soon as practicable; and personnel responsible for handling FECA claims are appropriately trained.

#### Controls Over Funds and Valuables of Aliens in INS

We conducted an inspection to determine if INS maintained adequate controls over aliens' funds, valuables, and personal property. We visited four of the nine Service Processing Centers, which are INS-operated detention facilities, and two of the five contractor detention facilities.

Prescribed regulations and procedures were generally sufficient to safeguard aliens' funds, valuables, and personal property (typically items such as clothing and baggage), but they were not consistently followed in all INS facilities. Moreover, property rooms were found to be cluttered and not orderly maintained, and baggage was not always inspected with the alien present.

To enhance the controls over funds and valuables, we recommended some changes that should improve financial accountability of these items. To improve controls over personal property, we recommended that written procedures be established on the retention and disposal of unclaimed property. In addition, we recommended INS establish uniform procedures to ensure allegations and claims regarding unaccounted alien property are reported, tracked, and resolved timely.

#### Special Inquiry Section (SIS)

The SIS received 88 referrals and opened 27 special inquiries in the first 6 months of its existence. Examples of special inquiries completed during this reporting period include the following:

- An anonymous complainant made allegations of poor planning and wasteful spending pertaining to office space. The review found that several of the complainant's points were valid and questioned over \$97,000 in renovation costs as well as \$167,000 in rent paid on vacant space.
- In response to a request from Senator John Glenn, the SIS reviewed DEA's use of a contractor to perform employee background investigations. The review validated DEA's claim that it could achieve significant benefits in terms of cost savings and timeliness by continuing to contract for background investigations instead of using the investigative services of the Office of Personnel Management. Total cost savings for FY 1993 and FY 1994 were estimated at about \$5.2 million.

**Inspections Workload**

Inspections Workload Accomplishments	
	Number of Inspections
Inspections active at beginning of period	15
Inspections initiated	6
Final reports issued	6
Inspections active at end of reporting period	15

**Inspections Statistics**

**SIS Workload**

SIS Workload	
Special inquiries carried forward as of 03/31/93	0
--Special inquiries opened this period	27
--Special inquiries closed this period	13
<b>TOTAL INQUIRIES IN PROGRESS AS OF 09/30/93</b>	<b>14</b>

**Disposition of Complaints**

Disposition of Complaints Referred to the SIS	
Initiated special inquiry	27
Consolidated into ongoing special inquiry	7
Returned to the Investigations Division for referral to a DOJ component or other action	41
Referred to the Audit Division	4
Retained for the FY 1994 Audit/Inspections planning process	7
Referred for inclusion in an ongoing or planned inspection	2
<b>TOTAL</b>	<b>88</b>

## The Investigations Division

*The Investigations Division investigates alleged violations of bribery, fraud, abuse, and integrity laws that govern the Department of Justice and the operations it finances.*

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## Investigations Division



**T**

he Investigations Division investigates alleged violations of bribery, fraud, abuse, and integrity laws that govern the Department of Justice and the operations it finances.

The Division also develops cases for criminal prosecution and possible civil or administrative action. In some instances, allegations are referred to bureaus within the Department by the OIG. The OIG requires notification of the bureaus' findings and of any disciplinary action taken.

### Updates

#### **BRIBERY:**

■ Related cases in one INS district office culminated in the sentencing of the last two INS employees out of seven arrested, along with 15 civilians, on charges of bribery. A legalization officer was sentenced to 12 months incarceration and 36 months supervised probation. The other employee, a supervisory legalization officer, was sentenced to 4 months community confinement, fined \$2,000, and ordered to pay court costs. Both officers had issued an estimated 1,500 INS Employment Authorization Cards to ineligible undocumented aliens in exchange for cash or things of value from numerous "brokers" who worked this specific INS district office on behalf of the illegal aliens.

■ The prosecution of defendants in an investigation named Operation Byte continues. An attorney acquired documents for over a dozen aliens and charged each of them between \$1,000 to \$5,000 to have their biographic data entered into the INS computer system, making them appear as lawful permanent residents. The attorney pled guilty to conspiracy to defraud the Government and is scheduled to be sentenced in late November 1993. An intermediary also recently pled guilty to charges of visa fraud and aiding and abetting in connection with the case. The OIG and the U.S. Border Patrol Anti-Smuggling Unit worked jointly on these cases. These are the 6th and 7th defendants to be convicted.

### Significant Investigations

#### False Claims

■ Based on an OIG investigation, a contractor has agreed to pay the United States Government \$1.45 million and to dismiss \$9.3 million in contract claims against DEA. The OIG investigation disclosed that the contractor billed DEA—and caused another corporation to bill the United States Coast Guard—for computers it falsely represented as being protected against sophisticated eavesdropping techniques. The OIG investigation showed that the contractor knowingly billed the Government for computers that did not meet contract specifications. The Department's Fraud Section, Civil Division, notified the contractor that it was preparing a False Claims Act suit based on the OIG investigation; the contractor then made its settlement offer and agreed to drop additional claims under the contract.

## Investigations Division

### Significant Investigations

■ The OIG initiated an inquiry into a major BOP construction contractor. Allegations made against the contractor were not substantiated, but the OIG found that some of the contractor's practices were questionable. Based on this information, and on other facts that the Institution had developed, the Metropolitan Correctional Institution—where the construction was taking place—issued a default termination against the contractor. This was the first time this BOP institution had taken such an action.

#### Illegal Drugs

■ An OIG investigation disclosed that a BOP correctional officer and five co-conspirators conspired to smuggle narcotics into a Federal Correctional Institution (FCI). Inmates serving as middlemen, inmates' wives and girlfriends, suppliers, and a correctional officer were involved. The officer and co-conspirators were arrested and variously charged with mail fraud, bribery, distribution and possession of narcotics, introduction of contraband into an FCI, and other charges. With the exception of the correctional officer, all pled guilty. The officer, who was terminated by BOP, is awaiting trial.

■ As part of a joint investigation, undercover OIG and DEA agents met with co-conspirators on three different occasions and purchased Mexican black tar heroin at \$3,000 per ounce. A total of 7 ounces was purchased or seized. Four civilians were arrested and charged with conspiracy and possession with intent to distribute a controlled substance. Judicial action is pending, and the investigation continues.

■ A BOP correctional officer asked an inmate for an "outside" cocaine connection. The inmate reported the offer to BOP authorities, who contacted the OIG. In cooperation with the OIG, the inmate arranged a telephonic introduction between the correctional officer and an OIG undercover agent. The correctional officer agreed to purchase one ounce of cocaine from the undercover agent. The correctional officer was arrested for possession with intent to distribute a controlled substance, and judicial action is pending.

#### Extortion

■ A Rabbi with a BOP contract to provide religious services at a Federal Medical Center was arrested and indicted for bribery, smuggling contraband into a Federal institution, and mail fraud. The Rabbi solicited and received money or other valuables for services to Jewish inmates, although these services were included in the BOP contract. The Rabbi required an inmate to pay him \$50,000 to perform a Jewish divorce. For a \$2,000 "contribution," the Rabbi also agreed to help an inmate get kosher food and to translate letters from Hebrew to English; he also smuggled cash and correspondence into the prison. He was released on a \$20,000 personal recognizance bond and surrendered his passport.

■ An INS special agent indicted on charges of extortion under color of law pled guilty and is awaiting sentencing. The agent extorted approximately \$2,000 from an alien, telling her that a prior arrest would make it difficult for her to get a legal INS work authorization card and temporary resident status. The agent said he could arrange to have her arrest record purged and would help her get a "Green Card." INS terminated his employment after his indictment.

■ The secretary to an INS assistant district director for examinations was indicted for bribery of a public official and destruction of Government records. The secretary extorted a \$1,000 bribe from a resident alien who wanted to become a naturalized citizen; however, the alien's eligibility was at issue because of derogatory information in her official file. The secretary had told the alien that the file could be "cleaned up." An OIG investigation confirmed that the official INS file had been altered. The secretary was released on a \$10,000 signature bond with further judicial action pending.

■ An INS Border Patrol agent used his official position to entice women into sexual relations. Surveillance revealed that he was involved with an illegal alien who was gainfully employed. As a result of the investigation, the illegal alien was arrested and the Border Patrol terminated the agent's employment. The Border Patrol's Anti-Smuggling Unit rendered extensive assistance in this investigation.

#### Aiding in an Escape and Harboring a Fugitive

■ Shortly after BOP officials reported that a corrections officer was having a sexual relationship with an inmate, OIG special agents learned that the inmate had escaped. Circumstances surrounding the escape indicated that the corrections officer was involved. A joint investigation with the U.S. Marshals Service led to the arrest of both individuals. The corrections officer was indicted for assisting in an escape from a Federal Correctional Institution, harboring a Federal fugitive, and using a false Social Security Number. The employee resigned her position with BOP and is awaiting trial. The inmate was returned to Federal custody and faces charges of escape.

#### False Statements

■ A BOP employee reported that one of their contracts to operate a halfway house had been awarded to a company whose chief executive officer (CEO) was a convicted felon and a fugitive. The CEO obtained the contract by making false statements to BOP during the bidding process. Before the contract could be terminated, the CEO used a false Social Security Number to finance a truck and fled the area, taking a substantial amount of privately invested funds. A Federal Grand Jury indicted the CEO, who was arrested after attempting to register the truck in another state. Prosecution is pending on charges of false statements and Social Security fraud. This was a joint investigation between the OIG and the FBI.

■ A BOP machinist foreman was indicted for mail fraud and false statements. The machinist had sustained a back injury while working at a Federal Correctional Institution and was on work-

## Investigations Division

### Significant Investigations

related disability under the Federal Employees Compensation Act (FECA). The foreman was performing a wage-earning job as a BOP contractor, drawing full FECA compensation, and failing to report the work income. He had received \$8,746 through FECA. The machinist foreman resigned from BOP, pled not guilty, and is awaiting trial.

#### Embezzlement

■ A Federal Grand Jury indicted a former county sheriff and an attorney serving as special counsel to the sheriff's department for embezzling more than \$150,000 of Federal asset forfeiture funds. Beginning in August 1987 until December 1992, the sheriff and the attorney conspired to misapply funds that the sheriff's department received from the Attorney General's Equitable Sharing Program in the Department of Justice. (This program is designed to circulate drug-related proceeds back into the law enforcement agencies that play a role in their seizure.) A State Grand Jury also indicted both of these individuals, along with two deputies involved in similar conduct, for misapplication of fiduciary property. The OIG, assisted by Texas Rangers and the Department's Executive Office for Asset Forfeiture, found that one deputy intentionally misapplied funds to lease undercover apartments, when in fact the funds were given to a cooperating individual; the other deputy purchased an inoperable farm tractor that could not be used for law enforcement purposes. As a result of this investigation, the Department's Executive Office for Asset Forfeiture will review regulations in the use of equitable shared funds.

■ An INS co-op student was arrested for stealing money orders that accompanied applications for Permanent Resident Alien Cards. The student cashed several money orders totaling \$2,440 in INS application fees, pled guilty, and was sentenced to 3 years supervised probation, ordered to perform 250 hours of community service, and ordered to make \$2,440 restitution to INS. The student resigned from INS.

#### Fraud

■ An INS immigration inspector pled guilty to selling fraudulent INS documents. Working through a civilian intermediary, the inspector sold the documents to OIG undercover agents who posed as illegal immigrants. A search of the inspector's residence after his arrest produced illegally issued INS arrival and departure records and permits and cash proceeds from previous document sales. The inspector was sentenced to 4 months of home confinement, 3 years probation, 200 hours of community service, and ordered to pay a \$150 fine. INS terminated his employment. The intermediary was also arrested, pled guilty to INS document fraud, and was sentenced to 36 months probation, 250 hours of community service, and was ordered to pay \$100 in fines and \$200 restitution.

■ A debt collection clerk for a U.S. Attorney's Office falsified medical letters to obtain long-term sick leave. She applied for leave from the Department's Voluntary Leave Transfer Program and received \$3,460 worth of leave from fellow employees. OIG agents found that the clerk had a

cocaine habit and was too impaired to work. The clerk pled guilty to fraud and was sentenced to 3 years probation and ordered to pay full restitution to the Leave Transfer Program. She was also ordered to enter a drug rehabilitation program. The case was the first in the Government involving this program and was handled by the Department's Public Integrity Section.

#### Fraudulent Use of the INS' Computer System

■ The San Diego District Attorney's Office and an INS special agent informed the OIG that a civilian was charging aliens for INS work authorization cards, which she claimed to obtain through an INS investigative assistant. A joint investigation led to the arrest and conviction of the civilian on state employment agency violations and Federal INS fraud violations. The investigation revealed that an investigative assistant provided the civilian with official INS correspondence and information from INS records checks, but did not provide the civilian with INS permits or work authorization documents. The employee admitted accepting the bribes to work off a debt. Prosecution of the investigative assistant for bribery was declined, and INS is reviewing the results of the investigation for consideration of disciplinary action.

■ An INS information officer made illegal changes in INS' Central Index System (INS' computerized alien records system) to reflect that a Cuban drug dealer was a naturalized U.S. citizen. She also destroyed INS' file on the dealer and created a false one, which allowed him to assume a false identity and apply for a U.S. passport. The INS information officer pled guilty to encouraging and inducing an alien to enter and reside in the United States, knowing it would be in violation of the law. She was sentenced to 5 years probation, 100 hours of community service, ordered to pay a \$500 fine and a court assessment of \$50, and, as a special condition of the probation, must file delinquent tax returns for the 8 years she is in arrears.

#### Smuggling or Inducing Aliens to Illegally Reside in the U.S.

■ An INS supervisory applications clerk tried to enter the United States from the Philippines, accompanied by several aliens carrying fraudulent passports with genuine INS stamps. An OIG and INS investigation led to the clerk's arrest. One of the aliens had paid the clerk \$2,000 for the INS stamp in his passport. The applications clerk pled guilty to alien smuggling, visa fraud, and bribery. Sentence is pending.

■ An INS immigration inspector and a foreign national were arrested and charged with conspiracy to bring illegal aliens into the United States. The inspector was also charged with misprision of a felony and false statements. INS terminated the inspector's employment, and he was released on \$25,000 unsecured bond. The foreign national was held without bond, pending a second hearing.

## Investigations Division

### Significant Investigations

#### Theft

- An INS supervisor of a Border Patrol garage purchased auto parts supposedly for Government vehicles and resold them to private citizens. He also returned unused auto parts and credited his personal account at the same vendor. The garage supervisor pled guilty to stealing up to \$120,000 worth of Government property. The employee was sentenced to 12 months confinement, 36 months probation, and, ordered to pay \$70,000 in restitution.
- An INS immigration inspector stationed at a U.S. international airport was arrested for theft. The inspector had allegedly been stealing money from aliens she had inspected and cleared for entry into the country. The inspector was captured on video tape stealing from an undercover OIG special agent. The inspector was released on bond and is awaiting trial in late October 1993.

#### Bribery

- Within a 24-hour period, INS Inspectors at the Miami International Airport reported two separate bribe offers by Ecuadorian foreign nationals to gain illegal entry into the United States. The OIG arrested both aliens, who carried photo-altered foreign passports issued to other people. The first foreign national was indicted for bribery, fraud, and misuse of a passport. He pled guilty to the latter charge and was sentenced to time served and deported. The second person pled guilty to bribery charges, was imprisoned and deported after completing his sentence. Both foreign nationals paid \$6,500 for the altered documents.
- An INS applications clerk was arrested for bribery. During an OIG undercover operation, the clerk sold 15 authentic INS extension stickers for \$525. These stickers are used to extend the validity of INS documents issued to amnesty applicants. Prosecution was deferred in favor of administrative action by INS.

**Statistical Highlights**

**Major Fines and Restitutions Imposed** In one investigation, a contractor agreed to pay the U.S. Government \$1.45 million and withdrew a pending claim of more than \$9 million against DEA. Also, in Fiscal Year 1993, the OIG's investigative efforts led to the largest amount of fines and restitutions imposed.

**Convictions/Pleas Increased by 22 Percent** OIG investigations in Fiscal Year 1993 led to 88 convictions and pleas, with 31 of those occurring this reporting period. This is the highest number of convictions and pleas obtained since the OIG came into existence.

**Second Highest Number of Arrests in History of the OIG** The OIG effected 119 arrests in Fiscal Year 1993, including 56 this reporting period.

**Hotline and Complaint Statistics**

Source of Allegations Received	Number
--- Hotline (Telephone and Mail)	1,229
--- Other Method	1,623
<b>TOTAL Allegations Received</b>	<b>2,852</b>
<b>Disposition of Total Allegations Received</b>	
---Preliminary investigations in progress 09/30/93	80
--- Investigations initiated this period	264
--- Monitored referrals within DOJ	429
--- Mgmt. Issues within DOJ and outside DOJ	1,245
--- Those requiring no action	767
--- Pending classification	7
--- Consolidated with one from a category above	60
<b>TOTAL</b>	<b>2,852</b>

**Investigations Division**

**Investigative Caseload**

<b>Investigative Caseload</b>	
Investigations carried forward as of 03/31/93	362
Adjustments	(1)
--- Investigations reclassified	53
--- Investigations opened this period	264
--- Investigations closed this period	251
<b>TOTAL investigations in progress as of 09/30/93</b>	<b>427</b>

**Prosecutive Actions**

<b>Prosecutive Actions</b>	
Investigations referred for prosecution this period	94
--- Investigations accepted	49
--- Prosecutions declined	12
--- Pending acceptance for prosecution	54
Criminal indictments/informations	34
Number of Arrests	56
Convictions/Pleas	31

**Monitored Referrals**

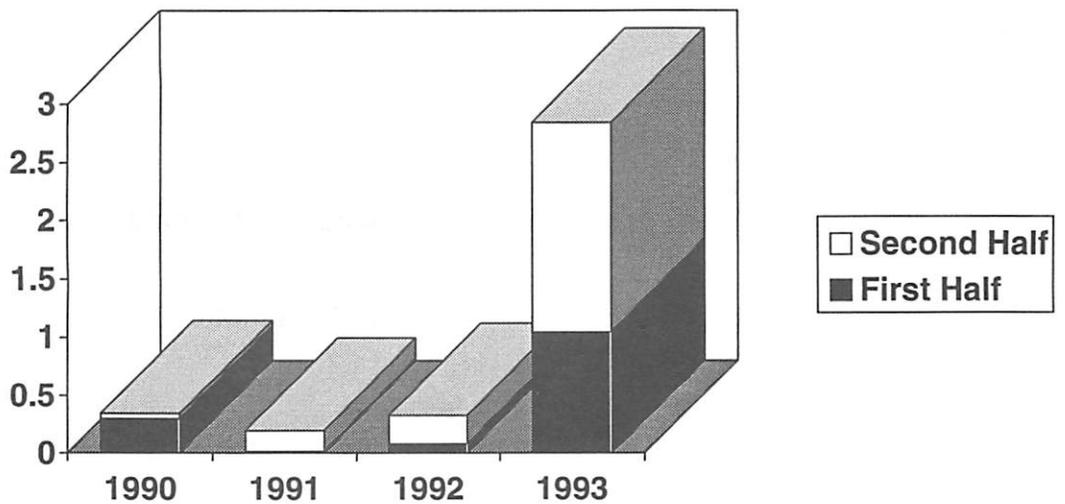
<b>OIG Monitored Referrals</b>	
Cases carried forward as of 03/31/93	1,521
---Adjustments	(14)
---Cases reclassified/consolidated	48
---Cases opened this period	429
---Cases closed this period	370
<b>TOTAL cases in progress as of 03/31/93</b>	<b>1,614</b>

**Monetary Results**

Monetary Results	
Fines/Restitutions/Recoveries	\$1,802,572*
Seizures	\$114,100

\* In one case, in addition to restitution of \$1.45 million, the contractor withdrew more than \$9 million in contract claims.

**Fines/Restitutions/Recoveries**



## The Audit Division

*The Audit Division is responsible for conducting independent reviews of Department of Justice organizations, programs, functions, automated data processing systems, and overseeing financial statement audits.*

**Significant Audits**

**Page 27**

**Audit Statistics**

**Page 32**

## Audit Division



**T**

he Audit Division is responsible for conducting independent reviews of Department of Justice (DOJ) organizations, programs, functions, automated data processing systems, and overseeing financial statement audits. The Audit Division also conducts or reviews the conduct of external audits of expenditures made under Department contracts, grants, and other agreements. All audits are conducted in accordance with the Comptroller General's *Government Auditing Standards*.

Audits are performed in three general categories: Internal, Trustee, and External. Internal audits address the programs and activities of the Department. Trustee audits, performed under a reimbursable agreement with the Executive Office for U.S. Trustees, examine the internal controls and cash management practices of panel and standing trustees nationwide. External audit work includes the review and coordination of audits of State and local governments and nonprofit organizations for which the Department has cognizance under the provisions of the Single Audit Act of 1984 and OMB Circulars A-128 and A-133. The Audit Division also performs audits of grants and contracts. In addition, the Audit Division assists the Investigations Division in complex fraud cases.

### Significant Audits

#### Immigration Services and Special Benefits for Which Fees Have Not Been Established

The Immigration and Naturalization Service (INS) could generate at least \$170 million annually by establishing fees for services and special benefits rendered to identifiable recipients. Although INS established over 75 fees for various services and special benefits provided to identifiable recipients, the audit disclosed that INS is providing other services free of charge. INS charges fees for less than 9 percent of the inspections performed and charges no fees for more than 1 million applications and petitions processed annually. Inconsistencies exist in the INS fee structure for some other services, and INS can establish additional fees that would substantially enhance existing revenues to enable INS to provide more efficient services.

**INS could generate at least \$170 million annually by establishing fees for services and special benefits rendered to identifiable recipients.**

#### INS Preinspection of U.S.-Bound Travelers Program

The Inspectors General for the Departments of Justice and State completed a joint audit of the Immigration and Naturalization Service (INS) Preinspection of U.S.-Bound Travelers Program. According to the audit, INS could save an estimated \$6.3 to \$9.1 million annually by terminating the preinspection program in Aruba and Shannon and terminating the program planned for

## Audit Division

### Significant Audits

London. Additionally, INS would not have to pay start-up costs of \$3.6 million in London. The audit found the following:

- The preinspection stations in Aruba and Shannon, and the one planned for London, are not located in areas of high risk for illegal entry to the United States. The law enforcement benefit of the preinspection program is minimal and should not be considered in determining the program's viability. In addition, INS could not accurately assess the impact of overseas inspections, including the cost savings.
- The preinspection program, as currently operating and as planned for London, is only marginally effective in facilitating passenger movement through U.S. airport ports of entry. Mathematical simulation of passenger processing established that most of the time saved by INS preinspection overseas was "lost" when passengers completed the rest of their Federal inspection at U.S. airport ports of entry.
- Implementing and maintaining preinspection stations at foreign ports cost more than conducting inspections at U.S. airport ports of entry. This is especially true for the proposed London operation. Average annual costs to have an inspector based in the United States are almost \$51,000, whereas costs to have an inspector based overseas range from \$54,000 in Aruba to an estimated \$104,000 in London.

**INS could save an estimated \$6.3 to \$9.1 million annually by terminating the preinspection program in Aruba and Shannon and terminating the program planned for London.**

- INS has several alternatives to move low-risk passengers through U.S. airport ports of entry, such as the Advanced Passenger Information System developed by the U.S. Customs Service, and the INS Accelerated

Citizen Examination program. INS will soon be testing another alternative—biometric technology. If used throughout U.S. airport ports of entry, these techniques could significantly facilitate the inspection process. As these alternatives do not require INS personnel overseas, the costs would be marginal compared to preinspection.

### Criminal Debt Collection Efforts Within DOJ

The Department had an inventory of 110,898 delinquent or defaulted criminal debts valued at over \$2.2 billion at the end of Fiscal Year 1992. During that year, the inventory increased by 74,809 new debts, valued at over \$1 billion.

Although the legal responsibility for receipt of criminal debt funds and related record keeping was transferred to the U.S. Courts, the Department—rather than the U.S. Courts—is presently conducting criminal debt collection activities. The Administrative Office of the U.S. Courts advised it has been unable to assume these duties. The U.S. Attorneys Offices' Financial Litigation Units spent at least 10.5 percent of their salaries and overhead costs, or \$1.7 million, conducting these

duties in Fiscal Year 1992. The Department should seek reimbursement for future U.S. Court criminal debt collection responsibilities that the Department performs.

**Cash Collections at Service Centers in INS**

An audit of cash collections at service centers in INS disclosed that INS could avoid \$16.5 million in mail handling costs over the next 3 years by negotiating a revised lockbox bank operation with the Department of Treasury. Deposits of fees received at INS service centers were delayed an average of 4 days. This delay equates to the Federal Government having to borrow additional funds at an estimated annual interest cost of \$133,000. The audit determined that INS does not have the capability to prevent and detect the receipt of services, such as permanent residence and naturalization, of individuals who rendered bad checks.

In addition, the audit found a number of internal control weaknesses, including instances where applications and fees were not reconciled, mail rooms were not secure, collections were not secured in data entry, collections were not verified to deposits, deposits were not safeguarded, remittances were processed without designated payees, and deposit duties were not adequately separated.

**INS could avoid \$16.5 million in mail handling costs over the next 3 years.**

**Admission Into DOJ's Witness Security Program by the Criminal Division**

The Witness Security Program was designed to protect witnesses testifying before grand juries and at trials in organized crime cases. The Program protects those witnesses who have been relocated to avoid retaliation and those who are incarcerated. While most protected witnesses have criminal records, individuals are accepted only on the condition that they not commit crimes while they are in the Program. Program responsibility is divided between the Criminal Division's Office of Enforcement Operations (OEO) and the USMS Witness Security Division. The OEO approves Program participants, coordinates Program matters, and serves as the "ombudsmen" in resolving issues with participants and Federal agencies.

The audit noted that the OEO did not have complete indictment and conviction data needed to effectively evaluate the success of the admission program, and background reinvestigations were overdue for staff from the OEO and other Departmental components with Program-related duties. Without reinvestigations, undetected changes in an employee's personal situation could compromise sensitive information. We also found that OEO did not always obtain and evaluate a complete criminal history on potential participants.

## Audit Division

### Computer Risk Analyses and Contingency Planning in INS

#### Significant Audits

INS operates critical application systems with estimated life-cycle costs of \$321 million. Risk analyses protect computer systems and the data they contain by helping agencies identify security threats and establish safeguards for countering threats. Risk analyses are part of the orderly process needed to develop a contingency plan. Contingency plans are formalized plans of action to be taken in the event of physical damage, work stoppage, or loss of data processing facilities and systems. We found risk analyses and contingency planning at INS to be inadequate. INS neither conducts risk analyses nor fully completes contingency plans for its application systems. INS is at risk of being unable to ensure that its most critical application systems are adequately protected.

### Operations and Financial Activities Federal Prison Industries, Inc., Duluth, Minnesota

An audit of the operations and financial activities at Federal Prison Industries, Inc. (FPI) Duluth, Minnesota, disclosed that charges for direct labor and applied overhead were improperly transferred between jobs. Had these transfers not occurred, the metals factory would have shown a \$38,000 net loss, rather than a \$17,000 net profit. We also found that Unit Cost Estimates did not contain current information, so products were sold at less than their manufacturing costs. In addition, FPI Duluth was unable to pay suppliers in a timely manner due to spending limits imposed by the Central office. In Fiscal Year 1992, 77 percent of all payments incurred interest penalties.

### Chief Financial Officers Act of 1990

The Chief Financial Officers (CFO) audits at the Department are performed by independent public accountants with oversight by Audit Division personnel. During this semiannual period, audits were completed of the Bureau of Prisons Commissary Trust Fund, Immigration and Naturalization Service (INS) Fee Accounts, and Asset Forfeiture Program. The INS Fee Accounts contained a disclaimer of opinion while the others contained unqualified opinions.

### Trustee Audits

The Audit Division has contributed significantly to the integrity of the bankruptcy system by performing financial audits of trustees under a reimbursable agreement with the Executive Office for United States Trustees (EOUST). During the reporting period, 330 trustee reports were issued.

Financial and compliance audits are performed of Chapter 12 family farmer trustees to evaluate the adequacy of the trustees' accounting systems and related internal controls, compliance with major statutes that could have a material effect upon the financial information provided to the U.S. Trustees and the Courts, and the fairness of the trustees' financial representations. In addition, audits are performed of Chapter 7 panel trustees to provide the U.S. Trustees with an assessment of the quality of the panel trustees' accounting for bankruptcy estate assets, cash management practices, and other administrative procedures.

**External Audits**

The Single Audit Act of 1984 and OMB Circulars A-128 and A-133 require recipients of Federal funds to arrange for an audit of their activities. During this period, 188 reports were reviewed and transmitted by the Audit Division encompassing 691 Department contracts, grants and other agreements totaling \$307,109,172. These audits report on financial activities, compliance with applicable laws, and in many cases the adequacy of recipients' internal controls over Federal expenditures. Reports on organizations over which the Department is cognizant or which have a preponderance of Departmental funds are reviewed to ensure they comply with generally accepted Government auditing standards. In certain circumstances, the Office of the Inspector General (OIG) performs audits of State and local governments, nonprofit organizations, and Departmental contracts.

**Management Information Memoranda**

During this period, the Audit Division issued eight Management Information Memoranda (MIM).

<p><b>Justice Management Division</b>                  JCON Requirements Analysis                  JCON Statement of Need                  Department's Monitoring of Energy Usage</p>	<p><b>Immigration and Naturalization Service</b>                  Enroute Inspections                  Border Patrol Helicopter Procurement</p>
<p><b>Executive Office for U.S. Trustees</b>                  Panel Trustee Record Retention                  Alleged Mismanagement by a Standing Trustee</p>	<p><b>Bureau of Prisons</b>                  Intergovernmental Agreement Contracting                  Methodology</p>

**Audit Follow-Up Activities**

OMB Circular A-50, "Audit Followup," requires audit reports to be resolved within 6 months of the audit report issuance date. The status of open audit reports is continuously monitored to track the audit resolution and closure process. As of September 30, 1993, the OIG closed 522 audit reports and monitored the resolution process of 143 open audit reports. Of this latter number, one audit report was over 6 months old and in disagreement as discussed below.

**Audit in Disagreement**

Information Systems and Network Corporation

The audit of the Information Systems and Network Corporation (ISN) was conducted by the Defense Contract Audit Agency (DCAA), which found that ISN had paid excessive and unreasonable compensation to two top executives. The audit remains unresolved and was reported as such in our March 1993 Semiannual Report to the Congress. The audit report is subject to the Department of Defense (DOD) resolution process. The DOD is considering litigation to recover funds from the contractor. The DOD will advise all Federal entities involved as soon as a determination is made on whether to litigate. At that time, DOJ officials can take appropriate action to resolve the report.

**Audit Division**

**Update on Prior Period Report**

We previously issued an audit report on the detention facility provided by the City of Eden, Texas, to the Bureau of Prisons (BOP) through an Interagency Agreement. We found that BOP was paying an inflated rate per day for detained alien inmates after we reviewed the costs. We recommended that BOP develop an adjustable rate per day based upon a range of inmates detained. BOP then renegotiated their Interagency Agreement with the City of Eden, which will enable BOP to save approximately \$550,000 annually, at current capacity.

**Audit Statistics**

**Enhanced Revenues**

Audit Reports	Number of Audit Reports	Enhanced Revenues
No management decision was made by beginning of period	1	\$114,875,000
Issued during period	1	\$170,200,000*
Needing management decision during period	2	\$285,075,000
Management decisions made during period:		
Amounts management agreed to put to better use	1	\$114,875,000
No management decision at end of period	1	\$170,200,000

\* *Annual Savings*

**Funds Recommended to be Put to Better Use**

**Audit  
Statistics**

Audit Reports	Number of Audit Reports	Funds Recommended to be Put to Better Use
No management decision was made by beginning of period	4	\$3,561,176
Issued during period	8	\$32,848,720
Needing management decision during period	12	\$36,409,896
Management decisions made during period: Amounts management agreed to put to better use	8	\$7,394,425
No management decision at end of period	4	\$29,015,471

**Audits With Questioned Costs**

Audit Reports	Number of Audit Reports	Total Questioned Costs (Including unsupported costs)	Unsupported Costs
No management decision was made by beginning of period	7	\$631,927	\$37,089
Issued during period	21	\$1,957,854	\$142,189
Needing management decision during period	28	\$2,561,753	\$179,278
Management decisions made during period: Amounts management agreed to recover (disallowed)	16	\$1,961,023	\$66,108
No management decision at end of period	12	\$628,758	\$113,170

**Audit Division**

**Audits Involving Recommendations for Management Improvements**

Audit Reports	Number of Audit Reports	Total Number of Management Improvements Recommended
No management decision was made by beginning of period	26	100
Issued during period	80	355
Needing management decision during period	106	455
Management decisions made during period: Number management agreed to implement Number not agreed to implement	64*	289
No management decision at end of period	46	166

\* The number of reports is higher since management has taken different types of action on a single report.

**Final Inspection Reports Issued  
April 1, 1993 through September 30, 1993**

**Management of Delivery Bonds in the Immigration and  
Naturalization Service**

**Radiation Exposure Compensation Program**

**Land Border Inspection Fee Program in the Immigration and  
Naturalization Service**

**United States Marshals Service Procurement Activities**

**Injury and Disability Compensation Program Within the  
Department of Justice**

**Controls Over Funds and Valuables of Aliens in the Immigration  
and Naturalization Service**

## Appendix 2

### AUDIT REPORTS April 1, 1993 - September 30, 1993

#### INTERNAL AND EXTERNAL AUDIT REPORTS

Immigration Services and Special Benefits for Which Fees Have Not Been Established 1/

The Immigration and Naturalization Service Preinspection of U.S.-Bound Travelers Program 2/

Bureau of Prisons Commissary Trust Fund Annual Financial Statement for Fiscal Year 1992

Bureau of Prisons Commissary Trust Fund Management Letter Report for Fiscal Year 1992

Use of Equitable Shared Cash and Property by the Milwaukee, Wisconsin Police Department 3/

Federal Prison Industries' Contract with Quality Metals

Admission Into the Department of Justice's Witness Security Program by the Criminal Division

Asset Forfeiture Program Annual Financial Statement for Fiscal Year 1992

Asset Forfeiture Program Management Letter Report for Fiscal Year 1992

Hinton Economic Development Authority Contract Proposal 4/

Administrative Controls Over Organized Crime Drug Enforcement Task Force Operations in the Criminal Division

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1/ Enhanced Revenues - \$170,200,000 annually

2/ Funds Put To Better Use - \$9,900,000  
(Annual Cost Savings - \$6,300,000)

3/ Funds Put To Better Use - \$200,333

4/ Funds Put To Better Use - \$2,988,705

Use of Equitable Shares by the Cherokee County, Georgia Sheriff's Office 5/

Computer Risk Analyses and Contingency Planning at the Immigration and Naturalization Service

Operations and Financial Activities, Federal Prison Industries, Inc., Duluth, Minnesota 6/

Federal Prison Industries, Inc. Management Letter Report for Fiscal Year 1992

Search Group, Inc.

Cash Collections at Service Centers in the Immigration and Naturalization Service 7/

Immigration and Naturalization Service Fee Accounts Annual Financial Statement for Fiscal Year 1992

Immigration and Naturalization Service Fee Accounts Management Letter Report for Fiscal Year 1992

Superfund Activities in the Environment and Natural Resources Division for Fiscal Year 1992 8/

Reeves County Law Enforcement Center Contract Proposal

Criminal Debt Collection Efforts Within the Department of Justice 9/

Sociometrics Corporation Archiving Services

Western Identification Network, Inc. Automated Fingerprint Identification System Services 10/

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5/ Total Questioned Costs - \$29,019  
    Unsupported Costs - \$29,019  
    Funds Put To Better Use - \$7,258

8/ Funds Put To Better Use - \$808,252

9/ Funds Put To Better Use - \$1,706,388

6/ Funds Put To Better Use - \$29,034

10/ Total Questioned Costs - \$390,150

7/ Funds Put To Better Use - \$17,208,750

## TRUSTEE REPORTS

Performed under a reimbursable agreement with the  
Executive Office for U.S. Trustees

Chapter 7 Audit of Panel Trustee Steven H. Friedman	MR-40-93-018	Chapter 7 Audit of Panel Trustee Peter N. Hill	MR-40-93-043
Chapter 7 Audit of Panel Trustee Herbert C. Broadfoot, II	MR-40-93-021	Chapter 7 Audit of Panel Trustee William R. Roemelmeyer	MR-40-93-044
Chapter 7 Audit of Panel Trustee Walter W. Kelley	MR-40-93-025	Chapter 7 Audit of Panel Trustee Kenneth A. Welt	MR-40-93-045
Chapter 7 Audit of Panel Trustee Howard W. Jones	MR-40-93-026	Chapter 7 Audit of Panel Trustee Jesus E. Jimenez	MR-40-93-046
Chapter 7 Audit of Panel Trustee Roy L. Loudermilk	MR-40-93-027	Chapter 7 Audit of Panel Trustee John A. Zerbe, Jr.	MR-40-93-047
Chapter 7 Audit of Panel Trustee Terry E. Smith	MR-40-93-028	Chapter 7 Audit of Panel Trustee Carlos E. Rodriguez Quesada	MR-40-93-048
Chapter 7 Audit of Panel Trustee M. Alan Rhodey	MR-40-93-029	Chapter 7 Audit of Panel Trustee Jerome P. McCauley	MR-40-93-049
Chapter 7 Audit of Panel Trustee Thomas G. Reed, III	MR-40-93-030	Chapter 7 Audit of Panel Trustee Ralph C. McCullough, II	MR-40-93-050
Chapter 7 Audit of Panel Trustee Gregory K. Crews	MR-40-93-032	Chapter 7 Audit of Panel Trustee Harvey S. Stanley, Jr.	MR-40-93-051
Chapter 7 Audit of Panel Trustee Maria Luisa Contreras	MR-40-93-033	Chapter 7 Audit of Panel Trustee J. Baxter Schilling	MR-40-93-052
Chapter 7 Audit of Panel Trustee Antonio N. Fiol-Matta	MR-40-93-034	Chapter 7 Audit of Panel Trustee Stephen L. Meininger	MR-40-93-053
Chapter 7 Audit of Panel Trustee Roberto Holvino	MR-40-93-035	Chapter 7 Audit of Panel Trustee V. John Brook, Jr.	MR-40-93-054
Chapter 7 Audit of Panel Trustee William L. Guy	MR-40-93-036	Chapter 7 Audit of Panel Trustee Stephen P. Livingston	MR-40-93-055
Chapter 7 Audit of Panel Trustee William J. Miller	MR-40-93-037	Chapter 7 Audit of Panel Trustee Donna A. Bumgardner	MR-40-93-056
Chapter 7 Audit of Panel Trustee Robert E. Brizendine	MR-40-93-038	Chapter 7 Audit of Panel Trustee James C. Orr	MR-40-93-057
Chapter 7 Audit of Panel Trustee Jeffrey A. Levingston	MR-40-93-039	Chapter 7 Audit of Panel Trustee Kevin Campbell	MR-40-93-058
Chapter 7 Audit of Panel Trustee Patricia A. Dzikowski	MR-40-93-040	Chapter 7 Audit of Panel Trustee Diane L. Jensen	MR-40-93-059
Chapter 7 Audit of Panel Trustee William T. Hendon	MR-40-93-041	Chapter 7 Audit of Panel Trustee Larry S. Hyman	MR-40-93-060
Chapter 7 Audit of Panel Trustee Arthur S. Weitzner	MR-40-93-042	Chapter 7 Audit of Panel Trustee Valerie Hall Manuel	MR-40-93-061

Chapter 7 Audit of Panel Trustee George E. Mills, Jr.	MR-40-93-062	Chapter 7 Audit of Panel Trustee Bernard Chaitman	MR-50-93-043
Chapter 7 Audit of Panel Trustee Melody D. Genson	MR-40-93-063	Chapter 7 Audit of Panel Trustee Leslie Davis	MR-50-93-044
Chapter 7 Audit of Panel Trustee Jules I. Bagdan	MR-40-93-064	Chapter 7 Audit of Panel Trustee William Lasich	MR-50-93-045
Chapter 12 Audit of Standing Trustee Julio E. Mendoza, Jr.	GR-40-93-002	Chapter 7 Audit of Panel Trustee Joseph Cohen	MR-50-93-046
Chapter 12 Audit of Standing Trustee C. Kenneth Still <u>1/</u>	GR-40-93-003	Chapter 7 Audit of Panel Trustee Shelia Solomon	MR-50-93-047
Chapter 12 Audit of Standing Trustee John W. Ames <u>2/</u>	GR-40-93-004	Chapter 7 Audit of Panel Trustee Glenn R. Heyman	MR-50-93-048
Chapter 12 Audit of Standing Trustee Henry E. Hildebrand, III	GR-40-93-005	Chapter 7 Audit of Panel Trustee Robert Waud	MR-50-93-049
Chapter 12 Audit of Standing Trustee William L. Guy	GR-40-93-007	Chapter 7 Audit of Panel Trustee Daniel L. Freeland	MR-50-93-050
Chapter 12 Audit of Standing Trustee Walter W. Kelley	GR-40-93-008	Chapter 7 Audit of Panel Trustee David J. Matyas	MR-50-93-051
Chapter 12 Audit of Standing Trustee Harold J. Barkley, Jr.	GR-40-93-009	Chapter 7 Audit of Panel Trustee James E. Carmel	MR-50-93-052
Chapter 7 Audit of Panel Trustee Daniel C. Himmelspach	MR-50-93-033	Chapter 7 Audit of Panel Trustee John Redfield	MR-50-93-053
Chapter 7 Audit of Panel Trustee Richard M. Fogel	MR-50-93-034	Chapter 7 Audit of Panel Trustee Thomas B. Sullivan	MR-50-93-054
Chapter 7 Audit of Panel Trustee James Stumpf	MR-50-93-035	Chapter 7 Audit of Panel Trustee Daniel Hoseman	MR-50-93-055
Chapter 7 Audit of Panel Trustee David A. Sosne	MR-50-93-036	Chapter 7 Audit of Panel Trustee D. Michael Case	MR-50-93-056
Chapter 7 Audit of Panel Trustee David Heyboer	MR-50-93-037	Chapter 7 Audit of Panel Trustee Edward J. Nazar	MR-50-93-057
Chapter 7 Audit of Panel Trustee Richard J. Fitzgerald	MR-50-93-038	Chapter 7 Audit of Panel Trustee Paul Swanson	MR-50-93-058
Chapter 7 Audit of Panel Trustee Joseph D'Amico	MR-50-93-039	Chapter 7 Audit of Panel Trustee Peter Gennrich	MR-50-93-059
Chapter 7 Audit of Panel Trustee David Leibowitz	MR-50-93-040	Chapter 7 Audit of Panel Trustee Patricia M. Gibeauht	MR-50-93-060
Chapter 7 Audit of Panel Trustee Douglas Leitch	MR-50-93-041	Chapter 7 Audit of Panel Trustee Lynn Allison	MR-50-93-061
Chapter 7 Audit of Panel Trustee John M. Scaffidi	MR-50-93-042	Chapter 7 Audit of Panel Trustee Thomas Bleau	MR-50-93-062
<u>1/</u> Total Questioned Costs - \$935		Chapter 7 Audit of Panel Trustee Bernard J. Natale	MR-50-93-063
<u>2/</u> Total Questioned Costs - \$1,463 Unupported Costs - \$1,463		Chapter 7 Audit of Panel Trustee Michael E. Kepler	MR-50-93-064

Chapter 7 Audit of Panel Trustee Stephen G. Balsley	MR-50-93-065	Chapter 7 Audit of Panel Trustee James Cessell	MR-50-93-087
Chapter 7 Audit of Panel Trustee George P. Dakmak	MR-50-93-066	Chapter 7 Audit of Panel Trustee Eric Rajala	MR-50-93-088
Chapter 7 Audit of Panel Trustee Joseph D. Olsen	MR-50-93-067	Chapter 7 Audit of Panel Trustee Kathryn A. Belfance	MR-50-93-089
Chapter 7 Audit of Panel Trustee James Hoerner	MR-50-93-068	Chapter 7 Audit of Panel Trustee John Butz	MR-50-93-090
Chapter 7 Audit of Panel Trustee Thomas E. Raleigh	MR-50-93-069	Chapter 7 Audit of Panel Trustee Jerry Armstrong	MR-50-93-091
Chapter 7 Audit of Panel Trustee David Whittaker	MR-50-93-070	Chapter 7 Audit of Panel Trustee Mark L. Prager	MR-50-93-092
Chapter 7 Audit of Panel Trustee Robert B. Katz	MR-50-93-071	Chapter 7 Audit of Panel Trustee Larry E. Staats	MR-50-93-093
Chapter 7 Audit of Panel Trustee Gus A. Paloian	MR-50-93-072	Chapter 7 Audit of Panel Trustee Darcy D. Williamson	MR-50-93-094
Chapter 7 Audit of Panel Trustee Anne P. Silagy	MR-50-93-073	Chapter 12 Audit of Standing Trustee Richard Lydick <u>1/</u>	GR-50-93-001
Chapter 7 Audit of Panel Trustee David Brown	MR-50-93-074	Chapter 12 Audit of Standing Trustee William A. Chatterton	GR-50-93-002
Chapter 7 Audit of Panel Trustee Paul Gilbert	MR-50-93-075	Chapter 12 Audit of Standing Trustee Michael V. Demczyk	GR-50-93-003
Chapter 7 Audit of Panel Trustee Richard Remes	MR-50-93-076	Chapter 12 Audit of Standing Trustee Thomas Lovett	GR-50-93-005
Chapter 7 Audit of Panel Trustee James E. Stevens	MR-50-93-077	Chapter 12 Audit of Standing Trustee Gary E. Cameron	GR-50-93-006
Chapter 7 Audit of Panel Trustee Thomas J. Geygan	MR-50-93-078	Chapter 12 Audit of Standing Trustee Thomas W. McDonald, Jr.	GR-50-93-007
Chapter 7 Audit of Panel Trustee Philip V. Martino	MR-50-93-079	Chapter 12 Audit of Standing Trustee Edward J. Nazar	GR-50-93-009
Chapter 7 Audit of Panel Trustee Melvyn L. Hoffman	MR-50-93-080	Chapter 12 Audit of Standing Trustee Carol F. Dunbar <u>2/</u>	GR-50-93-010
Chapter 7 Audit of Panel Trustee Glen Barmann	MR-50-93-081	Chapter 7 Audit of Panel Trustee Duane H. Gillman	MR-80-93-018
Chapter 7 Audit of Panel Trustee Brian Bash	MR-50-93-082	Chapter 7 Audit of Panel Trustee J.S. Freels, Jr.	MR-80-93-019
Chapter 7 Audit of Panel Trustee Louis W. Levit	MR-50-93-083	Chapter 7 Audit of Panel Trustee Glen R. Anstine	MR-80-93-020
Chapter 7 Audit of Panel Trustee Thomas L. Corroto	MR-50-93-084	Chapter 7 Audit of Panel Trustee Robert Milbank, Jr.	MR-80-93-021
Chapter 7 Audit of Panel Trustee Jack U. Shlimovitz	MR-50-93-085		
Chapter 7 Audit of Panel Trustee J. Michael Morris	MR-50-93-086	<u>1/</u> Total Questioned Costs - \$1,562 Unsupported Costs - \$1,529	
		<u>2/</u> Total Questioned Costs - \$6,857	

Chapter 7 Audit of Panel Trustee Richard L. Ramsay	MR-80-93-022	Chapter 7 Audit of Panel Trustee Kenneth L. Stainer	MR-80-93-044
Chapter 7 Audit of Panel Trustee Darvin O. Morrison	MR-80-93-023	Chapter 7 Audit of Panel Trustee Twalla J. Dupriest	MR-80-93-045
Chapter 7 Audit of Panel Trustee Jim Clements	MR-80-93-024	Chapter 7 Audit of Panel Trustee Kenneth A. Rushton	MR-80-93-046
Chapter 7 Audit of Panel Trustee Pamela Bassel	MR-80-93-025	Chapter 7 Audit of Panel Trustee W. Steve Smith	MR-80-93-047
Chapter 7 Audit of Panel Trustee Paul N. DeBaillon	MR-80-93-026	Chapter 7 Audit of Panel Trustee Nancy K. Hyde	MR-80-93-048
Chapter 7 Audit of Panel Trustee Gregg Pritchard	MR-80-93-027	Chapter 7 Audit of Panel Trustee Cynthia L. Traina	MR-80-93-049
Chapter 7 Audit of Panel Trustee David M. Boudlouche	MR-80-93-028	Chapter 7 Audit of Panel Trustee Robert L. Baer	MR-80-93-050
Chapter 7 Audit of Panel Trustee John D. Phillips	MR-80-93-029	Chapter 7 Audit of Panel Trustee Myrtle L. McDonald	MR-80-93-051
Chapter 7 Audit of Panel Trustee Wilbur J. Babin, Jr.	MR-80-93-030	Chapter 7 Audit of Panel Trustee Barry Kuperman	MR-80-93-052
Chapter 7 Audit of Panel Trustee Robert C. Freeman	MR-80-93-031	Chapter 7 Audit of Panel Trustee Pamela G. Magee	MR-80-93-053
Chapter 7 Audit of Panel Trustee Carroll M. Chiasson	MR-80-93-032	Chapter 7 Audit of Panel Trustee Bryan F. Gill, Jr.	MR-80-93-054
Chapter 7 Audit of Panel Trustee Robert L. Marrero	MR-80-93-033	Chapter 7 Audit of Panel Trustee Scott P. Kirtley	MR-80-93-055
Chapter 7 Audit of Panel Trustee Harriett E. Styler	MR-80-93-034	Chapter 7 Audit of Panel Trustee Thomas D. Powers	MR-80-93-056
Chapter 7 Audit of Panel Trustee Samera L. Abide	MR-80-93-035	Chapter 7 Audit of Panel Trustee Gary J. Knostman	MR-80-93-057
Chapter 7 Audit of Panel Trustee Gary A. Barney	MR-80-93-036	Chapter 7 Audit of Panel Trustee Steve H. Mazer	MR-80-93-058
Chapter 7 Audit of Panel Trustee Don Navarro	MR-80-93-037	Chapter 7 Audit of Panel Trustee Thomas R. Willson	MR-80-93-059
Chapter 7 Audit of Panel Trustee Thomas C. McBride	MR-80-93-038	Chapter 7 Audit of Panel Trustee Randolph N. Osherow	MR-80-93-060
Chapter 7 Audit of Panel Trustee Steven R. Rebein	MR-80-93-039	Chapter 12 Audit of Standing Trustee Phillip D. Armstrong	GR-80-93-002
Chapter 7 Audit of Panel Trustee James Allen Harvey, Jr.	MR-80-93-040	Chapter 12 Audit of Standing Trustee William M. Bass	GR-80-93-003
Chapter 7 Audit of Panel Trustee David L. Gladwell	MR-80-93-041	Chapter 12 Audit of Standing Trustee A.L. Tenney	GR-80-93-004
Chapter 7 Audit of Panel Trustee Merle H. McGinnes, Jr.	MR-80-93-042	Chapter 12 Audit of Standing Trustee Rick A. Yarnall	GR-80-93-006
Chapter 7 Audit of Panel Trustee John D. Spicer	MR-80-93-043	Chapter 12 Audit of Standing Trustee A. Thomas Pokela	GR-80-93-007

Chapter 12 Audit of Standing Trustee G. Ray Hendren	GR-80-93-008	Chapter 7 Audit of Panel Trustee Joseph DiPasquale	MR-20-93-049
Chapter 12 Audit of Standing Trustee David B. Long	GR-80-93-009	Chapter 7 Audit of Panel Trustee Jerome J. LaPenna	MR-20-93-050
Chapter 12 Audit of Standing Trustee Walter O'Cheskey	GR-80-93-010	Chapter 7 Audit of Panel Trustee Ben H. Becker	MR-20-93-051
Chapter 12 Audit of Standing Trustee Homer A. Boughton	GR-80-93-011	Chapter 7 Audit of Panel Trustee Barbara A. Edwards	MR-20-93-052
Chapter 12 Audit of Standing Trustee Steve H. Mazer	GR-80-93-012	Chapter 7 Audit of Panel Trustee John H. Doran	MR-20-93-053
Chapter 12 Audit of Standing Trustee Robert D. Hemphill	GR-80-93-013	Chapter 7 Audit of Panel Trustee Richard J. McCord	MR-20-93-054
Chapter 7 Audit of Panel Trustee Gary Rosen	MR-20-93-033	Chapter 7 Audit of Panel Trustee Robert L. Geltzer	MR-20-93-055
Chapter 7 Audit of Panel Trustee Gregory Paul Johnson	MR-20-93-034	Chapter 7 Audit of Panel Trustee Carmen J. Maggio	MR-20-93-056
Chapter 7 Audit of Panel Trustee George W. Liebmann	MR-20-93-035	Chapter 7 Audit of Panel Trustee Ernest Michael Douglass	MR-20-93-057
Chapter 7 Audit of Panel Trustee Robert Mayer	MR-20-93-036	Chapter 7 Audit of Panel Trustee Roy V. Creasy, Jr.	MR-20-93-058
Chapter 7 Audit of Panel Trustee Kenneth Kirschenbaum	MR-20-93-037	Chapter 7 Audit of Panel Trustee Marc Stuart Goldberg	MR-20-93-059
Chapter 7 Audit of Panel Trustee Gordon G. Peyton	MR-20-93-038	Chapter 7 Audit of Panel Trustee Karen Carter Caso	MR-20-93-060
Chapter 7 Audit of Panel Trustee Edward G. Grant	MR-20-93-039	Chapter 7 Audit of Panel Trustee John Paul Campo	MR-20-93-061
Chapter 7 Audit of Panel Trustee Michael McLaughlin	MR-20-93-040	Chapter 7 Audit of Panel Trustee Patricia Ann Wynn	MR-20-93-062
Chapter 7 Audit of Panel Trustee Katherine Suplee	MR-20-93-041	Chapter 7 Audit of Panel Trustee Leon P. Haller	MR-20-93-063
Chapter 7 Audit of Panel Trustee Lawrence V. Young	MR-20-93-042	Chapter 7 Audit of Panel Trustee Charles I. Jones	MR-20-93-064
Chapter 7 Audit of Panel Trustee Diana E. Mueller	MR-20-93-043	Chapter 7 Audit of Panel Trustee Gary W. Cruickshank	MR-20-93-065
Chapter 7 Audit of Panel Trustee Charles R. Allen, Jr.	MR-20-93-044	Chapter 7 Audit of Panel Trustee K. Lawrence Kemp	MR-20-93-066
Chapter 7 Audit of Panel Trustee Elaine Harris	MR-20-93-045	Chapter 7 Audit of Panel Trustee Henry J. Boroff	MR-20-93-067
Chapter 7 Audit of Panel Trustee Joseph D. Marchand	MR-20-93-046	Chapter 7 Audit of Panel Trustee Gregory Messer	MR-20-93-068
Chapter 7 Audit of Panel Trustee Michael L. Detzky	MR-20-93-047	Chapter 7 Audit of Panel Trustee Joseph M. Weinberg	MR-20-93-069
Chapter 7 Audit of Panel Trustee Donald F. King	MR-20-93-048	Chapter 7 Audit of Panel Trustee James H. English	MR-20-93-070

Chapter 7 Audit of Panel Trustee Mark M. Ristau	MR-20-93-071	Chapter 7 Audit of Panel Trustee Louis T. DeLucia	MR-20-93-093
Chapter 7 Audit of Panel Trustee Robert M. Wood	MR-20-93-072	Chapter 7 Audit of Panel Trustee Lawrence N. Ravick	MR-20-93-094
Chapter 7 Audit of Panel Trustee Raymond J. Obuchowski	MR-20-93-073	Chapter 7 Audit of Panel Trustee Henry Ray Pope	MR-20-93-095
Chapter 7 Audit of Panel Trustee Jack E. Houghton, Jr.	MR-20-93-074	Chapter 7 Audit of Panel Trustee Gary L. Smith	MR-20-93-096
Chapter 7 Audit of Panel Trustee Matthew D. Rockman	MR-20-93-075	Chapter 7 Audit of Panel Trustee L. David Zube	MR-20-93-097
Chapter 7 Audit of Panel Trustee Bruce D. Scherling	MR-20-93-076	Chapter 7 Audit of Panel Trustee Mary Elizabeth Bradley	MR-20-93-098
Chapter 7 Audit of Panel Trustee Steven Weiss	MR-20-93-077	Chapter 7 Audit of Panel Trustee Arnold Haber	MR-20-93-099
Chapter 7 Audit of Panel Trustee Edward Zinker	MR-20-93-078	Chapter 7 Audit of Panel Trustee Andrew Lemelman	MR-20-93-100
Chapter 7 Audit of Panel Trustee Alan E. Cech	MR-20-93-079	Chapter 7 Audit of Panel Trustee Richard E. O'Connell	MR-20-93-101
Chapter 7 Audit of Panel Trustee James R. Walsh	MR-20-93-080	Chapter 7 Audit of Panel Trustee Robert Morrison	MR-20-93-102
Chapter 7 Audit of Panel Trustee Jeffrey S. Posta	MR-20-93-081	Chapter 7 Audit of Panel Trustee Jeffrey N. Rich	MR-20-93-103
Chapter 7 Audit of Panel Trustee Harold Bulan	MR-20-93-082	Chapter 7 Audit of Panel Trustee Lynn P. Harrison	MR-20-93-104
Chapter 7 Audit of Panel Trustee M. Ellen Carpenter	MR-20-93-083	Chapter 7 Audit of Panel Trustee Matthew J. McGowan	MR-20-93-105
Chapter 7 Audit of Panel Trustee Victor Dahar	MR-20-93-084	Chapter 7 Audit of Panel Trustee Leonard Deming	MR-20-93-106
Chapter 7 Audit of Panel Trustee Edwin R. Ilardo	MR-20-93-085	Chapter 7 Audit of Panel Trustee John Michels	MR-20-93-107
Chapter 7 Audit of Panel Trustee Carlota M. Bohm	MR-20-93-086	Chapter 7 Audit of Panel Trustee Joseph G. Butler	MR-20-93-108
Chapter 7 Audit of Panel Trustee New York Credit Adjustment Bureau	MR-20-93-087	Chapter 7 Audit of Panel Trustee Richard P. Vullo	MR-20-93-109
Chapter 7 Audit of Panel Trustee Erwin R. Goldman	MR-20-93-088	Chapter 7 Audit of Panel Trustee Byron P. Yost	MR-20-93-110
Chapter 7 Audit of Panel Trustee Richard W. Roeder	MR-20-93-089	Chapter 7 Audit of Panel Trustee Mitchell Shron	MR-20-93-111
Chapter 7 Audit of Panel Trustee Herbert Rogers	MR-20-93-090	Chapter 7 Audit of Panel Trustee Herbert C. Kahn	MR-20-93-112
Chapter 7 Audit of Panel Trustee Richard H. Weiskopf	MR-20-93-091	Chapter 7 Audit of Panel Trustee John A. Belluscio	MR-20-93-113
Chapter 7 Audit of Panel Trustee Allen Roffman	MR-20-93-092	Chapter 7 Audit of Panel Trustee William E. Pineo	MR-20-93-114

Chapter 7 Audit of Panel Trustee Stanley G. Makoroff	MR-20-93-115	Chapter 7 Audit of Panel Trustee Gary Ginsberg	MR-20-93-137
Chapter 7 Audit of Panel Trustee Joseph Farber	MR-20-93-116	Chapter 7 Audit of Panel Trustee Joseph O'Donnell	MR-20-93-138
Chapter 7 Audit of Panel Trustee Lawrence Sarf	MR-20-93-117	Chapter 7 Audit of Panel Trustee Pasquale J. Perrino, Jr.	MR-20-93-139
Chapter 7 Audit of Panel Trustee William E. Lawson	MR-20-03-118	Chapter 7 Audit of Panel Trustee Morton Batt	MR-20-93-140
Chapter 7 Audit of Panel Trustee Michael Religa	MR-20-93-119	Chapter 7 Audit of Panel Trustee Jeffrey Schrieber	MR-20-93-141
Chapter 7 Audit of Panel Trustee Mark S. Wallach	MR-20-93-120	Chapter 7 Audit of Panel Trustee Barbara Strauss	MR-20-93-142
Chapter 7 Audit of Panel Trustee Marc Ehrlich	MR-20-93-121	Chapter 12 Audit of Standing Trustee Jan M. Sensenich	GR-20-93-001
Chapter 7 Audit of Panel Trustee Thomas J. Gaffney	MR-20-93-122	Chapter 7 Audit of Panel Trustee Barry Solomon	MR-90-93-019
Chapter 7 Audit of Panel Trustee Hal M. Hirsch	MR-20-93-123	Chapter 7 Audit of Panel Trustee David L. Ray	MR-90-93-020
Chapter 7 Audit of Panel Trustee Laura Jones	MR-20-93-124	Chapter 7 Audit of Panel Trustee Robert Mosier	MR-90-93-021
Chapter 7 Audit of Panel Trustee David Antonucci	MR-20-93-125	Chapter 7 Audit of Panel Trustee Donald Henry	MR-90-93-022
Chapter 7 Audit of Panel Trustee Harold Young	MR-20-93-126	Chapter 7 Audit of Panel Trustee Mohamed Poonja	MR-90-93-023
Chapter 7 Audit of Panel Trustee David Green	MR-20-93-127	Chapter 7 Audit of Panel Trustee James Joseph	MR-90-93-024
Chapter 7 Audit of Panel Trustee Henry C. Ellis	MR-20-93-128	Chapter 7 Audit of Panel Trustee Franklin C. Adams	MR-90-93-025
Chapter 7 Audit of Panel Trustee Stephen Shamban	MR-20-93-129	Chapter 7 Audit of Panel Trustee Leonard L. Gumpost	MR-90-93-026
Chapter 7 Audit of Panel Trustee Steven Haas	MR-20-93-130	Chapter 7 Audit of Panel Trustee Anabelle Savage	MR-90-93-027
Chapter 7 Audit of Panel Trustee Carl L. Bucki	MR-20-93-131	Chapter 7 Audit of Panel Trustee Robert Abele	MR-90-93-028
Chapter 7 Audit of Panel Trustee Joan Gottesman	MR-20-93-132	Chapter 7 Audit of Panel Trustee Richard Spear	MR-90-93-029
Chapter 7 Audit of Panel Trustee Paul L. Banner	MR-20-93-133	Chapter 7 Audit of Panel Trustee David Haberbush	MR-90-93-030
Chapter 7 Audit of Panel Trustee Harvey Barr	MR-20-93-134	Chapter 7 Audit of Panel Trustee Raymond Carey	MR-90-93-031
Chapter 7 Audit of Panel Trustee James Collins	MR-20-93-135	Chapter 7 Audit of Panel Trustee Kenneth R. Sanders	MR-90-93-032
Chapter 7 Audit of Panel Trustee Stephen Darr	MR-20-93-136	Chapter 7 Audit of Panel Trustee William Broach	MR-90-93-033

Chapter 7 Audit of Panel Trustee Alvin Kackley	MR-90-93-034	Chapter 7 Audit of Panel Trustee John M. England	MR-90-93-052
Chapter 7 Audit of Panel Trustee James Proctor	MR-90-93-035	Chapter 7 Audit of Panel Trustee Tom R. Grimmatt	MR-90-93-053
Chapter 7 Audit of Panel Trustee David Seror	MR-90-93-030	Chapter 7 Audit of Panel Trustee Stanley M. Swain	MR-90-93-054
Chapter 7 Audit of Panel Trustee Jay Carey	MR-90-93-037	Chapter 7 Audit of Panel Trustee Eric Roost	MR-90-93-055
Chapter 7 Audit of Panel Trustee Roy W. Kent	MR-90-93-038	Chapter 7 Audit of Panel Trustee Robert Ridgway	MR-90-93-056
Chapter 7 Audit of Panel Trustee Glen Nelson	MR-90-93-039	Chapter 7 Audit of Panel Trustee Carolyn Anne Dye	MR-90-93-057
Chapter 7 Audit of Panel Trustee Dennis Burman	MR-90-93-040	Chapter 7 Audit of Panel Trustee Angelique Clark	MR-90-93-058
Chapter 7 Audit of Panel Trustee Dale Ulrich	MR-90-93-041	Chapter 7 Audit of Panel Trustee Lothar Goernitz	MR-90-93-059
Chapter 7 Audit of Panel Trustee Alan Solot	MR-90-93-042	Chapter 7 Audit of Panel Trustee Richard Brooks	MR-90-93-060
Chapter 7 Audit of Panel Trustee Charles E. Sims	MR-90-93-043	Chapter 7 Audit of Panel Trustee Berkeley L. Bunker	MR-90-93-061
Chapter 7 Audit of Panel Trustee Robert Uriarte	MR-90-93-044	Chapter 7 Audit of Panel Trustee John Mitchell	MR-90-93-062
Chapter 7 Audit of Panel Trustee J. Calvin Hermansen	MR-90-93-045	Chapter 7 Audit of Panel Trustee Lawrence Diamant	MR-90-93-063
Chapter 7 Audit of Panel Trustee Harold Taxel	MR-90-93-046	Chapter 12 Audit of Standing Trustee Ronald D. Schoer <u>1/</u>	GR-90-93-005
Chapter 7 Audit of Panel Trustee Ronald G. Brown	MR-90-93-047	Chapter 12 Audit of Standing Trustee J. Patrick Gray <u>2/</u>	GR-90-93-006
Chapter 7 Audit of Panel Trustee Bernie Rakozy	MR-90-93-048		
Chapter 7 Audit of Panel Trustee Richard Bleau	MR-90-93-049	<u>1/</u> Total Questioned Costs - \$7,982 Unsupported Costs - \$7,982	
Chapter 7 Audit of Panel Trustee Steven Smith	MR-90-93-050	<u>2/</u> Total Questioned Costs - \$74,602 Unsupported Costs - \$74,178	
Chapter 7 Audit of Panel Trustee Edward M. Walsh	MR-90-93-051		

**AUDIT REPORTS OF DEPARTMENT OF JUSTICE**  
**ACTIVITIES COMPLETED BY OTHERS**

Audit of the Council of State Governments	TJF-40-93-002	Audit of the Puerto Rico Office of Youth Affairs	TOP-40-93-021
Audit of the Cuban American National Council, Inc.	TJF-40-93-003	Audit of the Mississippi Band of Choctaw Indians	TOP-40-93-022
Audit of the Council of State Governments <u>1/</u>	TJF-40-93-004	Audit of the State of Tennessee <u>2/</u>	TOP-40-93-023
Audit of the Catholic Community Services, Inc.	TJF-40-93-005	Audit of Jefferson County, Kentucky Fiscal Court	TOP-40-93-024
Audit of the Institute for Intergovernmental Research, Inc.	TJF-40-93-006	Audit of Louisville, Kentucky	TOP-40-93-025
Audit of the Cuban American National Council, Inc.	TJF-40-93-007	Audit of Charlotte, North Carolina	TOP-40-93-026
Audit of Colquitt County, Georgia	TJP-40-93-003	Audit of the State of Mississippi	TOP-40-93-027
Audit of the Alabama Crime Victims Compensation Commission	TJP-40-93-004	Audit of the South Carolina's Governor's Office	TOP-40-93-028
Audit of the Mississippi State University	TOF-40-93-002	Audit of the Regional Organized Crime Information Center	TRIG-40-93-001
Audit of the University of Louisville	TOF-40-93-003	Audit of the Illinois Court of Claims <u>3/</u>	TJP-50-93-002
Audit of the Mississippi University for Women	TOF-40-93-004	Audit of the Police Department of Kansas City, Missouri	TJP-50-93-003
Audit of St. Petersburg Junior College	TOF-40-93-005	Audit of the Indiana Criminal Justice Institute	TJP-50-93-004
Audit of Miami Bridge, Inc.	TOF-40-93-006	Audit of the REJIS Commission	TJP-50-93-005
Audit of the Commonwealth of Kentucky	TOP-40-93-010	Audit of the Illinois State Police	TJP-50-93-006
Audit of the City of Jacksonville, Florida	TOP-40-93-011	Audit of Drake University	TOF-50-93-003
Audit of Mecklenburg County, North Carolina	TOP-40-93-012	Audit of Saint Mary College	TOF-50-93-004
Audit of the Metropolitan Government of Nashville and Davidson County, Tennessee	TOP-40-93-013	Audit of the Grand Portage Reservation	TOP-50-93-002
Audit of New Hanover County, North Carolina	TOP-40-93-014	Audit of the City of Chicago	TOP-50-93-003
Audit of the State of North Carolina	TOP-40-93-015	Audit of the National College of District Attorneys	TJF-80-93-002
Audit of the City of Pompano Beach, Florida	TOP-40-93-016	Audit of the National Victim Center	TJF-80-93-003
Audit of Broward County, Florida	TOP-40-93-017	Audit of the Texas Key Program, Inc. <u>4/</u>	TJF-80-93-004
Audit of Buncombe County, North Carolina	TOP-40-93-018	Audit of the International Educational Services, Inc. <u>5/</u>	TJF-80-93-005
Audit of Wilmington, North Carolina	TOP-40-93-019		
Audit of the Puerto Rico Office of Youth Affairs	TOP-40-93-020		

1/ Total Questioned Costs - \$1,357

2/ Total Questioned Costs - \$312

3/ Total Questioned Costs - \$1,155,834

4/ Total Questioned Costs - \$47,993

5/ Total Questioned Costs - \$12,579

Audit of the Boy Scouts of America	TJF-80-93-006	Audit of the Central Texas Council of Governments	TOP-80-93-020
Audit of the Young Men's Christian Association	TJF-80-93-007	Audit of the State of Louisiana	TOP-80-93-021
Audit of the National College of District Attorneys	TJF-80-93-010	Audit of the State of South Dakota <u>4/</u>	TOP-80-93-022
Audit of the Arkansas Department of Finance and Administration	TJP-80-93-006	Audit of Webb County, Texas <u>5/</u>	TOP-80-93-023
Audit of the Office of Prosecutor Coordinator <u>1/</u>	TJP-80-93-007	Audit of Webb County, Texas	TOP-80-93-024
Audit of the Arkansas Department of Finance and Administration	TJP-80-93-008	Audit of the Houston-Galveston Area Council	TOP-80-93-025
Audit of the Arkansas Department of Finance and Administration	TJP-80-93-009	Audit of the Santa Clara Indian Pueblo	TOP-80-93-026
Audit of the District Attorney of Orleans Judicial District <u>2/</u>	TJP-80-93-010	Audit of Tulsa County, Oklahoma	TOP-80-93-027
Audit of the Arkansas Department of Finance and Administration <u>3/</u>	TJP-80-93-011	Audit of the State of Montana	TOP-80-93-028
Audit of the District Attorney of Orleans Judicial District	TJP-80-93-012	Audit of Cameron County, Texas	TOP-80-93-029
Audit of the Arkansas Crime Information Center	TJP-80-93-013	Audit of the Department of Health and Social Services	TOP-80-93-030
Audit of the New Mexico Crime Victims Preparation Commission	TJP-80-93-014	Audit of the Department of Human Services, Little Rock, Arkansas	TOP-80-93-032
Audit of the New Mexico Department of Public Safety	TJP-80-93-015	Audit of the Santa Clara Indian Pueblo	TOP-80-93-033
Audit of the New Mexico Crime Victims Preparation Commission	TJP-80-93-016	Audit of the State of Oklahoma	TOP-80-93-034
Audit of the New Mexico State Police	TJP-80-93-017	Audit of the State of Colorado	TOP-80-93-035
Audit of the New Mexico Department of Public Safety	TJP-80-93-018	Audit of the Cherokee Nation of Oklahoma	TOP-80-93-036
Audit of the Southern Ute Community Action Program, Inc.	TOF-80-93-002	Audit of the Cherokee Nation of Oklahoma	TOP-80-93-037
Audit of the University of New Mexico	TOF-80-93-003	Audit of the State of Texas <u>6/</u>	TOP-80-93-038
Audit of the University of New Mexico	TOF-80-93-004	Audit of the City of Houston	TOP-80-93-039
Audit of the University of New Mexico	TOF-80-93-005	Audit of the State of Utah	TOP-80-93-040
Audit of the City of Arlington, Texas	TOP-80-93-018	Audit of the City of Houston	TOP-80-93-041
Audit of the City of Espanola, New Mexico	TOP-80-93-019	Audit of Bexar County, Texas	TOP-80-93-042
		Audit of the New Mexico Department of Public Safety	TOP-80-93-043
		Audit of the New Mexico Department of Public Safety	TOP-80-93-044
		Audit of the City of Fort Worth, Texas	TOP-80-93-045
		Audit of the State of Texas	TOP-80-93-046
		Audit of the State of Louisiana	TOP-80-93-047

1/ Total Questioned Costs - \$16,149

2/ Total Questioned Costs - \$10,719

3/ Total Questioned Costs - \$755

4/ Total Questioned Costs - \$60,558

5/ Total Questioned Costs - \$42,048

6/ Total Questioned Costs - \$14,000

Audit of the City of Cleburne, Texas	TOP-80-93-048	Audit of the Criminal Justice Associates	TJF-20-93-042
Audit of the City of Cleburne, Texas	TOP-80-93-049	Audit of the Boys Club of America	TJF-20-93-043
Audit of the City of Colorado Springs, Colorado	TOP-80-93-050	Audit of the City of Hartford, Connecticut	TOP-20-93-025
Audit of the Arkansas Department of Education	TOP-80-93-051	Audit of the State of New Jersey	TOP-20-93-026
Audit of the City of Marshall, Texas	TOP-80-93-052	Audit of the County of Fairfax, Virginia	TOP-20-93-027
Audit of the City of Bismark, North Dakota	TOP-80-93-053	Audit of the Connecticut Department of Consumer Protection <u>1/</u>	TOP-20-93-028
Audit of the City of Aurora, Colorado	TOP-80-93-054	Audit of the Commonwealth of Massachusetts	TOP-20-93-029
Audit of the City of San Antonio, Texas	TOP-80-93-055	Audit of the National CASA Association	TJF-90-93-009
Audit of NOVA, Inc.	TJF-20-93-021	Audit of the National Judicial College	TJF-90-93-010
Audit of the Super Leaders of the WMA, Inc.	TJF-20-93-022	Audit of the Constitutional Rights Foundation	TJF-90-93-011
Audit of the Bureau of Rehabilitation, Inc.	TJF-20-93-023	Audit of Los Angeles Interagency Metropolitan Police Apprehensive Crime Task Force	TJP-90-93-001
Audit of New York State Bar Association	TJF-20-93-024	Audit of the Fort Vancouver Regional Library, Washington	TJP-90-93-002
Audit of the National Institute Against Prejudice and Violence, Inc.	TJF-20-93-025	Audit of the Bristol Bay Native Association	TOF-90-93-006
Audit of the Lazar Institute	TJF-20-93-026	Audit of the Idaho Humanities Council	TOF-90-93-007
Audit of the National Sheriffs' Association	TJF-20-93-027	Audit of the University of Puget Sound, Washington	TOF-90-93-008
Audit of the National Center for Neighborhood Enterprise	TJF-20-93-028	Audit of the University of Puget Sound, Washington	TOF-90-93-009
Audit of the National Crime Prevention Council	TJF-20-93-029	Audit of Yakima County, Washington	TOP-90-93-024
Audit of the National Crime Prevention Council	TJF-20-93-030	Audit of the County of Santa Cruz, California	TOP-90-93-025
Audit of the Institute for Law and Justice	TJF-20-93-031	Audit of the City of Tempe, Arizona	TOP-90-93-026
Audit of the ABT Associates, Inc.	TJF-20-93-032	Audit of the County of Butte, California	TOP-90-93-027
Audit of the Phi Alpha Delta Public Service Center	TJF-20-93-033	Audit of City of Los Angeles, California	TOP-90-93-028
Audit of the Vera Institute of Justice, Inc.	TJF-20-93-034	Audit of the Territory of Guam	TOP-90-93-029
Audit of the Castine Research Corporation	TJF-20-93-035	Audit of the City of Bellingham, Washington	TOP-90-93-030
Audit of the Cities in Schools, Inc.	TJF-20-93-036	Audit of the City of Baldwin Park, California	TOP-90-93-031
Audit of the Pretrial Services Resource Center	TJF-20-93-037	Audit of the City of Riverside, California	TOP-90-93-032
Audit of the Public Administration Service	TJF-20-93-038	Audit of the City of Tuscon, Arizona	TOP-90-93-033
Audit of the National Center for Missing and Exploited Children	TJF-20-93-039	Audit of the California State University, San Bernadino, California	TOP-90-93-034
Audit of the Criminal Justice Associates	TJF-20-93-040	Audit of the County of Contra Costra, California	TOP-90-93-035
Audit of the Metropolitan Assistance Corporation	TJF-20-93-041		

1/ Total Questioned Costs - \$47,988  
 Unsupported Costs - \$28,018

<b>Audit of the County of Shasta, California</b>	<b>TOP-90-93-036</b>	<b>Audit of the Multnomah County, Oregon</b>	<b>TOP-90-93-054</b>
<b>Audit of Lane County, Oregon</b>	<b>TOP-90-93-037</b>	<b>Audit of the City of Merced, California</b>	<b>TOP-90-93-055</b>
<b>Audit of the City of Riverside, California</b>	<b>TOP-90-93-038</b>	<b>Audit of the City of Peoria, Arizona</b>	<b>TOP-90-93-056</b>
<b>Audit of the County of Sacramento, California</b>	<b>TOP-90-93-039</b>	<b>Audit of the County of Imperial, California</b>	<b>TOP-90-93-057</b>
<b>Audit of Gila River Indian Community</b>	<b>TOP-90-93-040</b>	<b>Audit of the County of Orange, California</b>	<b>TOP-90-93-058</b>
<b>Audit of City of Seattle, Washington</b>	<b>TOP-90-93-041</b>	<b>Audit of the City of Tucson, Arizona</b>	<b>TOP-90-93-059</b>
<b>Audit of the State of Oregon</b>	<b>TOP-90-93-042</b>	<b>Audit of Maricopa County, Arizona</b>	<b>TOP-90-93-060</b>
<b>Audit of the Commonwealth of the Northern Mariana Islands</b>	<b>TOP-90-93-043</b>	<b>Audit of the County of Sonoma, California</b>	<b>TOP-90-93-061</b>
<b>Audit of the Federated State of Micronesia</b>	<b>TOP-90-93-044</b>	<b>Audit of the County of Santa Cruz, California</b>	<b>TOP-90-93-062</b>
<b>Audit of the City and County of Honolulu, Hawaii</b>	<b>TOP-90-93-045</b>	<b>Audit of the County of Humboldt, California</b>	<b>TOP-90-93-063</b>
<b>Audit of the County of Maui, Hawaii</b>	<b>TOP-90-93-046</b>	<b>Audit of the County of San Bernadino, California</b>	<b>TOP-90-93-064</b>
<b>Audit of the American Samoa Government <u>1/</u></b>	<b>TOP-90-93-047</b>	<b>Audit of the San Juan Southern Paiute Tribe</b>	<b>TOP-90-93-065</b>
<b>Audit of the State of Washington</b>	<b>TOP-90-93-048</b>	<b>Audit of the City of San Diego, California</b>	<b>TOP-90-93-066</b>
<b>Audit of Nez Peace Tribe</b>	<b>TOP-90-93-049</b>	<b>Audit of the Port Gamble S'Klallan Tribe</b>	<b>TOP-90-93-067</b>
<b>Audit of the City of Oakland, California</b>	<b>TOP-90-93-050</b>	<b>Audit of the State of Alaska</b>	<b>TOP-90-93-068</b>
<b>Audit of the County of El Dorado, California</b>	<b>TOP-90-93-051</b>	<b>Audit of the Hawaii Department of Land and Natural Resources</b>	<b>TOP-90-93-069</b>
<b>Audit of the County of Kern, California</b>	<b>TOP-90-93-052</b>	<b>Audit of Carson City, Nevada</b>	<b>TOP-90-93-070</b>
<b>Audit of the City of Oakland, California</b>	<b>TOP-90-93-053</b>	<b>Audit of the City of Los Angeles, California</b>	<b>TOP-90-93-071</b>

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1/ Total Questioned Costs - \$6,964

### GLOSSARY OF TERMS

The following are definitions of specific terms as they are used in the report.

- A-Files:** INS alien history files containing all data and documentation pertaining to an individual. Also referred to as alien files.
- Adverse Action:** Personnel Office action of record, considered to be unfavorable to an employee and a form of discipline. Penalty is more severe than a letter of caution.
- Attorney General's Equitable Sharing Program:** A program designed to circulate drug-related proceeds back into the law enforcement agencies that play a role in their seizure.
- Civil Findings:** Attempts made to recover for the Government any monetary losses sustained or any damages it is entitled to collect under law.
- Default Termination:** The Government terminates a contract based upon a contractor's default. The contractor fails to meet material terms of the contract and, despite notice and an opportunity to correct the problem areas, they never satisfactorily do, so the Government cancels the contract in a punitive manner -- default. Under a default termination, the contractor has no rights to claims or profit. In addition, in a construction contract, the contractor's bonding company must then either find a new contractor or complete the job themselves at the original contract price.
- Disallowed Cost:** A questioned cost that management, in a management decision, has sustained or agreed should not be charged to the Government.
- Final Action:** (a) The completion of all actions that the management of an establishment has concluded, in its management decision, are necessary with respect to the findings and recommendations included in an audit; and (b) in the event that the management of an establishment concludes no action is necessary, final action occurs when a management decision has been made.
- Fines:** Sums imposed as a penalty for certain acts or omissions that violate a law.
- Green Card:** INS Alien Registration Receipt Card (Form I-151 or Form I-55).
- Indictment:** Charge by a Grand Jury that an accused party violated a criminal law.

**OIG Monitored**

**Referrals:** Matters referred to components within the Department of Justice for investigation or other action when criminal prosecution of the alleged misconduct is not foreseeable, and when the matter raises administrative issues involving lower-ranking employees. When a matter is referred, the component is to provide the OIG with the results of the referral, which may include investigative findings and administrative action taken by the component.

**Information:** Formal accusation of a crime made by a prosecuting attorney as distinguished from an indictment presented by a grand jury.

**Preliminary**

**Investigations:** Inquiry of limited scope undertaken to verify whether or not an allegation merits further inquiry as a full investigation.

**Questioned Cost:** Cost that is questioned by the Office because of (a) an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; (b) a finding that, at the time of the audit, such cost is not supported by adequate documentation; or (c) a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

**Recommendation that Funds be Put**

**to Better Use:** Recommendation by the Office that funds could be used more efficiently if management of an establishment took actions to implement and complete the recommendation, including (a) reductions in outlays; (b) de-obligation of funds from programs or operations; (c) withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds; (d) costs incurred by implementing recommended improvements related to the operations of the establishment, a contractor or grantee; (e) avoidance of unnecessary expenditures noted in pre-award reviews of contract or grant agreements; or (f) any other savings which are specifically identified.

**Recovered Funds:** Funds returned to the Department or the U.S. Treasury as the result of an investigation.

**Restitution Funds:** Reimbursements ordered by courts as part of a criminal sentence or civil or administrative penalty.

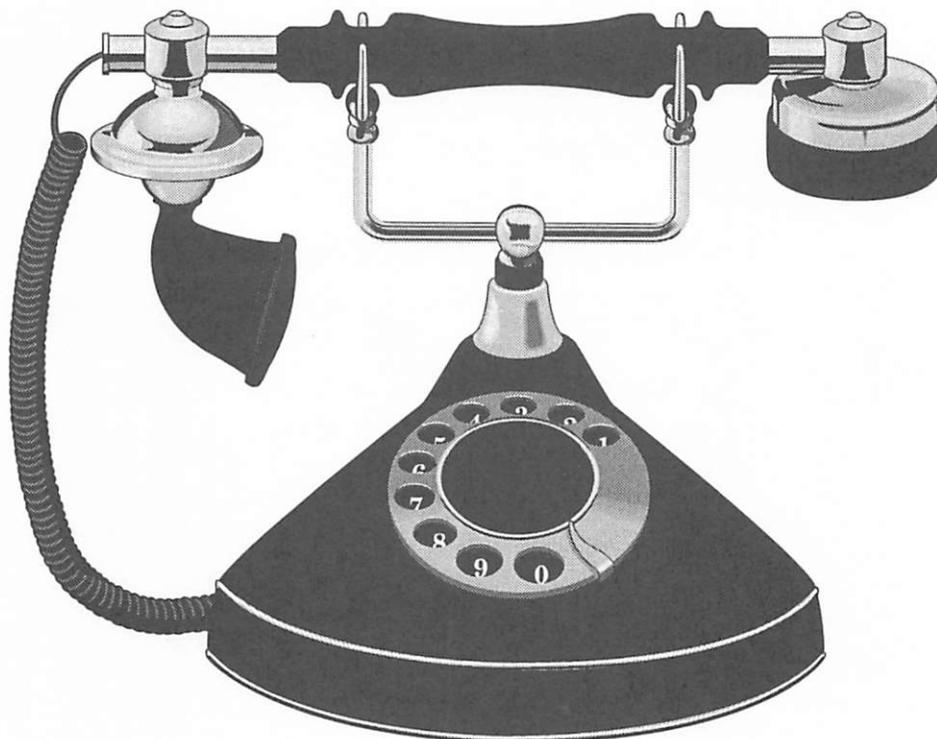
**Seizures:** Property, including cash, real estate, vehicles, etc., used or acquired through illegal activities, that is taken by law enforcement officials. A decision is made by a court or civil authority regarding what will be done with the seizure.

**Unsupported Cost:** Cost that is questioned by the Office because the Office found that, at the time of the audit, such cost is not supported by adequate documentation.

## Reporting Requirements Index

<i>The Inspector General Act of 1978, as amended (1988), specifies reporting requirements for semiannual reports. The requirements are listed below and indexed to the applicable pages.</i>		
<b>IG Act References</b>	<b>Reporting Requirement</b>	<b>Page</b>
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Section 5(a)(2)	Significant Recommendations for Corrective Action	11-34
Section 5(a)(3)	Prior Significant Recommendations Unimplemented	None
Section 5(a)(4)	Matters Referred to Prosecutive Authorities	17-25
Section 5(a)(5)	Information Refused	None
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Section 5(a)(8)	Audit Reports--Questioned Costs	33
Section 5(a)(9)	Audit Reports--Funds To Be Put To Better Use	33
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Section 5(a)(11)	Significant Revised Management Decisions	None
Section 5(a)(12)	Significant Management Decisions with which OIG Disagreed	None

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